

2022 Annual Comprehensive
Financial Report (ACFR)

city of
South Bend
Indiana



James Mueller, Mayor

Kyle Willis, City Controller
Benjamin Dougherty, Deputy City Controller

Introductory Section

Letter of Transmittal 1-6

GFOA Certificate of Achievement 7

Organization Chart 8

List of City Officials 9

Financial Section

Independent Auditor’s Report 10-12

Management’s Discussion & Analysis 13-32

Basic Financial Statements..... 33-46

Government-Wide Financial Statements

 Statement of Net Position 33-34

 Statement of Activities..... 35

Fund Financial Statements

 Governmental Funds

 Balance Sheet 36

 Reconciliation of the Balance Sheet to the Statement of Net Position 37

 Statement of Revenues, Expenditures, and Changes in Fund Balances 38

 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities 39

 Proprietary Funds

 Statement of Net Position..... 40-41

 Statement of Revenues, Expenses, and Changes in Net Position 42

 Statement of Cash Flows 43-44

 Fiduciary Funds

 Statement of Fiduciary Net Position 45

 Statement of Changes in Fiduciary Net Position..... 46

Notes to the Financial Statements 47-92

Summary of Significant Accounting Policies

 Note 1 Summary of Significant Accounting Policies..... 47-58

Stewardship and Compliance

 Note 2 Stewardship, Compliance, and Accountability 58-59

Detailed Disclosures Regarding Assets and Revenues

 Note 3 Deposits and Investments..... 59-61

 Note 4 Receivables..... 62

 Note 5 Net Investment in Capital Assets 62

 Note 6 Capital Assets 63-65

 Note 7 Interfund Receivables, Payables, and Transfers 65-66

Detailed Disclosures Regarding Liabilities and Expenses	
Note 8	Financed Purchase Agreements..... 67
Note 9	Long-term Obligations..... 68-74
Note 10	Restricted Assets 74
Note 11	Property Held for Resale..... 75
Note 12	Service Concession Arrangement 75
Note 13	Risk Management 75-76
Note 14	Subsequent Events 76
Note 15	Conduit Debt Obligations 77
Note 16	Fund Balance Constraints..... 77-78
Note 17	Other Postemployment Benefits 78-81
Note 18	Pension Plans 81-91
Note 19	Pension Trust Funds 92
Other Note Disclosures	
Note 20	Closure and Post-closure Care Cost 92
Note 21	Tax Abatements 92
Required Supplementary Information.....	93-115
1925 Police Officers' Pension Plan	
Schedule of Investment Returns.....	94
Schedule of City Contributions.....	95
Schedule of Changes in the City's Net Pension Liability and Related Ratios	96
1937 Firefighters' Pension Plan	
Schedule of Investment Returns.....	97
Schedule of City Contributions.....	98
Schedule of Changes in the City's Net Pension Liability and Related Ratios	99
Public Employees' Retirement Fund	
Schedule of City Contributions.....	100
Schedule of the City's Proportionate Share of the Net Pension Liability	101
1977 Police Officers' Pension and Disability Fund	
Schedule of City Contributions.....	102
Schedule of the City's Proportionate Share of the Net Pension Liability	103
1977 Firefighters' Pension and Disability Fund	
Schedule of City Contributions.....	104
Schedule of the City's Proportionate Share of the Net Pension Liability	105
Schedule of Changes in the City's Total OPEB Liability and Related Ratios	106
Budgetary Comparison Schedules: General Fund and Major Special Revenue Funds	107-112
Budget to GAAP Reconciliation.....	113
Notes to Required Supplemental Information	114-115
Other Supplemental Information.....	116-221
Nonmajor Governmental Funds:	
Fund Descriptions	117-121

Combining Balance Sheet	122-130
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	131-139
Budgetary Comparison Schedules: Nonmajor Governmental Funds	140-210
Nonmajor Enterprise Funds:	
Fund Descriptions	211
Combining Statement of Net Position	212
Combining Statement of Revenues, Expenses, and Changes in Net Position	213
Combining Statement of Cash Flows	214
Internal Service Funds:	
Fund Descriptions	215
Combining Statement of Net Position	216
Combining Statement of Revenues, Expenses, and Changes in Net Position	217
Combining Statement of Cash Flows	218
Fiduciary Funds:	
Fund Descriptions	219
Statement of Fiduciary Net Position	220
Statement of Changes in Fiduciary Net Position	221

Statistical Section

Statistical Section Outline	222
Financial Trends Information	223-229
Net Position by Component	224
Changes in Net Position	225-226
Fund Balances – Governmental Funds	227
Changes in Fund Balances – Governmental Funds	228
Financial Institutions	229
Revenue Capacity Information	230-250
Property Tax Levies and Collections	231
Direct and Overlapping Property Tax Rates	232
Detail of Net Assessed Value	233
Assessed Value and Actual Value of Taxable Property	234
Net Assessed Value of Taxable Property	235
Assessed Value of Taxable Property	236
Property Tax Collections – Cash Basis	237
Circuit Breaker Property Tax Cap Credits	238
Principal Property Taxpayers	239
Local Income Tax Revenue: Economic Development Component	240
Local Income Tax Revenue: Certified Shares Component	241
Local Income Tax Revenue: Public Safety Component	242
Total Local Income Tax Certified Shares Distributions by Taxing Unit	243
Ten Largest Water Customers	244
Ten Largest Sewage Works Customers	245
Gasoline Tax Collections – Cash Basis	246

Wheel and Excise Surtax Collections.....	247
Hotel/Motel Tax Revenue – Cash Basis – City Contributions	248
Professional Sports Convention Development Area (PSCDA) Tax – Cash Basis.....	249
Cable Television Franchise Fee Collections – Cash Basis.....	250
Debt Capacity Information	251-269
Computation of Legal Debt Margin.....	252
Legal Debt Margin Information	253
Ratios of Outstanding Debt by Type	254
Computation of Direct and Overlapping Debt.....	255
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Government Expenditures	256
Ratio of Net General Obligation Bonded Debt to Net Assessed Value and Net Bonded Debt Per Capita.....	257
St. Joseph County Hotel/Motel Tax Board – Pledged Revenue Coverage.....	258
Schedules of Revenue Bond Coverage:	
Water Utility Bonds.....	259
Wastewater Utility Bonds	260
Municipal Sewage Works Annual Wastewater Flow Data and Number of Customers	261
Statement of City-Owned Utility Debt.....	262
Estimated Debt Service Coverage Calculation of Water Utility	263
Estimated Debt Service Coverage Calculation of Wastewater Utility	264
Projected Local Income Tax Revenues	
Certified Shares Component.....	265
Economic Development Component	266
Public Safety Component.....	267
Schedule of Estimated Cash Flow and Debt Service Coverage – Local Income Tax	
Certified Shares Component.....	268
Economic Development Component	269
Demographic and Economic Information.....	270-275
Demographic Statistics	271-272
Employment by Type and Industry	273
Comparison of Growth Rates in Personal Income	274
Principal Employers	275
Operating Information	276-285
Operating Indicators by Function/Program.....	277
Capital Asset and Infrastructure Statistics by Function/Program	278
New Construction: Number of Permits and Property Values	279
Full-Time City Government Employees by Department.....	280-281
Salary Rate Comparison	282
Insurance Coverage	283
Miscellaneous Statistics	284-285



CITY OF SOUTH BEND, IN JAMES MUELLER, MAYOR
DEPARTMENT OF ADMINISTRATION AND FINANCE

September 29, 2023

The Honorable James Mueller, Mayor of the City of South Bend
Members of the City of South Bend Common Council
Residents of the City of South Bend

The annual comprehensive financial report of the **City of South Bend, Indiana** (the "City") for the year ended **December 31, 2022** is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities are included.

Accounting Principles Generally Accepted in the United States of America (US GAAP) require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of South Bend's MD&A can be found immediately following the independent auditors' report.

The Annual Comprehensive Financial Report is presented in four sections: introductory information, financial information, statistical information and federal compliance information. The **introductory section** includes this transmittal letter, the City's organizational chart, a list of principal City officials and the Certificate of Achievement for Excellence in Financial Reporting awarded to the City of South Bend for the year ending December 31, 2021. The **financial section** begins with the independent auditors' report on the City's financial statements and schedules, the City managements' discussion and analysis report, followed by the City's basic financial statements and accompanying notes. The remaining portion of this section includes the combining and individual fund and other financial statements and schedules. The **statistical section** includes selected financial and demographic information generally presented on a multi-year basis, which has been provided to give the reader a broader understanding of the City. **The federal awards compliance section, which includes the results of the supplemental audit of the City's federal awards and the internal controls necessary for compliance, is included in a separate report.**

The City is required to undergo an annual single audit in conformity with the provisions of the Code of Federal Regulations Title 2 Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the provisions of Indiana Code section 5-11-1-9 and the requirements of the Indiana State Board of Accounts. Information related to the single audit, including the schedule of federal financial assistance, findings and recommendations, and the auditors' reports on the internal control structure and compliance with applicable laws and regulations, is included in a separate report.

The following pages of this transmittal letter begin with a general overview of South Bend and the surrounding area. Also summarized are the key financial, budgetary and property tax controls with which the City is required to comply. The remainder includes a discussion of the prior year's financial challenges and accomplishments, the City's goals and objectives for this year and beyond, and other key issues the City is facing along with the impact they may have on current and future budgets.



GENERAL INFORMATION

The City of South Bend is the county seat of St. Joseph County, Indiana, and is the fourth largest city in the state. The City of South Bend's 2020 U.S. Bureau of the Census population was 103,453. Accordingly, South Bend is classified as a "City of the Second Class" under Indiana statutes (cities with a population of 35,000 to 250,000). The City of South Bend operates with a mayor as chief executive and a nine-member City Common Council composed of six members elected from districts and three members elected at-large. The City of South Bend has a bond rating of AA with Standards & Poors, one of the highest bond ratings for any city in the State of Indiana.

The City provides a full range of traditional general governmental services to its residents. These services include police and fire protection; sanitation services; the construction and maintenance of highways, streets and infrastructure; recreational activities and cultural events. In addition to general governmental activities, the City exercises oversight over the South Bend Water Works, the South Bend Wastewater Treatment Facility, the Century Center Convention Center, the Morris Performing Arts Center, the Studebaker National Museum, the City of South Bend Redevelopment Commission and Authority, and several downtown parking facilities.

Location

St. Joseph County lies within the heartland of the manufacturing belt and metropolitan regions of the Upper Midwest and Canada. The City of South Bend is located in the north central part of Indiana, ten miles south of the Michigan state line, in what is commonly known as the "Michiana" region. The region is a vibrant and diverse area with a strong economy based on a mix of healthcare, agricultural, service, manufacturing, education and other commercial and tourism industries. This diverse economic mix creates varied employment opportunities for the area's residents while providing insulation via diversification from future economic downturns.

The city is approximately 90 miles east of Chicago and 140 miles north of Indianapolis. Accessibility to transportation, including Interstate 80/90, an international airport (which is the second busiest in the State of Indiana) and the South Shore Line has supported economic growth within the community. Proximity to Chicago, the largest rail and intermodal (rail/truck/ocean/inland waterway) transfer point in the country, is a significant advantage to the City of South Bend as is proximity to the University of Notre Dame with its scenic campus located adjacent to the city limits. In 2017, the City of South Bend announced plans to partner with the Federal, State and other local governments to reduce the South Shore Line travel time to downtown Chicago to 90 minutes or less. This project continued to mature in 2019 and 2020, during which the City joined other northern Indiana municipalities in funding a double tracking project for the South Shore Line that is expected to significantly reduce travel time. When completed, this project is expected to be transformative to the local economy.

St. Joseph County / South Bend - Economic Conditions and Outlook

St. Joseph County, with its 2020 U.S. Bureau of the Census population of 272,912, boasts a strong history of manufacturing which continues today. The service industry and retail trade have also flourished, creating a balance that serves the community well. The County experienced a net growth in population of 33,487 (12.6% increase) between 1960 and 2020. After experiencing a reduction of 2.6% during 1969 to 1983, at which time the entire Midwest was at the depth of its economic restructuring and recess, the County's population increased 4.0% between 1983 and 1990 and another 7.7% between 1990 and 2010. The population of St. Joseph County grew again by 2.2% (5,981 residents) in the last decade between 2010 and 2020.

The estimated labor force in St. Joseph County is 132,460 workers (2022, STATS Indiana, using data from the Indiana Department of Workforce Development). The workers are typical of the Midwest: well-trained with a strong work ethic. Approximately 91% of the area's adult population are high school graduates or higher (similar to the national average of 91.1%) with an estimated 32.1% with a bachelor's degree or higher (slightly lower than the national average of 37.7%). There are six colleges, universities and technical schools within South Bend and the surrounding area, including the University of Notre Dame; Indiana University South Bend; Bethel College; Saint Mary's College; Holy Cross College; and Ivy Tech Community College. The St. Joseph County 2022 Annual Average Unemployment was 3.4%, which was slightly higher than the state of Indiana unemployment rate of 3.0%. The unemployment rate in St. Joseph County rebounded in 2021 and 2022 from the high unemployment caused by the COVID-19 pandemic and was similar in 2022 to the surrounding counties—Elkhart (2.5%), LaPorte (3.7%), and Marshall (2.6%) in Indiana (2022 Annual Average).



The employment profile for St. Joseph County provides a good overview of the economic make-up of this community. Employment estimates for the County’s major economic sectors are as follows (STATS Indiana 2022 Summary, using data from US Bureau of Labor Statistics):

<u>Economic Sector</u>	<u>Number Employed</u>	<u>% of Total</u>
Healthcare and Social Assistance	22,450	16.29%
Retail Trade	16,000	11.61%
Federal, State, & Local Government	13,785	10.00%
Manufacturing	13,745	9.97%
Accommodation and Food Service	10,988	7.97%
Educational Services	10,354	7.51%
Professional and Technological Services	7,940	5.76%
Construction	7,546	5.47%
Wholesale Trade	6,778	4.92%
Transportation and Warehousing	6,816	4.94%
Administrative and Waste Services	4,486	3.25%
Other Services	3,445	2.50%
Finance and Insurance	3,525	2.56%
Arts, Entertainment, and Recreation	3,354	2.43%
Management	2,401	1.74%
Information	1,705	1.24%
Real Estate, Rental, Leasing	1,588	1.15%
Agriculture, Forestry, Fishing, Hunting, Mining	686	0.50%
Utilities	245	0.18%
Total	137,837	100%

According to the United States Census Bureau, St. Joseph County presently has an estimated 106,330 households with a median household income of \$59,325, which is lower than both the State of Indiana median household income (\$62,723) and the United States median household income (\$74,580). Surrounding counties have similar median household incomes—Elkhart (\$58,350), La Porte (\$51,584), and Marshall (\$53,889) in Indiana and Cass (\$52,741) and Berrien (\$51,262) in Michigan.

Health and education lead the employment statistics for St. Joseph County. The largest employers in St. Joseph County are: Beacon Health System, University of Notre Dame, South Bend Community School Corporation, St. Joseph Health System, Indiana University – South Bend, St. Joseph County, City of South Bend, AM General, Honeywell International, Inc, and Press Ganey Associates, Inc.

The following provides a profile of the residents of St. Joseph County (US Census Bureau 2020 American Community Survey 5-Year):

Gender %, male/female:	48.59% male; 51.41% female
Age:	
Under 20 years of age	27.1%
20-29 years of age	14.4%
30-39 years of age	11.9%
40-49 years of age	12.0%
50-59 years of age	12.0%
60-64 years of age	6.6%
65 years of age and older	15.9%
Race:	
White	72.10%
Black or African American	11.35%
Hispanic or Latino	8.52%
American Indian and Alaska Native	0.47%
Asian	2.29%
Native Hawaiian and Other Pacific Islander	0.09%
Some other race	1.81%
Two or more races	3.38%
Home Ownership	67.8% own; 32.2% rent/other



The cost of living continues to be one of the greatest advantages of living in this community. The housing costs in South Bend are well below the national and regional averages. Per a report compiled by the National Association of Realtors in the first quarter of 2023, the median sales price for a single-family home in the South Bend-Mishawaka Statistical Area was \$213,914 as compared to a median sales price of \$346,253 in Chicago and \$243,288 in Indianapolis. The national median sales price in Q1 2023 was \$429,000.

Between January 2016 and December 2022, the City of South Bend has seen approximately \$785 million in private investment and the announcement of close to 3,000 new jobs. By providing state of the art innovative infrastructure and, in some cases, offering targeted assistance the City can stimulate private investment, creating business opportunities and jobs. The City has had many significant economic development projects to include new downtown residential housing, mixed use developments, downtown hotels, and high-tech industrial projects. City investments encourage new start-up businesses, strengthen existing business, attract new jobs, increase assessed value and emphasize direct investment in hard-to-develop areas. Efforts have been and will continue to focus on implementing the comprehensive plans for our neighborhood and downtown areas.

The South Bend Community School Corporation serves the entire City and some of the surrounding area and has a current enrollment of approximately 14,900 students in grades pre-kindergarten through 12. An estimated 9,041 students attend private or parochial schools within the City. The six institutions of higher education and technical training located within the South Bend area have a total enrollment of approximately 27,000. Over the years, the University of Notre Dame has provided a stabilizing influence on the economy with a very significant positive economic impact upon the community.

South Bend History and Amenities

In 1820, Pierre Navarre of the American Fur Trading Company was the first settler in the area to become later known as South Bend. South Bend has continued to progress in its growth since 1842 when Father Edward Sorin named his rustic log chapel “Notre Dame du Lac” and began to teach the local Indians. Today the chapel has grown into the University of Notre Dame. In 1852, H.C. Studebaker started the industry of making wagons and horse-drawn buggies that evolved into the manufacturing of the Studebaker automobile. It made the name Studebaker synonymous with the area of South Bend and its major employer until its closure in 1963.

Another industrial firm that would later become the area’s largest began in 1923 when Vincent Bendix began manufacturing automotive brakes. In 1929, the company became the Bendix Aviation Corporation, and now, as Honeywell (formerly AlliedSignal Inc.), is a leading manufacturer of automotive and aerospace products. The Singer Sewing Company and the Oliver Chilled Plow Works were other important companies during the early history of South Bend.

In the 1840s and 1850s, many South Bend residents were secretly involved in helping fugitive slaves escape from the South through the Underground Railroad. Many residents of South Bend and St. Joseph County offered their homes, barns and businesses up as “stations” or safe places in which runaways could eat and rest as they made their way North. Most notable among local Underground Railroad conductors was James Washington, a well-known and well-respected free Black in South Bend. Mr. Washington was a barber who, along with Mr. Sawyer, collected money from local citizens to fund the Underground Railroad.

Special attractions within the South Bend area include the Olympic-class East Race Waterway and the East Bank area; the renovated Morris Performing Arts Center, which provides for the Broadway Theater League, the South Bend Symphony Orchestra with the Chamber and Pops Orchestras, and the Southold Dance Theater and Patchwork Dance Company; the award-winning South Bend Civic Theater; the Studebaker National Museum; the South Bend Museum of Art; the Snite Museum of Art at Notre Dame; the Northern Indiana Center for History; Copshaholm/The Oliver Mansion; Century Center; Potawatomi Zoo; the Morris Conservatory/Muessel-Ellison Tropical Gardens; the Farmers’ Market; and the Byers Softball Complex. The Four Winds Field Baseball Stadium is a 5,600-seat facility which opened in 1987 and is rated among the best in minor league baseball. The stadium is home to the South Bend Cubs, a minor league team affiliated with the Chicago Cubs.

Additional miscellaneous information about the City of South Bend can be found in the statistical section of this report.

Financial, Budgetary and Property Tax Controls

The City’s management team is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control



structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. On March 22, 2021 the South Bend Common Council approved an updated Internal Controls policy for the City.

Single Audit

As a recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the City. As part of the City's single audit described earlier, tests are performed to review internal controls to determine the auditing procedures that are appropriate under the circumstances, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's single audit for the year ended December 31, 2022 are included in a separate report.

Budgetary Controls

In accordance with Indiana statutes, the City maintains budgetary controls integrated within the accounting system. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget (prepared on a cash basis) which is adopted by the Common Council or Redevelopment Commission (depending on the fund) and then reviewed and approved by the State of Indiana Department of Local Government and Finance (DLGF). Activities of the general fund, special revenue funds, capital project funds, enterprise funds, internal service funds, pension trust funds and debt service funds are included in the annual budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by major expenditure classification within funds. The Mayor and Common Council may transfer appropriations from one major expenditure classification to another within a department by ordinance if the total appropriations for that fund are not exceeded. Additional appropriations in excess of the original budget must be approved by the Mayor and Common Council and are also submitted to the DLGF for either approval or acknowledgement (depending on the fund). Additional appropriations for funds approved by the Redevelopment Commission do not require DLGF approval. The deadline for adoption of the annual budget is November 1. The city's fiscal year begins on January 1.

The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at year end and are carried over to the following year as a part of the subsequent year's budget.

Property Tax Controls

In addition to budgetary and other controls established by Indiana law, the City must operate within specific and rigid controls governing the amount of property tax it may levy. The property tax control program, which began in 1973, limits the amount of property tax that may be levied by each unit of government in its legally budgeted funds. The total amount of property tax levied by the unit may increase by the six-year average annual growth in Indiana personal non-farm income, as calculated by the U.S. Bureau of Economic Analysis, with a 6% maximum.

During March 2008, the State of Indiana General Assembly enacted property tax reform legislation which made significant changes in the property tax system by capping the amount of property taxes at 1% of gross assessed value for residential homesteads, 2% for agricultural/rental properties and 3% for all other real and personal property. This legislation was phased in over a two-year period beginning in 2009. The loss of revenue to the City due to this legislation was significant (estimated to be over \$45 million dollars per year) but this revenue loss has been offset by cost savings and the adoption of local option income taxes to continue providing essential City services, including police and fire protection.

A historical view of the City's tax rate and its net assessed valuation has been included in the statistical section of this document.

Mayoral Leadership

Mayor James Mueller is the chief executive of the City of South Bend. The city's thirty-third mayor, he was sworn into office on January 1, 2020. As mayor, Mueller is responsible for the city workforce of over 1,000 employees and an annual budget over \$380 million.



After attending St. Joseph's High School, the University of Notre Dame, and the University of Delaware for his PhD, Mayor Mueller worked in public policy, promoting pragmatic public policies and affordable energy solutions at the George Washington University's Solar Institute in Washington, DC. He also served in the office of US Senator Maria Cantwell (D-WA), for nearly four years, first as a John A. Knauss Legislative Fellow and then as a policy adviser on energy and natural resources.

In 2015, Mayor Mueller returned home to join the Buttigieg administration as Mayor Pete Buttigieg's Chief of Staff. Mueller's tenure as Chief of Staff included the establishment of the first Diversity and Inclusion Office in Indiana, as well as the creation of the Departments of Innovation & Technology and the Venues Parks and Arts Department. Mueller went on to become the Executive Director of Community Investment where he was responsible for attracting businesses to South Bend and investing in the neighborhoods. Early in his tenure as Executive Director of Community Investment, Mueller established the Engagement & Economic Empowerment Division to empower residents with access to economic opportunities and meaningful civic participation.

Mayor Mueller's priorities include:

- Strengthening education from cradle to career to set up every child for success
- Reforming our public safety systems to make us all safer
- Promoting shared growth and an economy that works for everyone
- Rebuilding our neighborhoods block by block

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of South Bend for its annual comprehensive financial report for the fiscal year ended December 31, 2021. This was the 32nd consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of the Annual Comprehensive Financial Report (ACFR) was made possible by the dedicated service of the City's departmental directors of finance and the staff of the Department of Administration and Finance. Each Director of Department Finance and member of the Department has our sincere appreciation for the contributions made in the preparation of this report. In addition, we would like to thank the audit staff at FORVIS, LLP (led by Andy Rinzel and Emily Tursi) for their hard work and dedication in this effort.

In closing, without the leadership and support of Mayor James Mueller, City Department Heads, Directors of Department Finance and members of the City of South Bend Common Council, preparation of this report would not have been possible.

Sincerely,

Kyle Willis

Kyle Willis
City Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of South Bend
Indiana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

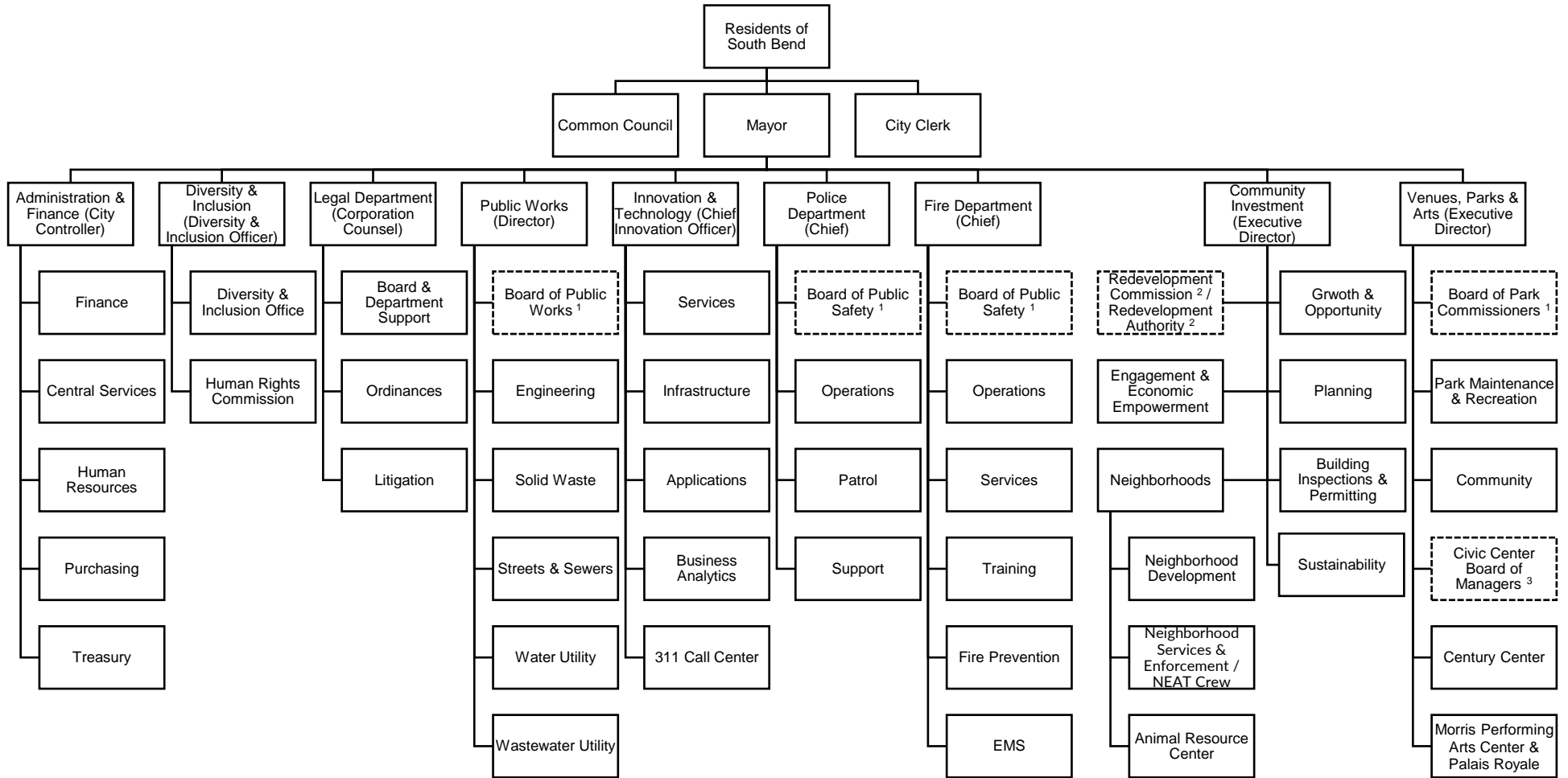
December 31, 2021

Christopher P. Morill

Executive Director/CEO



CITY ORGANIZATIONAL CHART



(1) Board Members include Mayoral Appointments

(2) Board Members include Mayoral and Council Appointments for Redevelopment Commission, Mayoral Appointment for Redevelopment Authority

(3) Board Members include 5 mayoral appointees and 4 council appointees

Effective: January 1, 2021



CITY OFFICIALS

Office	Official	Term
Mayor	James Mueller	01/01/2020 to 12/31/2023
Controller	Daniel Parker	12/10/2018 to 12/30/2022
	Benjamin Dougherty (interim)	12/31/2022 to 02/05/2023
	Kyle Willis	02/06/2023 to 12/31/2023
City Clerk	Dawn M. Jones	08/15/2019 to 12/31/2023
President of the Board of Public Works	Elizabeth Maradik	01/01/2022 to 12/31/2022
Common Council Members		
1 st District	Canneth Lee	07/01/2020 to 12/31/2023
2 nd District	Henry Davis, Jr.	01/01/2020 to 12/31/2023
3 rd District	Sharon McBride	02/24/2018 to 12/31/2023
4 th District	Troy Warner	01/01/2020 to 12/31/2023
5 th District	Eli Wax	11/29/2020 to 12/31/2023
6 th District	Sheila Niezgodski	01/01/2020 to 12/31/2023
At Large	Karen L. White	01/01/2016 to 12/31/2023
At Large	Lori K. Hamann	01/01/2020 to 12/31/2023
At Large	Rachel Tomas Morgan	01/01/2020 to 12/31/2023

Independent Auditor's Report

Audit Committee
City of South Bend, Indiana
South Bend, Indiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of South Bend, Indiana (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of South Bend, Indiana, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of South Bend Public Transportation Corporation, the discretely presented component unit of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the South Bend Public Transportation Corporation as the discretely presented component unit, is based solely on the report of the other auditors.

Basis for 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 audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether 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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 statements.
- 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 statements.
- 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension, and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 statements, and other knowledge we obtained during our audit of the basic financial statements. 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements 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 statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2023, 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.

FORVIS,LLP

Indianapolis, Indiana
September 29, 2023

The management of the City of South Bend, Indiana (the "City") is pleased to present this Management's Discussion and Analysis (MD&A) of the financial activities and condition of the **City of South Bend, Indiana** for the fiscal year ended **December 31, 2022**.

Readers should note that the information contained within this Management's Discussion and Analysis, and any opinion derived therein, should be considered as a part of the greater whole of the financial statements, notes to the financial statements, supplemental information and letter of transmittal, as contained within this Annual Comprehensive Financial Report.

The City of South Bend is the county seat of St. Joseph County, Indiana, and is the fourth largest city in the state of Indiana. St. Joseph County is located within the heartland of the manufacturing and metropolitan regions of the Upper Midwest. The City of South Bend is located in the north central region of the state of Indiana, five (5) miles south of the Indiana / Michigan state boundary line. The City is approximately ninety (90) miles east of the city of Chicago and one hundred forty (140) miles north of the city of Indianapolis.

The 2020 U.S. Bureau of the Census population for the City of South Bend was reported as 103,453 and the 2020 Census population for St. Joseph County was reported as 272,912. Accordingly, South Bend is classified as a "Second Class City" under State of Indiana statutes, defined as cities with a population between 35,000 and 600,000 residents.

The City of South Bend and St. Joseph County is a vibrant and diverse area with a strong local economy based on a mix of agricultural, manufacturing and service, higher education, health care and other commercial and tourism-based industries. The diverse economic mix creates varied employment opportunities for residents while providing insulation from economic downturns through diversification. South Bend is home to the University of Notre Dame.

The City of South Bend provides a full range of general governmental services to its residents. Services include general government, public safety, street construction and maintenance, infrastructure construction and maintenance, parks and recreation services, arts and culture, and sanitation services. In addition, the City provides Water Utility, Wastewater Utility and Solid Waste services to commercial and residential properties within the City. City operations also include the Century Center convention venue, Morris Performing Arts Center, Palais Royale Ballroom, Studebaker National Museum, and Public Parking Garages within the City footprint.

The City of South Bend governmental structure includes elected officials as follows with defined management and legislative authority in compliance with Indiana law.

Mayor	Chief Executive Officer	4-year term
Common Council	9 member legislative body 6 from defined districts within the City 3 at-large members	4-year term
City Clerk	Secretary of the Common Council	4-year term

The current terms of office for Common Council members, Mayor and City Clerk expire on December 31, 2023.

The City of South Bend was incorporated in 1865, is compliant with Indiana statutes, and remains as such through the period covered by this Management's Discussion and Analysis report.

Financial Highlights

	Governmental Activities		Business-type Activities		Government-wide		Discrete Component Unit	
	2022	2021	2022	2021	2022	2021	2022	2021
Assets/deferred outflows	\$759,570,783	\$722,137,844	\$312,443,622	\$307,620,858	\$1,072,014,405	\$1,029,758,702	\$ 41,620,001	\$ 39,673,466
Liabilities/deferred inflows	457,978,781	506,962,388	71,340,594	78,727,759	529,319,375	585,690,147	5,665,392	5,443,614
Net Position								
Net investment in capital assets	138,388,784	133,711,581	171,543,157	165,916,250	309,931,941	299,627,831	33,663,696	31,637,517
Restricted	10,969,003	30,180,859	50,422,677	42,713,237	61,391,680	72,894,096	-	-
Unrestricted	152,234,215	51,283,016	19,137,194	20,263,612	171,371,409	71,546,628	2,290,913	2,592,335
Total Net Position	\$301,592,002	\$215,175,456	\$241,103,028	\$228,893,099	\$ 542,695,030	\$ 444,068,555	\$ 35,954,609	\$ 34,229,852
Change vs. prior year	\$ 86,416,546	\$ 43,450,498	\$ 12,209,929	\$ 16,049,547	\$ 98,626,475	59,500,045	\$ 1,724,757	\$ 5,037,594
Expenses	155,402,105	153,053,931	67,216,361	58,793,603	222,618,466	211,847,534	14,408,642	13,279,726
Revenues	241,818,651	196,504,429	79,426,290	74,843,150	321,244,941	271,347,579	16,133,399	18,317,320

- Government-wide net position was \$542,695,030 as of December 31, 2022.
- Government-wide net position increased by \$98,626,475 or 22.2% during fiscal year 2022. Governmental activity net position increased by \$86,416,546 or 40.2% and business-type activity net position increased by \$12,209,929 or 5.3% during fiscal year 2022. The increase in governmental activity net position is primarily driven by the City’s accounting treatment of the funding received from the American Rescue Plan Act (“ARPA”):
 - First, in 2022, the City recognized the bulk of the grant revenue it received from the American Rescue Plan Act. Because over \$40 million of this revenue was recognized as replacement for lost revenue, the result of this recognition was a large increase in 2022 revenue without a corresponding increase in expenditures. The City expects to incur expenditures related to these funds over the next 2-3 years.
 - This recognition of revenue had both increased revenue and removed a large amount of unearned revenue liability from the City’s books, which had the effect of drastically increasing overall net position.
- Total assets and deferred outflows of resources as of December 31, 2022 of \$1,072,014,405 increased by \$42,255,703 or 4.10% as compared to total assets and deferred outflows of resources as of December 31, 2021. The increase is primarily attributable to continued increases in cash on hand, stemming from a City operating surplus in 2022.
- Total liabilities and deferred inflows of resources as of December 31, 2022 of \$529,319,375 decreased by \$56,370,772 or 9.62% as compared to total liabilities and deferred inflows of resources as of December 31, 2021. This decrease was a combination of the decrease in unearned revenue liability stemming from ARPA (as discussed above) along with decreases in the City’s net pension liability, total OPEB liability, and deferred inflows from pensions and OPEB.
- As of December 31, 2022, the government-wide net position of \$542,695,030 has \$309,931,941 invested in capital assets (net of debt) which is not available for spending, \$61,391,680 classified

as restricted for debt service; capital outlays; and other uses; and \$171,371,409 classified as unrestricted.

- Government-wide revenues received in fiscal 2022 totaled \$321,244,941, an increase of \$49,897,362 or 18.39% compared to government-wide revenues received in fiscal 2021. Governmental activity revenues increased by \$45,314,222 or 23.06%, and business-type activity revenue increased by \$4,583,140, or 6.12%. These changes were due primarily to the recognition of ARPA revenues in 2022.
- Government-wide expenses in 2022 totaled \$222,618,466, an increase of \$10,770,932 (5.08%) compared to expenses in 2021. Governmental activity expenses increased by \$2,348,174 or 1.53%, while business-type activity expenses increased by \$8,422,758 or 14.3% compared to fiscal 2021. The increase in expenses in both governmental activities and business-type activities is due primarily to normal increases in operating expenditures (especially given the high rate of inflation seen during much of 2022).
- The financial statements contain information for a single discrete component unit, the South Bend Public Transportation Corporation (Transpo).
- Explanatory commentary concerning the changes in assets, liabilities, revenues, and expenditures can be found in later sections of this MD&A.

Overview of the Financial Statements

The City of South Bend's financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also includes other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of South Bend's finances using "accrual-based accounting," a method of accounting used by private sector businesses.

Statement of Net Position

This statement reports all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the City of South Bend as of December 31, 2022. The difference between total assets and deferred outflows of resources less total liabilities and deferred inflows of resources is reported as "net position," and can generally be thought of as the net worth of the City. Increases in net position generally indicate an improvement in financial position while decreases in net position may indicate a deterioration of financial position.

Statement of Activities

This statement serves the purpose of the traditional income statement. It provides consolidated reporting of the results of all activities of the City of South Bend for the year ended December 31, 2022. Changes in net position are recorded in the period in which the underlying event takes place, which may differ from the period in which cash is received or disbursed. The statement of activities displays the expense of the City's various programs net of the related revenues, as well as a separate presentation of revenue available for general purposes including property and local income taxes, fees for services and other revenue sources.

December 31, 2022

The government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenue (governmental activities) and other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The major governmental activities of the City of South Bend include general government, public safety, street construction and maintenance, infrastructure construction and maintenance, parks and recreation services, and arts and culture. The major business-type activities of the City include the water utility, wastewater utility, solid waste sanitation services, Century Center convention center, the Morris Performing Arts Center, the building department, and the downtown parking garages.

Component units are included in our basic financial statements, in accordance with GASB Statement 61. These units are legally separate entities for which the City is financially accountable. Component units are presented as either discrete or blended, depending on the level of oversight exercised and the relationship between the City and the external entity. Blended component units include the South Bend Redevelopment Authority, the City of South Bend Building Corporation, the Urban Enterprise Association of South Bend, and the VPA Foundation. These entities are set up to exclusively benefit or provide services to the City, and the management team of the City has operational responsibility for these entities. Accordingly, the financial information for these entities is blended into the primary government in these statements.

In contrast, the City has included the South Bend Public Transportation Corporation (Transpo) as a discrete component unit. Although the City does not have operational responsibility for Transpo, and no financial benefit or burden accrues to the City due to Transpo's operations, Transpo is nonetheless fiscally dependent on the City. This dependency exists because the South Bend Common Council has the authority to approve and modify Transpo's budget and levy taxes on behalf of Transpo. More information on the City's component units can be found in Note 1 to the Financial Statements.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of South Bend can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. Each fund has its own cash balance which must be maintained according to the City's cash reserve policy.

Governmental Funds

Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements. Governmental funds use the modified accrual accounting method.

The City maintains six (6) major governmental funds (General, Parks and Recreation, Local Income Tax Public Safety, Local Income Tax Economic Development, American Rescue Plan, and River West TIF) and seventy-two (72) nonmajor governmental funds.

Proprietary Funds

The City of South Bend maintains two types of proprietary funds: enterprise and internal service.

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements.

The City maintains seven (7) enterprise funds. Information is presented separately in the proprietary statement of net position and the proprietary statement of revenues, expenses and changes in fund net position for the Water utility and Wastewater utility, which are considered major enterprise funds. Data from the other five (5) nonmajor enterprise funds (Century Center, Consolidated Building Department, Parking Garage, Solid Waste, and Morris Performing Arts Center) are combined into a single, aggregated presentation.

Individual fund data for each of these nonmajor enterprise funds is provided in the form of combining statements elsewhere in this report.

- **Internal service funds** are used to accumulate and allocate costs internally among the City's various functions and funds. The City maintains seven (7) internal service funds. The City of South Bend uses internal service funds to account for its self-funded liability insurance program, self-funded employee health benefits program, unemployment compensation claims, police take-home vehicle program, Innovation & Technology and 311 call center, parental leave benefit for City employees, and Central Services unit (a division that accounts for expenses related to fuel, vehicle repairs, facilities management, and other services provided to City departments on a cost-reimbursement basis).

Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements but are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support City programs.

The City maintains four (4) fiduciary funds, which consist of two (2) pension trust funds (1925 Police Officers' Pension and 1937 Firefighters' Pension), and two custodial funds (Morris / Palais Box Office Fund and Police Distributions Payable Fund).

Pension Trust Fund Operations

The vast majority of City employees are covered by the Public Employees Retirement Fund (PERF) and the 1977 Police Officers' and Firefighters' Pension Fund, both of which are administered by the State of Indiana.

However, certain police officers and firefighters hired before May 1, 1977 (who did not opt into the 1977 fund) continue to be members of the 1925 Police Officers' Pension Fund or the 1937 Firefighters' Pension Fund. These two funds are administered by the City. The number of police officers and firefighters in the City-managed pension trust funds will continue to decline in the future as current participants pass away.

The State makes certain contributions toward the funding of the 1925 Police Officers' and 1937 Firefighters' pension plans.

See Note 18 and the items in the Required Supplementary Information section for more information.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential in order to have a full understanding of the data provided in the government-wide and fund financial statements. These notes should be considered to be a part of the overall financial statements.

Other Information

In addition to the basic financial statements and accompanying notes and disclosures, this ACFR presents supplementary information ("Required Supplementary Information" or "RSI") immediately following the basic financial statements.

The combining statements referred to earlier in connection with nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds are presented immediately after the Required Supplementary Information within the financial statement section of the ACFR.

Other supplementary information is found in the Statistical Section.

Government-wide Financial Statements

The following financial analysis will focus on the statement of net position and statement of changes in net position of the City's governmental and business-type activities.

Statement of Net Position

	Governmental Activities		Business-type Activities		Government-wide		Discrete Component Unit	
	2022	2021	2022	2021	2022	2021	2022	2021
Assets								
Current and other	\$440,457,360	\$421,248,319	\$85,359,666	\$77,896,068	\$525,817,026	\$499,144,387	\$6,825,517	\$7,619,024
Capital assets (net)	278,350,367	271,511,509	223,398,255	226,179,303	501,748,622	497,690,812	33,819,669	31,667,892
Total Assets	718,807,727	692,759,828	308,757,921	304,075,371	1,027,565,648	996,835,199	40,645,186	39,286,916
Deferred Outflows	40,763,056	29,378,016	3,685,701	3,545,487	44,448,757	32,923,503	974,815	386,550
Liabilities								
Current	22,329,793	40,897,978	6,410,324	5,330,045	28,740,117	46,228,023	420,662	366,888
Long-term	325,726,634	328,951,678	62,340,275	67,552,435	388,066,909	396,504,113	1,185,709	171,734
Total Liabilities	348,056,427	369,849,656	68,750,599	72,882,480	416,807,026	442,732,136	1,606,371	538,622
Deferred Inflows	109,922,354	137,112,732	2,589,995	5,845,279	112,512,349	142,958,011	4,059,021	4,904,992
Net Position								
Net investment in capital assets	138,388,784	133,711,581	171,543,157	165,916,250	309,931,941	299,627,831	33,663,696	31,637,517
Restricted	10,969,003	30,180,859	50,422,677	42,713,237	61,391,680	72,894,096	-	-
Unrestricted	152,234,215	51,283,016	19,137,194	20,263,612	171,371,409	71,546,628	2,290,913	2,592,335
Total Net Position	\$301,592,002	\$215,175,456	\$241,103,028	\$228,893,099	\$542,695,030	\$444,068,555	\$35,954,609	\$34,229,852

- As of December 31, 2022, total assets and deferred outflows exceeded liabilities and deferred inflows by \$542,695,030, an increase of \$98,626,475, or 22.2%, from the net position level as of December 31, 2021.
- Governmental activities net position of \$301,592,002 increased by \$86,416,546, or 40.2%, from December 31, 2021
- Business-type net position of \$241,103,028 increased by \$12,209,929, or 5.3%, from December 31, 2021.

- Government-wide assets and deferred outflows of resources as of December 31, 2022 of \$1,072,014,405 increased by \$42,255,703 or 4.10% as compared to total assets and deferred outflows of resources as of December 31, 2021. This increase was primarily attributable to an operating surplus and an increase in the City's deferred outflows related to pensions.
- Government-wide liabilities and deferred inflows of resources as of December 31, 2022 of \$529,319,375 decreased by \$56,370,772 or 9.62% as compared to total liabilities and deferred inflows of resources as of December 31, 2021. This decrease was driven primarily by a decrease in deferred inflows of resources related to pensions, as well as by a large decrease in unearned revenue stemming from the recognition of revenue from the American Rescue Plan Act.

Statement of Activities

	Governmental Activities		Business-type Activities		Government-wide		Discrete Component Unit	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenues								
<i>Program revenues</i>								
Charges for services	\$13,227,837	\$13,124,512	\$77,726,352	\$73,058,116	\$90,954,189	\$86,182,628	\$1,458,626	\$1,153,798
Operating grants	21,370,099	20,180,108	-	-	21,370,099	20,180,108	5,527,775	6,875,996
Capital grants	1,000,000	3,742,319	-	743,450	1,000,000	4,485,769	5,103,444	6,085,789
<i>General revenues</i>								
Property tax	88,670,960	87,866,397	-	-	88,670,960	87,866,397	4,001,402	4,198,981
Other tax	32,260,782	36,341,152	1,912,500	1,037,500	34,173,282	37,378,652	-	-
State-shared revenue	61,869,953	13,357,839	-	-	61,869,953	13,357,839	-	-
Investment earnings	(999,162)	(52,191)	(219,972)	4,084	(1,219,134)	(48,107)	26,052	2,127
Other revenue	20,481,965	19,107,047	7,410	-	20,489,375	19,107,047	16,100	629
Total revenues	237,882,434	193,667,183	79,426,290	74,843,150	317,308,724	268,510,333	16,133,399	18,317,320
Expenses								
General government	21,881,174	13,099,391	-	-	21,881,174	13,099,391	-	-
Public safety	56,721,901	66,584,412	-	-	56,721,901	66,584,412	-	-
Highways & streets	24,745,703	29,402,967	-	-	24,745,703	29,402,967	-	-
Economic development	25,843,717	18,151,702	-	-	25,843,717	18,151,702	-	-
Culture & recreation	20,581,796	20,298,172	-	-	20,581,796	20,298,172	-	-
Interest on long-term debt	5,627,814	5,517,287	-	-	5,627,814	5,517,287	-	-
Water utility	-	-	15,760,389	14,387,728	15,760,389	14,387,728	-	-
Wastewater utility	-	-	30,960,152	29,248,157	30,960,152	29,248,157	-	-
Century center	-	-	4,559,344	3,826,100	4,559,344	3,826,100	-	-
Building department	-	-	1,826,813	1,346,344	1,826,813	1,346,344	-	-
Parking	-	-	1,181,311	966,418	1,181,311	966,418	-	-
Solid waste	-	-	7,807,892	6,133,675	7,807,892	6,133,675	-	-
Emergency medical svcs	-	-	-	2,017	-	2,017	-	-
Morris Performing Arts Ctr	-	-	1,184,243	45,918	1,184,243	45,918	-	-
Public transportation	-	-	-	-	-	-	14,408,642	13,279,726
Total expenses	155,402,105	153,053,931	63,280,144	55,956,357	218,682,249	209,010,288	14,408,642	13,279,726
Change in Net Position								
Before transfers	82,480,329	40,613,252	16,146,146	18,886,793	98,626,475	59,500,045	1,724,757	5,037,594
Transfers	3,936,217	2,837,246	(3,936,217)	(2,837,246)	-	-	-	-
Change in Net Position	86,416,546	43,450,498	12,209,929	16,049,547	98,626,475	59,500,045	1,724,757	5,037,594
Beginning Net Position	215,175,456	171,724,958	228,893,099	212,843,552	444,068,555	384,568,510	\$34,229,852	29,192,258
Ending Net Position	\$301,592,002	\$215,175,456	\$241,103,028	\$228,893,099	\$542,695,030	\$444,068,555	\$35,954,609	\$34,229,852

Governmental Activities

Net position for governmental activities increased by \$86,416,546 during fiscal 2022, an increase of 40.2% from the balance of net position as of December 31, 2021. Governmental activity revenue (including transfers) increased by \$44,215,251 or 22.83%, while governmental activity expenses increased by \$2,348,174 or 1.53%.

The governmental activities revenue increases were due primarily to the recognition of ARPA grant revenues in 2022, plus some stronger-than-expected property tax revenue.

Business-type Activities

Net position from business-type activities increased by \$12,209,929 (5.3%) from the balance of net position at December 31, 2021.

- During 2022, business-type activities revenue of \$79,426,290 increased by \$4,583,140 or 6.12%, over fiscal 2021.
- During 2022, business-type activities expenses of \$63,280,144 increased by \$7,323,787 or 13.09% compared to fiscal 2021.

These changes are due primarily to the normal fluctuations in operations from year-to-year. In addition, operations in the business-type activities continue to expand back to normal levels following lower levels of activity during the COVID-19 pandemic (particularly for the Century Center and the Morris Performing Arts Center).

Component Unit

Net position for the South Bend Public Transportation Corporation increased by \$1,724,757 (5.04%) from the balance of net position at December 31, 2021.

Financial Analysis of Governmental Funds

The City of South Bend uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Funds of the City are divided into three categories:

- Governmental funds,
- Proprietary funds, and
- Fiduciary funds.

The following balance sheet presents a consolidated look at the City's governmental funds, which account for all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue funds, debt service funds, and capital project funds.

These funds are accounted for on the modified accrual basis of accounting.

**Condensed Balance Sheet,
Statement of Revenue, Expenditures, and Changes in Fund Balance
As of and for the Year Ended December 31, 2022**

	General Fund	Parks and Recreation	Local Income Tax – Public Safety	Local Income Tax – Econ. Dev.	American Rescue Plan	River West TIF	Nonmajor Funds	Total
Total assets	\$167,745,564	\$17,639,675	\$2,741,665	\$23,424,524	\$10,822,675	\$58,577,899	\$135,498,853	\$416,450,855
Total liabilities and deferred inflows of resources	54,298,481	11,857,747	-	90,344	10,276,740	18,378,438	23,046,634	117,948,384
Fund Balances								
Nonspendable	513,253	22,351	-	-	-	-	1,106,959	1,642,563
Restricted	-	5,759,577	2,741,665	-	545,935	40,199,461	102,839,280	152,085,918
Committed	-	-	-	-	-	-	8,297,587	8,297,587
Assigned	-	-	-	23,334,180	-	-	404,932	23,739,112
Unassigned	112,933,830	-	-	-	-	-	(196,539)	112,737,291
Total fund balances	113,447,083	5,781,928	2,741,665	23,334,180	545,935	40,199,461	112,452,219	298,502,471
Total liabilities and deferred inflows of resources and fund balances	167,745,564	17,639,675	2,741,665	23,424,524	10,822,675	58,577,899	135,498,853	416,450,855
Revenues	84,779,615	15,550,928	9,155,590	12,902,459	49,317,793	17,077,669	47,326,722	236,110,776
Expenditures	54,241,622	16,535,253	9,760,800	7,704,465	48,780,107	11,694,880	62,230,790	210,947,917
Excess of revenue (under) over expenditures	30,537,993	(984,325)	(605,210)	5,197,994	537,686	5,382,789	(14,904,068)	25,162,859
Other sources (uses)	1,367,715	1,462,903	-	(6,520,192)	-	(4,709,984)	31,347,488	22,947,930
Net Change in Fund Balances	31,905,708	478,578	(605,210)	(1,322,198)	537,686	672,805	16,443,420	48,110,789
Beginning Fund Balance	81,541,375	5,303,350	3,346,875	24,656,378	8,249	39,526,656	96,008,799	250,391,682
Ending Fund Balance	113,447,083	5,781,928	2,741,665	23,334,180	545,935	40,199,461	112,452,219	298,502,471

As of December 31, 2022, the City governmental funds reported a combined ending fund balance of \$298,502,471. This fund balance is comprised of the following components:

- The nonspendable fund balance of \$1,642,563 is sequestered for inventory, prepaids, the long-term portions of notes/loans receivable, and property held for resale in the General Fund, and is, therefore, not available for new spending.
- The restricted fund balance of \$152,085,918 consists of monies in debt service funds or other funds such as road and tax increment financing funds that are limited by external parties as to their use.
- The committed fund balance of \$8,297,587 is designated by the South Bend Common Council or South Bend Redevelopment Commission to be used for certain purposes such as for economic development projects.
- The assigned fund balance of \$23,739,112 includes balances in local option income tax funds that have not been committed to certain projects and are available for spending by the City.
- The remaining unassigned fund balance of \$112,737,291 consists of money in the General Fund that has not been obligated in any manner by the City or deficit balances in the nonmajor funds.

The **General Fund** is the primary operating fund for City operations including general government, public safety, certain culture and recreation expenses, and certain debt service obligations.

December 31, 2022

As of December 31, 2022, the General Fund balance of \$113,447,083 represents an increase of \$31,905,708, or 39.1% from the balance as of December 31, 2021. The increase was due primarily to the recognition of ARPA revenue replacement during 2022.

As of December 31, 2022, the General Fund had an unassigned fund balance of \$112,933,830, which is equal to 208.2% of 2022 General Fund expenditures.

The General Fund unassigned fund balance has traditionally been used by the City to fund certain capital projects and emergency contingencies. In addition, the City used the unassigned fund balance in 2022 as a cash flow bridge to the receipt of property tax revenues from the County collection authority which distributes property tax revenue twice per year (June and December). The General Fund unassigned balance provided sufficient cash to cover City operating obligations without incurring tax anticipation notes and resultant borrowing costs during fiscal 2022.

As discussed in Governmental Accounting, Auditing, and Financial Reporting (GAAFR), a General Fund unassigned fund balance should be either 1) no less than 5 to 15 percent of regular General Fund operating revenues, or 2) no less than one to two months of regular General Fund operating expenditures. An unassigned fund balance may be higher if circumstances dictate, such as a delay in collection of a major revenue source. The City has a policy to maintain fund reserves equal to at least 50% of annual expenditures and exceeded this target at December 31, 2022.

The **Parks and Recreation Fund** balance increased by \$478,578 during 2022, due primarily to a planned buildup of fund balance following a large spenddown in 2019. As of December 31, 2022, the fund balance in the Parks and Recreation Fund was \$5,781,928, or 34.97% of 2022 expenditures. The City has a policy to maintain fund reserves equal to at least 25% of annual expenditures in this fund, and meets this target as of December 31, 2022.

The **Local Income Tax – Public Safety Fund** was created in October 2009, with the local legislative passage of an increase in local option income taxes of 0.95%, a part of which (0.25%) tax increase was established to fund public safety expenditures. The City has established the Local Income Tax – Public Safety Fund as a major governmental fund, due solely to its purpose of creating a funding source to sustain public safety staffing levels, which were compromised by state implementation of property tax reform that has reduced property tax revenues, which historically are the source of public safety funding. Local Income Tax – Public Safety funds are used to cover the personnel costs of police officers and firefighters. Receipts of Local Income Tax – Public Safety tax revenue commenced in January 2010. The decrease in fund balance in the amount of \$605,210 during 2022 was due primarily to an intentional strategy of spending down this fund balance before expending unassigned general fund dollars. This strategy will continue and accelerated in 2023. The ending fund balance was \$2,741,665, or 28.1% of annual expenditures.

The **Local Income Tax – Economic Development** fund is used to fund major capital and construction projects, economic development initiatives, certain subsidies and support to organizations and units that benefit City economic development and cultural venues, certain City-wide expenditures such as major technology costs, and certain debt service payments. The Local Income Tax – Economic Development Fund balance decreased by \$1,322,198 during 2022 due to normal fluctuations in operations as well as lower-than-normal income tax receipts stemming from income losses sustained during the COVID-19 pandemic. The City has operationally sequestered Local Income Tax – Economic Development funds for use in major economic development initiatives, certain subsidies and support to organizations and units that benefit City economic development and cultural venues, operational costs of the street, code enforcement and community investment departments and certain debt service payments. As of December 31, 2022, the Local Income Tax – Economic Development fund balance was \$23,334,180, or 164.04% of 2022 expenditures and transfers out. The City policy target is 50%.

The **American Rescue Plan Fund** is used to account for the proceeds from the American Rescue Plan Act, which was signed by President Joe Biden in 2021. As a part of this legislation, the City of South Bend received nearly \$60 million in “State and Local Fiscal Recovery Funds”. The first distribution of these funds (equal to half the total awarded amount) was received by the City in 2021, with the second tranche was received in 2022. In 2022, the City utilized a significant portion of these grant funds on revenue replacement. The ending fund balance of this fund as of December 31, 2022 was \$545,935, since most remaining assets are offset by a deferred inflow of resources.

The fund balance in the **River West TIF Fund** increased by \$672,805 during 2022. As of December 31, 2022, the River West TIF Fund balance was \$40,199,461, almost entirely restricted for use in economic development projects.

During 2022, the fund balances in **nonmajor governmental funds** increased by \$16,443,420, due primarily to several bonds issued during the year, which were not fully spent.

The total balance in nonmajor governmental funds was \$112,452,219 as of December 31, 2022. These fund balances provide the necessary resources that the City requires to meet future capital construction needs, ongoing debt service obligations, and economic development project initiatives in order to fuel community growth within the City.

Individual fund data for each of the nonmajor governmental funds is provided in the form of the combining statements immediately following the Required Supplemental Information within the Financial Section of the ACFR.

Governmental Funds Revenue

The following schedule presents a summary of governmental fund revenues for the year ended December 31, 2022, with comparison to the prior year:

	2022 Actual	% of Total	2021 Actual	% of Total
Tax Based				
General Property	\$88,670,960	37.6%	\$87,866,397	45.4%
Local Income Tax	31,464,822	13.3%	35,736,715	18.5%
Hotel/Motel Tax	795,960	0.3%	604,437	0.3%
Total Tax	120,931,742	51.2%	124,207,549	64.1%
Non-Tax Based				
Licenses & Permits	350,561	0.1%	303,837	0.2%
Intergovernmental	82,567,947	35.0%	36,241,803	18.8%
Charges for Services	13,109,188	5.6%	13,165,015	6.8%
Fines and Forfeitures	593,118	0.3%	613,971	0.3%
Interest Income	(999,162)	-0.4%	(52,191)	0.0%
Other	19,557,382	8.3%	18,963,129	9.8%
Total Non-Tax Based	115,179,034	48.8%	69,235,564	35.9%
Total Revenues	\$236,110,776	100.0%	\$193,443,113	100.0%

Tax revenue continues to represent the most significant ongoing source of revenue required to support services provided by the City. Property tax revenue is the primary source of funding for governmental expenditures. Property tax revenue is based on a relationship between two variables. The first variable is the net assessed property valuation of industrial, commercial and residential parcels for both real and personal property. The second variable is the application of a tax rate to arrive at the total tax levy. Taxable property is assessed at 100% of the true tax value. The amount of property tax levied (billed to property

December 31, 2022

owners) is further restricted by State of Indiana-enacted property tax legislative reform (the “circuit breaker” property tax caps) to no more than 1.0% (homestead), 2.0% (other residential/rental) or 3.0% (commercial/industrial) of gross assessed valuation.

Property tax revenue includes taxes collected on behalf of the following funds: General Fund, Parks and Recreation Fund, Cumulative Capital Development Fund, Redevelopment Commission Tax Incremental Financing (TIF) Funds, and a special levy to cover debt service for City-issued Parks bonds.

The City recognizes the need to further diversify the revenue stream and to reduce its dependency on general property taxes to ensure that a broad base of users of City services, including nonresidents who work in the City, share in the funding of basic City services.

As a result of the need to diversify the revenue stream, the City of South Bend Common Council, the City of Mishawaka Common Council, and Saint Joseph County Council (together comprising the local income tax council) have adopted a Local Income Tax rate of 1.75%. The Local Income Tax consists of four components:

- 0.50% for the expenditure rate–certified shares component (formerly the County Option Income Tax), which is deposited directly into the City’s general fund,
- 0.40% for the economic development component (formerly the Economic Development Income Tax),
- 0.25% for the public safety component (formerly the Public Safety Local Option Income Tax), and
- 0.60% property tax relief component. The property tax relief component of the Local Income Tax does not result in any direct revenue to the City, but rather reduces circuit breaker property tax losses.

The City continues to seek diversified sources of revenue that will reduce its reliance on property and income taxes. One viable source of revenue is from user fees and/or charges for services currently being performed. City-performed services are priced at levels representing the full cost of service, taking into consideration fees charged by providers of similar services. The City performs ongoing reviews of user fee costs incurred and revises service fee prices as required.

Total tax revenue was \$120,931,742 during 2022 and decreased by \$3,275,807, or 2.64%, from 2021. Property tax revenue was stronger than expected during 2022, driven by rising real estate values. However, income tax revenue declined in 2022 due to a change in the funding mechanism for the County Public Safety Answering Point (PSAP) and due to income declines from the COVID-19 pandemic.

Total non-tax-based revenue was \$115,179,034 in 2022 and increased \$45,719,400, or 65.82%, from 2021. This is due primarily due to high intergovernmental revenue, stemming mainly from the City’s recognition of a significant portion of the ARPA revenue in 2022.

Governmental Fund Expenditures

The City accounts for government fund expenditures in eight functional categories as follows:

- (1) general government,
- (2) public safety,
- (3) highways and streets,
- (4) community and economic development,
- (5) culture and recreation,
- (6) bond issuance costs,
- (7) debt service, and
- (8) capital outlay.

City of South Bend, Indiana

Management's Discussion and Analysis (Continued)

December 31, 2022

The following schedule presents a summary of governmental fund expenditures for the year ended December 31, 2022, in comparison to fiscal year 2021.

	<u>2022 Actual</u>	<u>% of Total</u>	<u>2021 Actual</u>	<u>% of Total</u>
General Government	\$23,212,153	11.0%	\$14,088,456	7.7%
Public Safety	82,671,364	39.2%	80,411,282	44.2%
Highways and Streets	19,032,317	9.0%	15,999,114	8.8%
Community & Economic Development	14,239,039	6.8%	12,791,198	7.0%
Culture and Recreation	17,263,972	8.2%	16,644,748	9.2%
Debt Service	22,481,891	10.7%	22,253,947	12.2%
Capital Outlay	32,047,181	15.2%	19,643,464	10.8%
Total Expenditures	<u>\$210,947,917</u>	<u>100.0%</u>	<u>\$181,832,209</u>	<u>100.0%</u>

Governmental fund expenditures in fiscal 2022 of \$210,947,917 increased by \$29,115,708, or 16.0%, in comparison to governmental fund expenditures in fiscal 2021.

Capital outlay expenditures increased by \$12,403,717, or 63.14%, during 2022 due primarily to an intentional freeze on new capital projects in the 2021 budget stemming from ongoing financial uncertainty related to the COVID-19 pandemic. The 2022 capital spend amount is similar to what the City has seen in years prior to 2021.

Public Safety expenditures continue to be the primary use of government fund resources with 39.2% of expenditures used for this purpose in fiscal 2022. Public safety spending is followed by:

- capital outlay expenditures (15.2%),
- general government (11.0%),
- debt service expenditures (10.7%),
- highways and streets (9.0%),
- culture and recreation (8.2%),
- and community and economic development (6.8%).

Note: "General government" spending is comprised of the executive offices of the Mayor, Common Council, City Clerk, Legal, Controller, Human Resources and Innovation & Technology.

Proprietary funds

Condensed Statement of Net Position
Revenue, Expenses, and Changes in Fund Net Position
As of and for the Year Ended December 31, 2022

	Enterprise Funds				Governmental Activities Proprietary Internal Service
	Water Utility	Wastewater Utility	Nonmajor Enterprise	Total	
Total assets	\$81,421,027	\$195,786,845	\$31,563,293	\$308,771,165	\$27,571,690
Total deferred outflows	973,697	2,019,546	692,458	3,685,701	1,123,383
Total liabilities	15,459,286	48,014,603	5,289,954	68,763,843	11,644,476
Total deferred inflows	1,320,686	833,772	435,537	2,589,995	706,577
Net Position					
Net investment in capital assets	45,523,822	105,107,837	20,911,498	171,543,157	2,135,989
Restricted:					
Customer repair & deposit	1,291,253	3,080,262	-	4,371,515	-
Bond reserve	3,638,190	7,269,129	-	10,907,319	-
Operating reserve	2,892,437	5,483,478	-	8,375,915	-
Capital outlay	10,855,910	14,924,436	987,582	26,767,928	-
Unrestricted	1,413,140	13,092,874	4,631,180	19,137,194	14,208,031
Total net position	65,614,752	148,958,016	26,530,260	241,103,028	16,344,020
Operating revenues	20,849,578	42,680,236	14,158,680	77,688,494	40,859,886
Operating expenses	15,466,529	29,909,073	16,515,781	61,891,383	39,655,086
Operating income (loss)	5,383,049	12,771,163	(2,357,101)	15,797,111	1,204,800
Non-operating revenues (expenses)	(366,002)	(1,163,566)	1,871,193	341,625	(112,680)
Income (loss) before contributions & transfers	5,017,047	11,607,597	(485,908)	16,138,736	1,092,120
Capital contributions	-	-	7,410	7,410	-
Transfers in	294,627	746,470	2,184,363	3,225,460	-
Transfers out	(1,613,639)	(4,465,686)	(1,082,352)	(7,161,677)	-
Change in Net Position	3,698,035	7,888,381	623,513	12,209,929	1,092,120
Total Net Position - Beginning (restated)	61,916,717	141,069,635	25,906,747	228,893,099	15,251,900
Total Net Position - Ending	\$65,614,752	\$148,958,016	\$26,530,260	\$241,103,028	\$16,344,020

The City of South Bend maintains two types of proprietary funds: enterprise and internal service.

The City maintains seven (7) enterprise funds. Information is presented separately in the Proprietary Statement of Net Position, the Proprietary Statement of Revenues and Expenditures, and Changes in Fund Net Position for the Water Utility and Wastewater Utility, which are considered major enterprise funds. Data from the other five (5) nonmajor enterprise funds (Century Center, Consolidated Building Department, Parking Garage, Solid Waste, and Morris Performing Arts Center) are combined into a single, aggregated presentation.

The City maintains seven (7) internal service funds. The City of South Bend uses internal service funds to account for its self-funded liability insurance program, self-funded employee health benefits program, unemployment compensation claims, police take-home vehicle insurance program, Innovation & Technology and 311 call center, parental leave benefit for City employees, and central services unit (a department that accounts for expenses related to fuel, vehicle repairs, and other services provided to City departments on a cost-reimbursement basis). Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements but are combined into a single, aggregated presentation in the

proprietary fund financial statements. The internal service funds have been combined into a single, aggregated presentation.

As of December 31, 2022, City enterprise funds reported a net position of \$241,103,028, which represents an increase of \$12,209,929, or 5.33% from the net position as of December 31, 2021.

As of December 31, 2022, enterprise fund net position includes net investment in capital assets of \$171,543,157, restricted net position of \$50,422,677 and unrestricted net position of \$19,137,194.

During 2022, the **Water utility** experienced an increase in net position of \$3,698,035 and the **Wastewater utility** experienced an increase in net position of \$7,888,381.

Nonmajor Enterprise Funds experienced an increase in net position of \$623,513 during 2022, which was due primarily to an expansion in services following reopening after the COVID-19 pandemic. The **Century Center Fund** reported an increase in net position of \$599,659, which was a direct result of reopening in 2022 after the COVID-19 pandemic. The **Parking Garage Fund** reported a decrease in net position of \$355,458. The **Consolidated Building Fund** reported an increase in net position of \$60,598 during 2022. The **Solid Waste Fund** reported a decrease in net position of \$562,246, which is the result of unsustainably low charge rates. The City will need to evaluate how to bring the Solid Waste Fund to sustainability over the upcoming years. The **Morris Performing Arts Center Fund** was opened with the 2022 budget, and reported an increase in net position of \$880,960, related primarily to transfers in from the General fund to establish this new fund.

Internal Services Funds reported net position of \$16,344,020 as of December 31, 2022, an increase of \$1,092,120 compared to net position as of December 31, 2021. The **Liability Insurance Fund** decreased in net position by \$41,080 in 2022. The **Central Services Fund** increased its net position by \$137,414. The **Self-Funded Employee Benefits Fund** decreased in net position by \$1,194,325 due to slightly higher-than-expected healthcare costs. The **Innovation & Technology and 311 Call Center fund** is a fully allocated fund which supports most City departments, and increased in net position by \$1,918,356 in fiscal 2022. The **Unemployment Compensation Insurance Fund** increase in position by \$52,195, and the **Parental Leave Fund** increased in net position by \$177,837.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City maintains three fiduciary funds, which consist of two pension trust funds (1925 Police Officers’ Pension and 1937 Firefighters’ Pension) and two custodial funds (Morris / Palais Box Office and Police Distributions Payable).

	Pension Trust Funds	Custodial Fund
Total assets	\$961,046	\$2,671,827
Total liabilities	172	2,671,827
Fiduciary net position restricted for pensions	960,874	-
Total additions	10,079,948	3,448,383
Total deductions	10,097,737	3,448,383
Net increase (decrease) in net position	\$(17,789)	-

Effective in fiscal 2009, with the passage of State legislation, the State of Indiana began making contributions to the 1925 Police Officers’ and 1937 Firefighters’ Pension Funds. These funds no longer receive property tax revenue distributions beyond fiscal 2009. The administration of the pension plans is the responsibility of the City.

The net position maintained in the pension trust is the result of timing differences in the payment of pension benefits and the contributions received from the State of Indiana (the State reimburses in June and September for expenses paid in the previous calendar year). The cost of healthcare benefits to pension members are not covered by State contributions. The 1925 Police Officers’ and 1937 Firefighters’ pension funds will no longer pay retiree health insurance costs, these costs will be paid from the regular Police Department and Fire Department operating budgets.

General Fund Budgetary Highlights

The City prepares an annual budget for General Fund expenditures, which is subject to City of South Bend Common Council approval for adoption, before November 1 of the year preceding the budget period, according to state law concerning the annual budget of second class cities and towns. The Common Council adopted the 2022 budget at its meeting held in October 2021.

The General Fund budget applicable for fiscal 2022 is reported as follows:

	Original <i>(inclusive of encumbrances carried forward)</i>	Final	Actual Budgetary Basis	Variance
Revenues / Transfers In	\$84,325,720	\$86,170,033	\$85,206,061	\$(963,972)
Expenditures / Transfers Out	131,277,592	97,911,002	51,255,511	\$46,655,491
Surplus (Deficit)	\$(46,951,872)	\$(11,740,969)	\$33,950,550	\$45,691,519

General Fund revenues/transfers in was originally budgeted at \$84,325,720 for fiscal 2022. During the year, the General Fund budget for revenue/transfers in was increased by \$1,844,313 to \$86,170,033. The revenue budget may be increased or decreased at any time based on updated revenue projections. By closely aligning the budget with actual results, the City is able to increase the meaningfulness of its analysis. The revenue/transfers in budget was increased primarily due to an increase in the property tax estimate because of higher collections than anticipated.

During 2022, the General Fund collected \$85,206,061 in revenues/transfers in on a budgetary basis, which was \$880,341 higher than the original budget. This difference is 1.04% higher than the original budget. This increase over budget is due mainly to the receipt of higher-than-expected property taxes in 2022.

General Fund expenditures/transfers out were originally budgeted at \$131,277,592 for fiscal 2022, which included roughly \$9.5 million in encumbrances that were carried forward from a previous year. During the year, the General Fund expenditure/transfers out budgets were decreased to \$97,911,002.

General Fund spending is reviewed on a monthly basis under the direction of the City Controller to ensure spending remains within budgetary constraints. Monthly reviews are conducted with General Fund department management to review spending projections to ensure that annual expenditures remain within the budgetary levels. Budget amendments for cost-neutral redistribution between expense categories (i.e., personnel, supplies, services, capital) were submitted to Common Council four times during 2022, as required to adjust the budget to prevent any budget overruns in any expenditure category.

Additional appropriations for projects, initiatives, or unbudgeted spending requirements within the General Fund as deemed necessary by the Mayor are presented to the Common Council for adoption.

General Fund expenditures/transfers out incurred on a budgetary basis, including cash expended and outstanding encumbrances as of year-end December 31, 2022, amounted to \$51,255,511. This is

significantly lower than in prior years, which is due to the ARPA revenues covering a significant amount of expenditures normally spent from the General Fund in 2022.

Capital Assets and Debt Administration

Capital Assets of the Primary Government

	Governmental Activities		Business-type Activities		Government-wide	
	2022	2021	2022	2021	2022	2021
Assets not depreciated						
Land	\$14,496,141	\$14,496,141	\$2,586,613	\$2,586,613	\$17,082,754	\$17,082,754
Construction in Progress	19,667,573	16,404,213	7,955,682	14,328,420	27,623,255	30,732,633
Total	34,163,714	30,900,354	10,542,295	16,915,033	44,706,009	47,815,387
Assets depreciated						
Buildings	148,814,102	139,855,410	90,274,609	82,332,850	239,088,711	222,188,260
Non-building improvements	50,031,890	47,737,443	27,112,178	27,112,178	77,144,068	74,849,621
Machinery and Equipment	55,962,055	54,841,204	43,592,444	41,923,785	99,554,499	96,764,989
Roads and Infrastructure	496,419,566	484,619,434	243,237,499	237,924,362	739,657,065	722,543,796
Total Cost	751,227,613	727,053,491	404,216,730	389,293,175	1,155,444,343	1,116,346,666
Accumulated Depreciation						
Buildings	67,181,604	63,451,489	45,322,449	43,314,941	112,504,053	106,766,430
Non-building improvements	16,415,602	14,459,065	13,541,842	12,296,313	29,957,444	26,755,378
Machinery and Equipment	44,152,792	42,019,616	31,935,079	28,933,982	76,087,871	70,953,598
Roads and Infrastructure	379,290,962	366,512,165	100,561,400	95,483,669	479,852,362	461,995,834
Total Accum. Depreciation	507,040,960	486,442,335	191,360,771	180,028,905	698,401,730	666,471,240
Net Depreciated Assets	244,186,653	240,611,156	212,855,960	209,264,270	457,042,613	449,875,426
Net Capital Assets	\$278,350,367	\$271,511,510	\$223,398,254	\$226,179,303	\$501,748,622	\$497,690,813

The investment in capital assets includes land and land improvements, buildings and building improvements, vehicles, information technology equipment, machinery and equipment, and construction in progress. A detailed explanation of these capital assets can be found in the Notes to the Financial Statements.

Under the category of roads and infrastructure, the current cost amount of \$739,657,065 includes estimated costs derived primarily from the City's 2006 implementation of GASB Statement No. 34, which required the retroactive reporting of infrastructure capital assets. All other assets are recorded at historical cost.

Major Capital Asset Project Spending in 2022

Included in capital asset additions for 2022 were the following major projects:

- Wastewater Treatment Plant Electrical Improvements (\$7,081,996)
- Paving & Road Rehab (\$5,582,596)
- Morris Performing Arts Center Morris 100 Project Phase I (\$3,619,814)
- Olive Street Reconstruction (\$2,665,984)
- Purchase & Renovation of New City Hall (\$2,804,342)
- Seitz Park Reconstruction (\$2,469,201)

Capital Assets Analysis

As of December 31, 2022, government-wide capital assets were valued at \$501,748,622, net of accumulated depreciation, an increase of \$4,057,809, or 0.8%, since December 31, 2021. Construction in Progress decreased by \$3,109,378 and capitalized assets in land, buildings, improvements, machinery and equipment, and roads increased by \$7,167,187, net of depreciation, since December 31, 2021.

As of December 31, 2021, the cost of Roads & Infrastructure (\$739,657,065) was the major asset class followed by Buildings (\$239,088,711) and Machinery & Equipment (\$99,554,499).

Total depreciation expense was \$33,502,800 for 2022, as compared to \$33,459,812 for 2021. Depreciation expense was \$21,962,890 for governmental activities and \$11,539,910 for business-type activities for 2022.

Additional information on capital assets can be found in the notes to the financial statements in Note 6.

Debt Administration

Outstanding debt principal as of December 31, 2022 was \$211,834,077, a decrease of \$6,371,818, or 2.9% from 2021. City outstanding debt includes general obligation bonds, revenue bonds, mortgage bonds, notes and loans payable and financed purchase agreements.

	<u>Beginning</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending</u>
Governmental Activities				
General Obligation Bonds	\$15,950,563	-	\$(1,063,713)	\$14,886,850
Revenue Bonds	118,753,188	12,393,690	(9,654,762)	121,492,116
Mortgage Bonds	6,345,096	-	(1,776,544)	4,568,552
Notes and Loans	3,079,026	-	(297,175)	2,781,851
Financed purchase agreements	12,888,265	6,900,653	(5,109,347)	14,679,571
Total Governmental Activities Debt	157,016,138	19,294,343	(17,901,541)	158,408,940
Business-Type Activities				
Revenue Bonds	58,574,840	-	(7,936,093)	50,638,747
Mortgage Bonds	-	-	-	-
Notes and Loans	220,712	-	(24,682)	196,030
Financed purchase agreements	2,394,205	1,559,726	(1,363,571)	2,590,360
Total Business-Type Activities Debt	61,189,757	1,559,726	(9,324,346)	53,425,137
Total Debt	\$218,205,895	\$20,854,069	\$(27,225,887)	\$211,834,077

During 2022, the City entered into financed purchase agreements in the amount of \$8,460,379 to purchase certain vehicles and equipment. The lease terms are typically for five years with semi-annual debt service paid from the operating budgets of the user departments. Financed purchase agreements are used to acquire police vehicles, fire trucks, ambulances, garbage trucks, computer replacements, copiers and other vehicles and equipment. The City solicits competitive financing proposals for lease financing from local and national companies and the interest rate achieved during 2022 was on average around 3-4% for these leases.

Under the Indiana Constitution and State statute, the City's general obligation bonded debt and certain other debt is subject to a legal limitation based upon 2% of 1/3 of the total assessed value of real and

December 31, 2022

personal property. The City issued two lease-rental revenue bonds in 2022 – one to support capital projects at the Morris Performing Arts Center (\$6,395,000) and one to support capital projects at the Potawatomi Zoo (\$5,715,000). The revenue backup on both bond issuances is hotel-motel tax revenues that are specifically designated by state statute to support the Morris Performing Arts Center and the Potawatomi Zoo (respectively). Neither of these debt issuances are subject to the constitutional debt limitation. A calculation of the City's legal debt limitation can be found in the statistical debt capacity section of this document.

Additional information on debt can be found in the Notes to the Financial Statements in Note 8 – Financed Purchase Agreements and Note 9 - Long-term Debt.

Significant Subsequent Events

There is one event that occurred subsequent to the end of 2022 that might have a material impact on the interpretation of the City's financial position:

On April 18, 2023, the South Bend Redevelopment Authority issued a lease rental revenue bond totaling \$29,155,000 backed by semiannual lease payments made by the South Bend Redevelopment Commission from TIF revenues from the River West Development Area and River East Development Area. This bond will fund various neighborhood and economic development projects and will be repaid in semiannual installments through February 1, 2041

Economic Factors and 2023 Budget

Economic Factors

Property tax revenue, historically and at present, is the principal source of revenue for funding of governmental activities within the City of South Bend.

The State of Indiana General Assembly enacted property tax reform legislation in March 2008. Known as the "Circuit Breaker", House Enrolled Act 1001 (HEA 1001) limits property taxes paid to 1% of gross assessed value for residential homesteads, 2% for agricultural/rental properties, and 3% for all other real and personal property.

Under current legislation, all Indiana localities assess properties based on market values. Each year properties are "trended", which involves comparing property values to sales activity in the neighborhood and adjusting the current assessed values up or down according to the trended data.

The Circuit Breaker legislation was phased in commencing in fiscal 2009 and has led to significant reductions in property tax revenues available to fund City governmental operations since then. In 2022, the primary funds supported by property taxes (General Fund, Parks and Recreation Fund, and Cumulative Capital Development Fund) lost approximately \$43.2 million in taxable property tax levy due to the circuit breaker caps (Department of Local Government Finance, 2022 St. Joseph County Circuit Breaker Report).

As a consequence of the state enacted legislation in 2008, the City enacted a 0.95% local option income tax increase to partially offset the property tax revenue loss. The local option tax increase became effective in October 2009 and has resulted in an increase in local income taxes available to the City to fund ongoing governmental operations of public safety, parks and recreation, highways and streets and general government.

Management of the City of South Bend will continue to oversee the financial affairs from a position of fiscal conservatism. Special attention will be given to maintaining adequate fund reserves in the General Fund and the income tax funds as they are very important to the continued financial strength of the City.

Job creation is the primary engine to drive economic recovery. With the economic outlook for 2023 and beyond forecasted to be stronger, given the increased availability of vaccines for the COVID-19 virus and the corresponding easing of restrictions on gatherings and business, the City has opportunity to invest. Significant concerns linger (particularly around inflation and its impact on both city finances and resident well-being), but the City is excited to use recent-year surpluses to reinvest back into our community. Particularly with the passage of the American Recovery Plan in early 2021, the City has the opportunity to invest in large-scale economic development and infrastructure projects to attempt to change the trajectory of the local economy and put the City back on the path to growth.

2023 Budget and Beyond

The City will engage to ensure effective delivery of required services to taxpayers and residents within the constraints of available financial resources. The City will continue to provide required services within the constraints of a balanced General Fund budget. In the spirit of fiscal responsibility, the City has engaged in a process of program budgeting for the 2022 and 2023 budgets. This program budgeting is in addition to the state-required fund and account budgeting through the Indiana Department of Local Government Finance.

Through its Office of Innovation, the City continues to pursue reengineering programs targeted to create efficiency and cost improvements within City operations. These include purchasing process reengineering, back-office process improvements for human resources, performance management and other customer service operations. These initiatives, upon successful deployment completion, will achieve the desired results to create efficiency gains in the delivery of services to taxpayers.

The City is committed to creating a budget for fiscal 2024 that will remain fiscally responsible to the effective delivery of required services to City residents and stakeholders within the existing revenue constraints, as well as new revenue constraints imposed by the uncertain economic conditions we now face.

Specific concerns for the 2024 budget include the continuing impact of Circuit Breaker property tax reform on City revenue, the need for economic stimulus in our City and the need to address ever-increasing public safety costs, high health and pension costs and other stagnant or declining revenue sources such as gasoline, wheel and auto excise taxes.

Requests for Information

This Management's Discussion and Analysis, as contained within the City of South Bend Annual Comprehensive Financial Report, is intended to provide readers with a general overview of the financial condition of the City of South Bend as of December 31, 2022.

Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to:

Kyle Willis, Controller
City of South Bend
Department of Administration and Finance
227 W. Jefferson Blvd., 12th Floor
South Bend, IN 46601
Telephone (574) 235-9822
Email: kwillis@southbendin.gov

December 31, 2022

	Governmental Activities	Business-type Activities	Total	Component Unit
Assets				
Cash and cash equivalents	\$ 163,248,051	\$ 11,651,452	\$ 174,899,503	\$ 1,488,609
Investments	153,894,525	12,445,800	166,340,325	-
Receivables:				
Accounts - net	2,611,654	6,871,835	9,483,489	745,130
Interest	629,100	187,460	816,560	-
Taxes	245,396	637,500	882,896	-
Intergovernmental	1,672,105	-	1,672,105	-
Property taxes	95,397,040	-	95,397,040	3,627,774
Loans	10,596,636	-	10,596,636	545,205
Internal balances	(20,867)	20,867	-	-
Inventory	1,387,884	1,486,113	2,873,997	405,904
Prepaid expenses	1,681,028	7,948	1,688,976	12,895
Restricted assets	84,384	52,056,944	52,141,328	-
Property held for resale	9,030,424	-	9,030,424	-
Capital assets:				
Assets not subject to depreciation	34,163,714	10,542,295	44,706,009	2,086,867
Assets subject to depreciation - net	244,186,653	212,855,960	457,042,613	31,732,802
Total assets	<u>718,807,727</u>	<u>308,764,174</u>	<u>1,027,571,901</u>	<u>40,645,186</u>
Deferred outflows of resources				
Unamortized loss on refunding	1,879,955	703,892	2,583,847	-
Deferred outflows related to pensions	33,450,560	2,308,090	35,758,650	974,815
Deferred outflows related to OPEB	5,432,541	673,719	6,106,260	-
Total deferred outflows of resources	<u>40,763,056</u>	<u>3,685,701</u>	<u>44,448,757</u>	<u>974,815</u>
Liabilities				
Accounts payable	6,636,018	2,931,040	9,567,058	152,729
Due to other governmental units	210,827	-	210,827	-
Performance deposits payable	133,356	7,000	140,356	-
Accrued liabilities and other:				
Accrued payroll payable	2,393,727	475,367	2,869,094	170,075
Accrued interest payable	2,332,013	112,142	2,444,155	-
Taxes payable	308,584	131,842	440,426	-
Other current payables	57,141	148,783	205,924	97,858
Customer deposits payable	22,692	2,574,150	2,596,842	-
Unearned revenue	10,235,435	30,000	10,265,435	-
Noncurrent liabilities:				
Due within one year:				
Compensated absences	4,985,726	182,802	5,168,528	275,137
Claims payable	4,586,118	-	4,586,118	-
General obligation bonds payable	1,080,000	-	1,080,000	-
Revenue bonds payable	9,673,054	7,440,000	17,113,054	-
Mortgage bonds payable	1,035,000	-	1,035,000	-
Notes and loans payable	303,221	25,513	328,734	-
Financed purchase agreements	4,635,339	803,414	5,438,753	-
Due in more than one year:				
General obligation bonds payable	13,806,850	-	13,806,850	-
Revenue bonds payable	111,819,065	43,198,747	155,017,812	-
Mortgage bonds payable	3,533,552	-	3,533,552	-
Notes and loans payable	2,478,630	170,517	2,649,147	-
Financed purchase agreements	10,044,232	1,786,946	11,831,178	-
Net pension liability	134,934,558	5,903,384	140,837,942	910,572
Total OPEB liability	22,811,289	2,828,952	25,640,241	-
Total liabilities	<u>348,056,427</u>	<u>68,750,599</u>	<u>416,807,026</u>	<u>1,606,371</u>

Statement of Net Position (Continued)

December 31, 2022

	Governmental Activities	Business-type Activities	Total	Component Unit
Deferred inflows of resources				
Unamortized gain on refunding	291,823	714,520	1,006,343	-
Deferred inflows related to pensions	3,052,446	488,852	3,541,298	431,247
Deferred inflows related to OPEB	11,181,048	1,386,623	12,567,671	-
Deferred inflows related to property taxes receivable	95,397,037	-	95,397,037	3,627,774
Total deferred inflows of resources	<u>109,922,354</u>	<u>2,589,995</u>	<u>112,512,349</u>	<u>4,059,021</u>
Net position				
Net investment in capital assets	138,388,784	171,543,157	309,931,941	33,663,696
Restricted:				
Debt service	10,969,003	-	10,969,003	-
Customer repair and deposit	-	4,371,515	4,371,515	-
Bond reserve	-	10,907,319	10,907,319	-
Operating reserve	-	8,375,915	8,375,915	-
Capital outlay	-	26,767,928	26,767,928	-
Unrestricted	<u>152,234,215</u>	<u>19,143,447</u>	<u>171,377,662</u>	<u>2,290,913</u>
Total net position	<u>\$ 301,592,002</u>	<u>\$ 241,109,281</u>	<u>\$ 542,701,283</u>	<u>\$ 35,954,609</u>

Functions/programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 21,881,174	\$ 607,155	\$ 1,768,365	\$ -	\$ (19,505,654)	\$ -	\$ (19,505,654)	\$ -
Public safety	56,739,974	6,764,488	10,462,515	-	(39,512,971)	-	(39,512,971)	-
Highways and streets	24,745,703	308,415	1,382,617	-	(23,054,671)	-	(23,054,671)	-
Community and economic development	25,843,717	1,876,212	7,756,602	1,000,000	(15,210,903)	-	(15,210,903)	-
Culture and recreation	20,604,274	3,671,567	-	-	(16,932,707)	-	(16,932,707)	-
Interest on long-term debt	5,627,814	-	-	-	(5,627,814)	-	(5,627,814)	-
Total governmental activities	<u>155,442,656</u>	<u>13,227,837</u>	<u>21,370,099</u>	<u>1,000,000</u>	<u>(119,844,720)</u>	<u>-</u>	<u>(119,844,720)</u>	<u>-</u>
Business-type activities:								
Water utility	15,760,389	20,856,662	-	-	-	5,096,273	5,096,273	-
Wastewater utility	30,960,152	42,707,606	-	-	-	11,747,454	11,747,454	-
Century center	4,553,091	3,340,775	-	-	-	(1,212,316)	(1,212,316)	-
Consolidated building	1,826,813	1,894,252	-	-	-	67,439	67,439	-
Parking garage	1,181,311	828,821	-	-	-	(352,490)	(352,490)	-
Solid waste	7,807,892	6,972,856	-	7,410	-	(827,626)	(827,626)	-
Morris performing arts center	1,184,243	1,125,380	-	-	-	(58,863)	(58,863)	-
Total business-type activities	<u>63,273,891</u>	<u>77,726,352</u>	<u>-</u>	<u>7,410</u>	<u>-</u>	<u>14,459,871</u>	<u>14,459,871</u>	<u>-</u>
Total primary government	<u>\$ 218,716,547</u>	<u>\$ 90,954,189</u>	<u>\$ 21,370,099</u>	<u>\$ 1,007,410</u>	<u>\$ (119,844,720)</u>	<u>\$ 14,459,871</u>	<u>\$ (105,384,849)</u>	<u>\$ -</u>
Component unit:								
South Bend Public Transportation Corp.	<u>\$ 14,408,642</u>	<u>\$ 1,458,626</u>	<u>\$ 5,527,775</u>	<u>\$ 5,103,444</u>	<u>\$ (2,318,797)</u>	<u>\$ -</u>	<u>\$ (2,318,797)</u>	<u>\$ (2,318,797)</u>
General revenues:								
Taxes:								
Property taxes					88,670,960	-	88,670,960	4,001,402
Income taxes					31,464,822	-	31,464,822	-
Hotel/motel taxes					795,960	1,912,500	2,708,460	-
State-shared revenue					61,869,953	-	61,869,953	-
Unrestricted investment income (loss)					(999,162)	(219,972)	(1,219,134)	26,052
Gain on sale of capital assets					21,455	-	21,455	16,100
Other miscellaneous income					20,501,061	-	20,501,061	-
Total general revenues					<u>202,325,049</u>	<u>1,692,528</u>	<u>204,017,577</u>	<u>4,043,554</u>
Transfers					<u>3,936,217</u>	<u>(3,936,217)</u>	<u>-</u>	<u>-</u>
Change in net position					86,416,546	12,216,182	98,632,728	1,724,757
Net position - Beginning of year					<u>215,175,456</u>	<u>228,893,099</u>	<u>444,068,555</u>	<u>34,229,852</u>
Net position - End of year					<u>\$ 301,592,002</u>	<u>\$ 241,109,281</u>	<u>\$ 542,701,283</u>	<u>\$ 35,954,609</u>

	General Fund	Parks and Recreation	Local Income Tax Public Safety	Local Income Tax Economic Development	American Rescue Plan	River West TIF	Nonmajor Funds	Total
Assets								
Cash and cash equivalents	\$ 55,394,892	\$ 3,452,122	\$ 1,263,535	\$ 10,601,196	\$ 4,934,160	\$ 15,931,300	\$ 61,381,409	\$ 152,958,614
Investments	61,516,988	2,725,882	1,471,092	12,342,627	5,744,682	18,548,285	39,588,010	141,937,566
Receivables:								
Accounts	1,595,538	5,140	-	150,300	-	-	815,580	2,566,558
Interest	125,918	1,308	7,038	60,400	143,833	71,253	169,159	578,909
Taxes	-	-	-	-	-	-	245,396	245,396
Intergovernmental	-	-	-	-	-	-	1,672,105	1,672,105
Property taxes	48,598,975	11,432,872	-	-	-	17,684,025	17,681,168	95,397,040
Loans	-	-	-	-	-	571,500	10,025,136	10,596,636
Due from other funds	-	-	-	-	-	-	44	44
Advances to other funds	338,253	-	-	-	-	-	1,106,959	1,445,212
Inventory	-	22,351	-	-	-	-	-	22,351
Property held for resale	175,000	-	-	270,001	-	5,771,536	2,813,887	9,030,424
Total assets	<u>\$ 167,745,564</u>	<u>\$ 17,639,675</u>	<u>\$ 2,741,665</u>	<u>\$ 23,424,524</u>	<u>\$ 10,822,675</u>	<u>\$ 58,577,899</u>	<u>\$ 135,498,853</u>	<u>\$ 416,450,855</u>
Liabilities								
Accounts payable	\$ 1,837,486	\$ 99,767	\$ -	\$ 83,551	\$ 145,081	\$ 645,888	\$ 1,891,289	\$ 4,703,062
Due to other funds	9,391	7,972	-	793	-	-	1,735	19,891
Due to other governments	210,827	-	-	-	-	-	-	210,827
Advances from other funds	-	-	-	-	-	-	1,445,212	1,445,212
Performance deposits payable	103,881	-	-	6,000	-	18,525	4,950	133,356
Accrued liabilities and other:								
Accrued payroll payable	1,804,938	188,291	-	-	-	-	267,195	2,260,424
Taxes payable	226,203	32,696	-	-	-	-	33,148	292,047
Other current payables	-	-	-	-	-	30,000	27,141	57,141
Customer deposits	-	-	-	-	-	-	22,692	22,692
Unearned revenue	-	96,150	-	-	10,131,659	-	-	10,227,809
Total liabilities	<u>4,192,726</u>	<u>424,876</u>	<u>-</u>	<u>90,344</u>	<u>10,276,740</u>	<u>694,413</u>	<u>3,693,362</u>	<u>19,372,461</u>
Deferred inflows of resources								
EMS Medicaid receivable	1,506,781	-	-	-	-	-	-	1,506,781
Intergovernmental receivable	-	-	-	-	-	-	1,672,105	1,672,105
Property taxes receivable	48,598,974	11,432,871	-	-	-	17,684,025	17,681,167	95,397,037
Total deferred inflows of resources	<u>50,105,755</u>	<u>11,432,871</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,684,025</u>	<u>19,353,272</u>	<u>98,575,923</u>
Fund balances								
Nonspendable	513,253	22,351	-	-	-	-	1,106,959	1,642,563
Restricted	-	5,759,577	2,741,665	-	545,935	40,199,461	102,839,280	152,085,918
Committed	-	-	-	-	-	-	8,297,587	8,297,587
Assigned	-	-	-	23,334,180	-	-	404,932	23,739,112
Unassigned	112,933,830	-	-	-	-	-	(196,539)	112,737,291
Total fund balances	<u>113,447,083</u>	<u>5,781,928</u>	<u>2,741,665</u>	<u>23,334,180</u>	<u>545,935</u>	<u>40,199,461</u>	<u>112,452,219</u>	<u>298,502,471</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 167,745,564</u>	<u>\$ 17,639,675</u>	<u>\$ 2,741,665</u>	<u>\$ 23,424,524</u>	<u>\$ 10,822,675</u>	<u>\$ 58,577,899</u>	<u>\$ 135,498,853</u>	<u>\$ 416,450,855</u>

Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Position

December 31, 2022

Fund balances reported in governmental funds	\$ 298,502,471
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	276,201,926
Prepaid expenses are not available to pay for current period expenditures, and therefore are not reported in the funds	49,379
Deferred outflows on refunding are not due and payable in the current period and are not reported in the funds	1,879,955
Deferred outflows related to pensions are not due and payable in the current period and are not reported in the funds	32,580,998
Deferred outflows related to OPEB are not due and payable in the current period and are not reported in the funds	5,178,720
Notes and loans payable, general obligation bonds payable, mortgage bonds payable, revenue bonds payable, and financed purchase agreements are not due and payable in the current period and are not reported in the funds	(156,863,369)
Accrued interest is not due and payable in the current period and is not reported in the funds	(2,307,130)
Employee compensated absences are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities	(4,879,135)
Net pension liabilities do not present a claim on current financial resources and are not reported as fund liabilities	(132,710,485)
Total OPEB liability does not present a claim on current financial resources and is not reported as fund liability	(21,745,494)
Deferred inflows on refunding are not receivable and not available to pay current period expenditures, and thus not included in the governmental fund balance	(291,823)
Deferred inflows of resources related to pensions do not present a claim on current financial resources and are not reported as fund liabilities	(2,868,273)
Deferred inflows of resources related to OPEB do not present a claim on current financial resources and are not reported as fund liabilities	(10,658,644)
Future inflows related to EMS Medicaid revenue, opioid settlement, and other inflows are not reported as revenue in the governmental funds until they become available to finance current period expenditures	3,178,886
Internal service funds are included as part of governmental activities	<u>16,344,020</u>
Net position of governmental activities	<u>\$ 301,592,002</u>

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 2022

	General Fund	Parks and Recreation	Local Income Tax Public Safety	Local Income Tax Economic Development	American Rescue Plan	River West TIF	Nonmajor Funds	Total
Revenues								
Property taxes	\$ 45,635,698	\$ 10,742,492	\$ -	\$ -	\$ -	\$ 16,811,078	\$ 15,481,692	\$ 88,670,960
Income taxes	9,591,298	-	9,168,579	12,704,389	-	-	556	31,464,822
Hotel/motel taxes	-	-	-	-	-	200,000	595,960	795,960
Licenses and permits	319,288	348	-	-	-	-	30,925	350,561
Intergovernmental	12,288,518	427,491	-	-	48,778,388	123,848	20,949,702	82,567,947
Charges for services	4,838,529	3,503,012	-	-	-	-	4,767,647	13,109,188
Fines and forfeitures	4,911	24	-	-	-	-	588,183	593,118
Investment income (loss)	(1,068,926)	(46,674)	(12,989)	(34,900)	539,405	(159,882)	(215,196)	(999,162)
Other	13,170,299	924,235	-	232,970	-	102,625	5,127,253	19,557,382
Total revenues	<u>84,779,615</u>	<u>15,550,928</u>	<u>9,155,590</u>	<u>12,902,459</u>	<u>49,317,793</u>	<u>17,077,669</u>	<u>47,326,722</u>	<u>236,110,776</u>
Expenditures								
Current:								
General government	17,476,703	-	-	34,470	1,890,930	-	3,810,050	23,212,153
Public safety	26,220,669	-	9,760,800	-	46,080,405	-	609,490	82,671,364
Highways and streets	4,304,118	-	-	1,257,250	-	-	13,470,949	19,032,317
Community and economic development	692,037	-	-	3,212,242	-	917,650	9,417,110	14,239,039
Culture and recreation	1,376,479	15,320,547	-	-	-	-	566,946	17,263,972
Capital outlay:								
General government	78,438	-	-	2,834,071	808,772	-	320,736	4,042,017
Public safety	2,733,273	-	-	-	-	-	713,933	3,447,206
Highways and streets	-	-	-	-	-	-	2,401,668	2,401,668
Community and economic development	50,000	-	-	33,582	-	6,253,125	3,850,038	10,186,745
Culture and recreation	-	811,205	-	-	-	-	11,158,340	11,969,545
Debt service:								
Principal	1,269,734	379,954	-	190,000	-	3,711,202	10,607,442	16,158,332
Interest on long-term debt	40,171	23,547	-	142,850	-	812,903	4,626,626	5,646,097
Bond issuance costs	-	-	-	-	-	-	677,462	677,462
Total expenditures	<u>54,241,622</u>	<u>16,535,253</u>	<u>9,760,800</u>	<u>7,704,465</u>	<u>48,780,107</u>	<u>11,694,880</u>	<u>62,230,790</u>	<u>210,947,917</u>
Excess of revenues (under) over expenditures	<u>30,537,993</u>	<u>(984,325)</u>	<u>(605,210)</u>	<u>5,197,994</u>	<u>537,686</u>	<u>5,382,789</u>	<u>(14,904,068)</u>	<u>25,162,859</u>
Other financing sources (uses)								
Issuance of debt	1,632,000	1,290,000	-	-	-	-	15,670,507	18,592,507
Premium on debt	-	-	-	-	-	-	283,690	283,690
Proceeds from sale of capital assets	26,680	53,682	-	-	-	-	55,154	135,516
Transfers in	6,810,050	119,221	-	-	-	16	23,680,922	30,610,209
Transfers out	(7,101,015)	-	-	(6,520,192)	-	(4,710,000)	(8,342,785)	(26,673,992)
Total other financing sources (uses)	<u>1,367,715</u>	<u>1,462,903</u>	<u>-</u>	<u>(6,520,192)</u>	<u>-</u>	<u>(4,709,984)</u>	<u>31,347,488</u>	<u>22,947,930</u>
Net change in fund balances	31,905,708	478,578	(605,210)	(1,322,198)	537,686	672,805	16,443,420	48,110,789
Fund balances - Beginning of year	<u>81,541,375</u>	<u>5,303,350</u>	<u>3,346,875</u>	<u>24,656,378</u>	<u>8,249</u>	<u>39,526,656</u>	<u>96,008,799</u>	<u>250,391,682</u>
Fund balances - End of year	<u>\$ 113,447,083</u>	<u>\$ 5,781,928</u>	<u>\$ 2,741,665</u>	<u>\$ 23,334,180</u>	<u>\$ 545,935</u>	<u>\$ 40,199,461</u>	<u>\$ 112,452,219</u>	<u>\$ 298,502,471</u>

Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds

For the Year Ended December 31, 2022

Net change in fund balances - Total governmental funds	\$ 48,110,789
Amount reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	27,529,713
Depreciation expense	(21,847,326)
Net book value of assets disposed and transferred	(154,612)
Prepaid expenses recorded in the statement of net position do not require the use of current financial resources, and therefore are not reported in the fund statements	(36,749)
Issuance of debt (from notes and loans payable, mortgage bonds payable, revenue bonds payable, and financed purchase agreements) provide financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position	(18,592,507)
Premium on debt proceeds provide financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position	(283,690)
Repayment of debt principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	16,158,332
Other adjustments related to debt premiums, discounts, deferred inflows of resources, and deferred outflows of resources	556,626
Changes in accrued interest payable and other	139,119
Changes in compensated absences reported in the statement of activities do not require the use of current resources, and therefore are not reported in the fund statements until they come due for payment	(372,154)
Recognition of revenue previously received and available, and thus previously recognized in the governmental funds	4,162
Changes in the total OPEB liability reported in the statement of activities do not require the use of current resources, and therefore are not reported in the fund statements until they come due for payment	(1,800,659)
Future receipts of EMS Medicaid revenue and other revenues are not available to pay current period expenditures, and thus is not included in governmental fund balance	1,786,592
Changes in the net pension liabilities and related deferred inflows and outflows of resources reported in the statement of activities do not require the use of current resources, and therefore are not reported in the fund statements until they come due for payment	34,126,790
Internal service funds are included as part of governmental activities - Change in net position	1,092,120
Change in net position of governmental activities	\$ 86,416,546

Proprietary Funds
Statement of Net Position
December 31, 2022

	Enterprise Funds				Governmental Activities
	Water Utility	Wastewater Utility	Nonmajor Enterprise	Total	Proprietary Internal Service
Assets					
Current assets:					
Cash and cash equivalents	\$ 2,162,361	\$ 6,857,081	\$ 2,632,010	\$ 11,651,452	\$ 10,289,437
Investments	2,511,157	7,976,742	1,957,901	12,445,800	11,956,959
Receivables:					
Accounts	1,643,520	3,600,127	1,788,287	7,031,934	45,096
Allowance for doubtful accounts	(50,000)	(85,100)	(24,999)	(160,099)	-
Interest	59,460	115,737	12,263	187,460	50,191
Taxes	-	-	637,500	637,500	-
Due from other funds	10,070	15,473	8,568	34,111	-
Inventory	1,252,051	180,538	53,524	1,486,113	1,365,533
Prepaid expenses	2,910	1,575	3,463	7,948	1,631,649
Total current assets	7,591,529	18,662,173	7,068,517	33,322,219	25,338,865
Noncurrent assets:					
Restricted assets	18,695,079	30,782,027	2,579,838	52,056,944	84,384
Capital assets:					
Assets not subject to depreciation	3,187,731	5,509,110	1,845,454	10,542,295	1,282,165
Assets subject to depreciation	51,946,688	140,833,535	20,075,737	212,855,960	866,276
Total noncurrent assets	73,829,498	177,124,672	24,501,029	275,455,199	2,232,825
Total assets	81,421,027	195,786,845	31,569,546	308,777,418	27,571,690
Deferred outflows of resources					
Unamortized loss on refunding	9,955	693,937	-	703,892	-
Deferred outflows related to pensions	745,991	1,026,097	536,002	2,308,090	869,562
Deferred outflows related to OPEB	217,751	299,512	156,456	673,719	253,821
Total deferred outflows of resources	973,697	2,019,546	692,458	3,685,701	1,123,383
Liabilities					
Current liabilities:					
Accounts payable	2,138,664	610,573	181,803	2,931,040	1,932,956
Due to other funds	-	2,834	10,410	13,244	1,020
Performance deposits payable	-	-	7,000	7,000	-
Accrued liabilities and other:					
Accrued payroll payable	139,377	204,650	131,340	475,367	133,303
Accrued interest payable	-	92,069	20,073	112,142	24,883
Taxes payable	81,336	25,411	25,095	131,842	16,537
Other current payables	-	38,409	110,374	148,783	-
Customer deposits payable	1,304,837	1,177,550	91,763	2,574,150	-
Unearned revenue	-	-	30,000	30,000	-
Compensated absences	66,688	52,265	63,849	182,802	106,591
Claims payable	-	-	-	-	4,586,118
Revenue bonds payable	1,020,000	6,420,000	-	7,440,000	-
Notes and loans payable	25,513	-	-	25,513	-
Financed purchase agreements	-	-	803,414	803,414	693,070
Total current liabilities	4,776,415	8,623,761	1,475,121	14,875,297	7,494,478
Noncurrent liabilities:					
Revenue bonds payable	7,690,002	35,508,745	-	43,198,747	-
Notes and loans payable	170,517	-	-	170,517	-
Financed purchase agreements	-	-	1,786,946	1,786,946	860,130
Net pension liability	1,908,015	2,624,442	1,370,927	5,903,384	2,224,073
Total OPEB liability	914,337	1,257,655	656,960	2,828,952	1,065,795
Total noncurrent liabilities	10,682,871	39,390,842	3,814,833	53,888,546	4,149,998
Total liabilities	15,459,286	48,014,603	5,289,954	68,763,843	11,644,476

Proprietary Funds
Statement of Net Position (Continued)
December 31, 2022

	Enterprise Funds				Governmental Activities
	Water Utility	Wastewater Utility	Nonmajor Enterprise	Total	Proprietary Internal Service
Deferred inflows of resources					
Unamortized gain on refunding	714,520	-	-	714,520	-
Deferred inflows related to pensions	158,000	217,327	113,525	488,852	184,173
Deferred inflows related to OPEB	448,166	616,445	322,012	1,386,623	522,404
Total deferred inflows of resources	<u>1,320,686</u>	<u>833,772</u>	<u>435,537</u>	<u>2,589,995</u>	<u>706,577</u>
Net position					
Net investment in capital assets	45,523,822	105,107,837	20,911,498	171,543,157	2,135,989
Restricted:					
Customer repair and deposit	1,291,253	3,080,262	-	4,371,515	-
Bond reserve	3,638,190	7,269,129	-	10,907,319	-
Operating reserve	2,892,437	5,483,478	-	8,375,915	-
Capital outlay	10,855,910	14,924,436	987,582	26,767,928	-
Unrestricted	<u>1,413,140</u>	<u>13,092,874</u>	<u>4,637,433</u>	<u>19,143,447</u>	<u>14,208,031</u>
Total net position	<u>\$ 65,614,752</u>	<u>\$ 148,958,016</u>	<u>\$ 26,536,513</u>	<u>\$ 241,109,281</u>	<u>\$ 16,344,020</u>

Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2022

	Enterprise Funds				Governmental Activities
	Water Utility	Wastewater Utility	Nonmajor Enterprise	Total	Proprietary Internal Service
Operating revenues					
Metered revenue	\$ 14,628,660	\$ 41,531,697	\$ -	\$ 56,160,357	\$ -
Convention fees	-	-	4,088,610	4,088,610	-
Fire protection revenue	3,031,056	-	-	3,031,056	-
Licenses and permits	-	-	1,886,287	1,886,287	-
Interest and penalty charges	8,033	50,268	-	58,301	-
Parking fees	-	-	951,692	951,692	-
Solid waste fees	-	-	6,909,550	6,909,550	-
Employee/employer contributions	-	-	-	-	29,518,441
Charges for sales and services	-	-	-	-	9,163,424
Water leak insurance revenue	1,067,639	-	-	1,067,639	-
Charges to other funds	1,414,701	404,761	58,644	1,878,106	160,000
Other	699,489	693,510	263,897	1,656,896	2,018,021
Total operating revenues	<u>20,849,578</u>	<u>42,680,236</u>	<u>14,158,680</u>	<u>77,688,494</u>	<u>40,859,886</u>
Operating expenses					
Personnel services	4,783,243	6,531,352	3,692,334	15,006,929	4,872,209
Materials and supplies	997,054	2,285,745	1,612,241	4,895,040	6,710,200
Contractual services	5,608,561	7,417,749	5,142,778	18,169,088	8,272,279
Insurance claims and premiums	-	-	-	-	18,927,005
General and administration	2,342,714	6,118,236	3,813,213	12,274,163	757,829
Depreciation	1,734,957	7,555,991	2,248,962	11,539,910	115,564
Total operating expenses	<u>15,466,529</u>	<u>29,909,073</u>	<u>16,509,528</u>	<u>61,885,130</u>	<u>39,655,086</u>
Operating income (loss)	<u>5,383,049</u>	<u>12,771,163</u>	<u>(2,350,848)</u>	<u>15,803,364</u>	<u>1,204,800</u>
Nonoperating revenues (expenses)					
Investment income	(79,226)	(139,857)	(889)	(219,972)	(71,308)
Hotel/motel tax revenues	-	-	1,912,500	1,912,500	-
Interest expense	(293,860)	(1,051,079)	(43,822)	(1,388,761)	(67,224)
(Loss) gain on sale of assets	7,084	27,370	3,404	37,858	25,852
Total nonoperating revenues (expenses)	<u>(366,002)</u>	<u>(1,163,566)</u>	<u>1,871,193</u>	<u>341,625</u>	<u>(112,680)</u>
Income (loss) - Before contributions and transfers	<u>5,017,047</u>	<u>11,607,597</u>	<u>(479,655)</u>	<u>16,144,989</u>	<u>1,092,120</u>
Capital contributions - Other capital contributions	-	-	7,410	7,410	-
Transfers in	294,627	746,470	2,184,363	3,225,460	-
Transfers out	(1,613,639)	(4,465,686)	(1,082,352)	(7,161,677)	-
Change in net position	<u>3,698,035</u>	<u>7,888,381</u>	<u>629,766</u>	<u>12,216,182</u>	<u>1,092,120</u>
Net position - Beginning of year	<u>61,916,717</u>	<u>141,069,635</u>	<u>25,906,747</u>	<u>228,893,099</u>	<u>15,251,900</u>
Net position - End of year	<u>\$ 65,614,752</u>	<u>\$ 148,958,016</u>	<u>\$ 26,536,513</u>	<u>\$ 241,109,281</u>	<u>\$ 16,344,020</u>

Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2022

	Enterprise Funds				Governmental Activities Proprietary
	Water Utility	Wastewater Utility	Nonmajor Enterprise	Total	Internal Service Fund
Cash flows from operating activities					
Receipts from customers and users	\$ 19,765,764	\$ 42,992,689	\$ 13,249,549	\$ 76,008,002	\$ 2,557,856
Receipts from interfund services and reimbursements	1,387,023	(1,700)	(99)	1,385,224	38,361,718
Payments to suppliers	(5,674,570)	(10,716,736)	(6,714,731)	(23,106,037)	(32,592,969)
Payments to employees	(5,069,620)	(7,089,885)	(5,296,661)	(17,456,166)	(5,240,416)
Internal activity - payments to other funds	(2,342,714)	(6,118,257)	(2,413,066)	(10,874,037)	(757,744)
Internal activity - payments from other funds	94,975	351,644	58,644	505,263	-
Net cash provided by (used in) operating activities	<u>8,160,858</u>	<u>19,417,755</u>	<u>(1,116,364)</u>	<u>26,462,249</u>	<u>2,328,445</u>
Cash flows from noncapital financing activities					
Transfers from other funds	294,627	746,470	2,184,363	3,225,460	-
Transfers to other funds	(1,613,639)	(4,465,686)	(1,082,352)	(7,161,677)	-
Hotel/motel tax	-	-	1,912,500	1,912,500	-
Net cash (used in) provided by noncapital financing activities	<u>(1,319,012)</u>	<u>(3,719,216)</u>	<u>3,014,511</u>	<u>(2,023,717)</u>	<u>-</u>
Cash flows from capital and related financing activities					
Proceeds from capital debt issued for future capital purchase	-	-	1,559,726	1,559,726	418,146
Proceeds from capital grant	-	-	7,410	7,410	-
Proceeds from sales of capital assets	7,084	27,370	3,404	37,858	25,852
Purchase of capital assets	(3,320,446)	(4,102,770)	(1,177,331)	(8,600,547)	(1,282,165)
Principal paid on capital debt and financed purchase agreements	(1,449,987)	(6,463,482)	(974,041)	(8,887,510)	(944,224)
Interest paid on capital debt and financed purchase agreements	(392,399)	(1,210,663)	(31,742)	(1,634,804)	(65,436)
Debt service charge	(1,100)	(30,645)	-	(31,745)	-
Net cash (used in) capital and related financing activities	<u>(5,156,848)</u>	<u>(11,780,190)</u>	<u>(612,574)</u>	<u>(17,549,612)</u>	<u>(1,847,827)</u>
Cash flows from investing activities					
Interest received on investments	(126,269)	(231,665)	(10,910)	(368,844)	(109,010)
Proceeds from sale and maturities of investment securities	1,316,640	1,043,736	330,202	2,690,578	856,400
Net cash provided by investing activities	<u>1,190,371</u>	<u>812,071</u>	<u>319,292</u>	<u>2,321,734</u>	<u>747,390</u>
Net increase in cash and cash equivalents	2,875,369	4,730,420	1,604,865	9,210,654	1,228,008
Cash and cash equivalents - beginning of year	17,982,071	32,908,688	3,606,983	54,497,742	9,145,815
Cash and cash equivalents - end of year	<u>\$ 20,857,440</u>	<u>\$ 37,639,108</u>	<u>\$ 5,211,848</u>	<u>\$ 63,708,396</u>	<u>\$ 10,373,823</u>

Proprietary Funds
Statement of Cash Flows (Continued)
For the Year Ended December 31, 2022

	Enterprise Funds				Governmental Activities Proprietary Internal Service Fund
	Water Utility	Wastewater Utility	Nonmajor Enterprise	Total	
Classification of cash and cash equivalents					
Cash and investments	\$ 4,673,518	\$ 14,833,823	\$ 4,589,911	\$ 24,097,252	\$ 22,246,398
Restricted cash and investments	18,695,079	30,782,027	2,579,838	52,056,944	84,384
Less amounts classified as investments	<u>(2,511,157)</u>	<u>(7,976,742)</u>	<u>(1,957,901)</u>	<u>(12,445,800)</u>	<u>(11,956,959)</u>
Total cash and cash equivalents	<u>\$ 20,857,440</u>	<u>\$ 37,639,108</u>	<u>\$ 5,211,848</u>	<u>\$ 63,708,396</u>	<u>\$ 10,373,823</u>
Reconciliation of operating income (loss) to net cash from operating activities					
Operating income (loss)	5,383,049	12,771,163	(2,350,848)	15,803,364	1,204,800
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	1,734,957	7,555,991	2,248,962	11,539,910	115,564
(Increase) decrease in assets					
Receivables	303,109	442,784	(922,946)	(177,053)	94,504
Due from other funds	2	(1,700)	(99)	(1,797)	-
Inventory	(579,726)	(19,752)	(19,120)	(618,598)	(422,666)
Prepaid expenses and other assets	1,358	(1,575)	(3,463)	(3,680)	(61,958)
Increase (decrease) in liabilities					
Accounts payable	1,530,829	(807,058)	1,996	725,767	1,354,547
Taxes payable	403	(274)	4,714	4,843	10
Due to other funds	-	(21)	6,500	6,479	85
Accrued payroll payable	9,698	15,490	501	25,689	(4,261)
Compensated absences payable	3,825	6,485	(2,473)	7,837	874
Customer deposits	27,785	274,429	(17,189)	285,025	-
Other current payables	(21,821)	(26,264)	56,164	8,079	(23,165)
Estimate of unfiled claims	-	-	-	-	585,112
(Increase) decrease in deferred outflows of resources					
Pension items	(174,283)	(173,239)	(130,379)	(477,901)	(151,466)
OPEB items	16,894	50,525	10,024	77,443	40,907
Increase (decrease) in net pension liabilities	1,198,403	1,565,862	867,462	3,631,727	1,332,762
Increase (decrease) in OPEB liability	(308,947)	(567,205)	(210,952)	(1,087,104)	(470,716)
Increase (decrease) in deferred inflows of resources					
Pension items	(956,827)	(1,445,741)	(677,437)	(3,080,005)	(1,216,111)
OPEB items	(7,850)	(63,826)	(1,528)	(73,204)	(50,377)
Total adjustments	<u>2,777,809</u>	<u>6,646,592</u>	<u>1,240,737</u>	<u>10,665,138</u>	<u>1,123,645</u>
Net cash provided by (used in) operating activities	<u>\$ 8,160,858</u>	<u>\$ 19,417,755</u>	<u>\$ (1,110,111)</u>	<u>\$ 26,468,502</u>	<u>\$ 2,328,445</u>
Noncash investing, capital, and financing activities					
Capital assets acquired through financed purchases	\$ -	\$ -	\$ 758,270	\$ 758,270	\$ -
Capital assets disposed (at cost)	(17,062)	(147,734)	(43,249)	(208,045)	(64,822)
Capital assets transferred from/to another fund (cost)	-	-	-	-	(10,800)
Capital asset contribution	-	-	7,410	7,410	-
Work in progress completed transferred to capital assets	(1,902,161)	(9,979,601)	-	(11,881,762)	-
Accumulated depreciation on disposals of capital assets	17,062	147,734	43,249	208,045	48,268
Accumulated depreciation on transfers of capital assets	-	-	-	-	10,800

Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2022

	Pension Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	\$ 442,913	\$ 2,671,827
Investments:		
U.S. Treasuries	72,715	-
U.S. Government Agency Securities	442,005	-
Tax-Exempt Municipal Bonds	950	-
Receivables - Interest	2,463	-
Total assets	961,046	\$ 2,671,827
Liabilities		
Accounts payable	172	9,617
Customer deposits payable	-	1,613,294
Police distribution payable	-	1,048,916
Total liabilities	172	\$ 2,671,827
Net position restricted for pensions	\$ 960,874	

Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2022

	Pension Trust Funds	Custodial Funds
Additions		
Investment income (loss) - Interest and dividends	\$ 194	\$ -
Police asset seizures	-	89,995
Contributions:		
On behalf	10,072,499	-
Other	7,255	-
Total contributions	10,079,754	-
Customer deposits	-	3,358,388
Total additions	10,079,948	3,448,383
Deductions		
Benefit payments	10,063,323	-
Police distributions	-	682,482
Police distributions payable	-	(592,487)
Customer deposits distributed	-	2,538,806
Customer deposits payable	-	819,582
Administrative expenses	34,414	-
Total deductions	10,097,737	3,448,383
Net (decrease) increase in net position	(17,789)	-
Net position - Beginning of year	978,663	-
Net position - End of year	\$ 960,874	\$ -

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The City of South Bend (the "City") was established under the laws of the State of Indiana and operates under a Council-Mayor form of government. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The component units discussed below are included in the primary government's reporting entity because of the significance of their operational or financial relationships with the primary government. Blended component units, although legally separate entities are in substance part of the government's operations and exist solely to provide services for the government; data from these units is combined with data of the primary government. Discretely presented component units are involved in activities of an operational nature independent from the primary government; their transactions are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Component Units and Related Organizations

Blended Component Units

The City's financial statements contain four blended component units:

- The South Bend Redevelopment Authority is a significant blended component unit of the City. Although it is legally separate from the City, the Redevelopment Authority is reported as if it were part of the City because its sole purpose is to finance and construct land, building, and other improvements for use by the City.
- The City of South Bend Building Corporation is a legally separate nonprofit corporation and a significant blended component unit of the City. The Building Corporation is reported as if it were part of the City because its main purpose is to finance construction and remodeling of City buildings. Debt of the Building Corporation is repaid through lease payments from the City.
- The Urban Enterprise Association of South Bend ("UEA") is a legally separate nonprofit corporation, which is reported as if it were a part of the City. The UEA exists exclusively to benefit the City through a variety of economic development programs. Additionally, the City appoints the majority of its governing board, and the organization is staffed by City staff members through a management agreement.
- The Venues Parks & Arts Foundation ("VPA Foundation") is a legally separate nonprofit corporation, which is reported as if it were a part of the City. The VPA Foundation exists solely to raise money through donations and grants for the City.

Financial statements for any of the City's blended component units are available at the City Controller's Office, City of South Bend, 227 West Jefferson, 12th Floor County-City Building, South Bend, Indiana 46601.

Discretely Presented Component Unit

The South Bend Public Transportation Corporation ("Transpo") is a discretely presented component unit in these financial statements. Although the City does not have operational responsibility for Transpo, and no financial benefit or burden accrues to the City due to Transpo's operations, Transpo is nonetheless fiscally dependent on the City, per the following relationship:

Note 1 – Summary of Significant Accounting Policies (Continued)

Pursuant to Indiana law, Transpo is required to submit its proposed budget and tax levy to the Common Council of the City of South Bend for adoption. Specifically, Indiana Code § 6-1.1-17-20 requires that Transpo, as a political subdivision governed by a majority of unelected officials, submit its proposed budget and property tax levy to the Common Council of the City of South Bend. Pursuant to Indiana Code § 6-1.1-17-20(e), the Common Council of the City of South Bend is required to review Transpo’s budget and proposed tax levy and adopt a final budget and tax levy for Transpo. The Common Council of the City of South Bend may reduce or modify, but may not increase, the proposed budget or tax levy.

Because Transpo does not have the ability to complete the above essential events without substantive approval from the South Bend Common Council, it is fiscally dependent upon the City of South Bend, and the City of South Bend is financially accountable for Transpo. Transpo is therefore a component unit of the City of South Bend.

The financial statements of Transpo, including all note disclosures, may be obtained from its offices as follows:

South Bend Public Transportation Corporation
1401 S Lafayette Blvd
South Bend, IN 46613

Related Organizations

The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations generally does not extend far beyond making the appointments. The mayor and the Common Council appoint the board members of the South Bend Housing Authority, St. Joseph County Housing Consortium, and the Saint Joseph County Board of Managers for Hotel-Motel Tax.

Accounting and Reporting Principles

The City follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by the City.

Basis of Presentation

Governmental accounting principles require that financial reports include two different perspectives: the government-wide perspective and the fund-based perspective.

Government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements.

The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present a schedule reconciling these amounts to the modified accrual basis of presentation found in the fund-based statements. The primary government is reported separately from the single

Note 1 – Summary of Significant Accounting Policies (Continued)

discretely presented component unit for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes and other items not properly included among program revenue are reported instead as general revenue.

Except for interfund activity and balances between the funds that underlie governmental activities and the funds that underlie business-type activities, the effect of interfund activity has been eliminated from these statements.

Fund Financial Statements

The City accounts for its various activities in several different funds in order to demonstrate accountability for how we have spent certain resources; separate funds allow us to show the particular expenditures for which specific revenue was used. The various funds are aggregated into three broad fund types:

Governmental Funds

Governmental funds include all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue funds, debt service funds, and capital project funds. The City reports the following funds as “major” governmental funds:

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.
 - During the year, the City determined that the Local Income Tax Certified Shares fund did not meet the requirements of a special revenue fund and should be reported within the General Fund. Likewise, as in prior years, the City has determined that the Rainy Day fund did not meet the requirements of a special revenue fund and was therefore reported within the General Fund.
 - As a result, the fund balance-beginning of year of the General Fund includes the fund balance-beginning of year of the Local Income Tax Certified Shares fund of \$18,139,744.
- The Parks and Recreation Fund is used to account for the operation of the City parks system. Financing is provided by a specific annual property tax levy to the extent that user fees and miscellaneous revenues are insufficient to provide such financing.
- The Local Income Tax – Public Safety Fund is used to account for the City's share of the public safety portion of the local income tax. Expenditures are restricted to public safety.
- The Local Income Tax – Economic Development Fund is to account for the City's share of the economic development portion of the local income tax. Expenditures include economic development and any lawful purpose of the City.

Note 1 – Summary of Significant Accounting Policies (Continued)

- The American Rescue Plan Fund is used to account for the receipt and expenditures of the funds that the City received from the American Rescue Plan Act of 2021. As a part of this legislation, Congress allocated \$350 billion to state, local, territorial and Tribal governments to respond to the COVID-19 pandemic, provide economic relief, and lay the foundation for a strong and equitable recovery.
- The River West TIF (Tax Increment Financing) Fund is used to account for public improvement projects in the river west economic development area. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of property in the district before redevelopment.

Proprietary Funds

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the City). The City reports the following funds as “major” enterprise funds:

- The Water Utility Fund accounts for the operation of the City's water distribution system.
- The Wastewater Utility Fund accounts for the operation of the City's wastewater treatment plant, pumping stations, and collection systems.

The City's internal service funds are used to account for various City liability coverage, employee medical coverage, police officers' take-home vehicle, innovation & technology/311 call center, unemployment claims, parental leave program, and central services such as fuel, vehicle repairs, and various supplies provided to other departments on a cost-reimbursement basis. The activities are accounted for on a full accrual basis, so that the full costs are recognized and allocated to the various funds in the year that the costs are incurred.

Fiduciary Funds

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts will not be used to operate our government's programs. Activities that are reported as fiduciary include the following:

- The pension trust funds account for the activities of the 1925 Police and 1937 Fire Pension Funds which accumulate resources for pension benefit payments.
- The custodial funds accounts for assets held by the City for assets seized by the South Bend Police Department during their normal operations as well as for customer deposits held on behalf of promoters at the Morris Performing Arts Center.

Interfund Activity

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

- Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Note 1 – Summary of Significant Accounting Policies (Continued)

- Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out.

Basis of Accounting

Full Accrual Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Modified Accrual Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the government has spent its resources.

- Revenue is recognized when it is both measurable and available. Revenues are considered available if they are collected during the fiscal year, or collected soon enough after the end of the year, that they are available to pay for obligations outstanding at the end of the year. For this purpose, the City considers amounts collected within 60 days of year end to be available for recognition.
- Expenditures are reported when the goods are received or the services are rendered.
 - Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future.
 - Conversely, liabilities that will be funded in the future (such as pension and retiree healthcare related costs, debt obligations, and employee vacation pay) are not recorded as expenditures until they come due for payment.

Elements of the Statement of Net Position

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Investments

State statute (IC 5-13-9) authorizes the City to invest in securities, including but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Nonparticipating certificates of deposit, demand deposits, and similar nonparticipating negotiable instruments that are not reported as cash and cash equivalents are reported as investments at cost. A “nonparticipating” instrument is one that does not recognize market fluctuations in its valuation.

Notes to Financial Statements (continued)

December 31, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Debt securities are reported at fair value. Debt securities are defined as securities backed by the full faith and credit of the United States Treasury or fully insured or guaranteed by the United States or any United States government agency.

Open-end mutual funds and money market investments are reported at fair value.

Investment income, including changes in the fair value of investments, is reported as revenue in the operating statement.

Inventories and Prepaid Items

Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in government-wide, proprietary fund, internal service fund financial statements.

Restricted Assets

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Restricted assets also include customer deposits, operating reserves, capital outlay accounts, and debt service reserve funds.

Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business type activities column in the government-wide financial statements.

- Capital assets are recorded at historical cost or estimated historical cost.
- Donated capital assets are recorded at estimated acquisition value at the date of donation.
- The City has implemented retroactive reporting of its infrastructure as of December 31, 2006.
- For depreciated assets, the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.
- All land purchases are capitalized regardless of acquisition price. Land is never depreciated.
- The City has implemented the requirements of GASB Statement No. 87 and determined that there were no assets that met the definition of a lease under the new standard.
- Major outlays for capital assets and improvements are capitalized when projects have completed the construction phase. The City has implemented the requirements in GASB Statement No. 89, and no interest was capitalized during the construction of capital assets of business-type activities.
- Infrastructure, intangibles, buildings, equipment, roads, and vehicles are depreciated using the straight line method over the following useful lives:

Capital Asset Class	Capitalization Threshold	Useful Lives (in years)
Buildings and improvements	\$ 100,000	20 - 30
Large office equipment	10,000	5 - 10
Vehicles and other equipment	10,000	5 - 20
Roads – collectors and residential	250,000	40 - 50
Utilities infrastructure (large)	250,000	30 - 99

Note 1 – Summary of Significant Accounting Policies (Continued)

Long-term Obligations

In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred. In the fund financial statements, governmental fund types recognize bond issuances as an “other financing source,” as well as bond premiums and discounts. Net position restricted for debt service and for capital outlay shown in the business-type activities and in the enterprise funds are restricted pursuant to state statute and/or local ordinance.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

The City has three items that qualify for reporting in this category: the deferred charge on refunding, deferred charges on pensions, and deferred charges on other post-employment benefits (OPEB) that are reported in the governmental activities statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources are recorded with respect to pensions per GASB Statement No. 68 and OPEB per GASB Statement No. 75.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

The City has four items that qualify for reporting in this category: an unamortized gain on a refunding transaction, deferred inflows related to pensions (per GASB Statement No. 68) and OPEB (per GASB Statement No. 75), and deferred inflows related to property taxes receivable. The deferred inflow related to property taxes results from property taxes that are levied prior to the end of the fiscal year, but will not be received or legally allowed to be spent until a subsequent fiscal year.

Flow Assumptions

Net Position Flow Assumption

The City will sometimes fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Note 1 – Summary of Significant Accounting Policies (Continued)

Fund Balance Flow Assumptions

The City will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

- Nonspendable fund balances include items that cannot be spent. This includes activity that is not in a spendable form (inventory, long-term portions of loans, property held for resale) and activity that is legally or contractually required to remain intact, such as principal balances in a permanent fund.
- Restricted fund balances have constraints placed upon the use of the resources either by an external party such as a grantor or creditor or imposed by law through constitutional provisions or enabling legislation.
- Committed fund balances can be used only for specific purposes pursuant to constraints imposed by a formal action by the South Bend Common Council or by the South Bend Redevelopment Commission. This formal action is the passage of an ordinance by the Council or resolution by the Commission specifying the purposes for which the funds can be used. The same type of formal action is necessary to remove or change the use. The South Bend Common Council is the highest level of authority for the non-TIF Funds. The South Bend Redevelopment Commission is the highest level of decision-making authority for the TIF Funds and certain other Redevelopment Commission-controlled funds.
- Assigned fund balances include amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. For the governmental fund types other than the General Fund, this is the residual amount within the fund that is not restricted or committed. Currently, state statute does not require the City's Common Council to undertake any resolution regarding the assignment of fund balances. Assignments of fund balance are imposed by informal action of the City Controller. Formal action by a governing body is not required to assign fund balances.
- The unassigned fund balance is the residual amount of the General Fund not included in the four categories above. Only the General Fund may report a positive unassigned fund balance whereas other governmental funds may need to report a negative unassigned fund balance if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

Note 1 – Summary of Significant Accounting Policies (Continued)

Minimum Fund Balance Requirements

The fund balance policy proscribes the minimum fund balance as noted below. This is deemed to be the prudent amount to maintain the City's ability to meet obligations.

- General Fund: 50% of annual expenditures
- Local Income Tax-Economic Development: 50% of annual expenditures
- Water Works Operations: 5% of annual expenditures
- Wastewater Operations: 5% of annual expenditures
- Other: generally 25% of annual expenditures

The detail of the fund balance classifications of the governmental funds for the year ended December 31, 2022 can be found in Note 16.

Revenues and Expenses / Expenditures

Property Tax Revenue

Property taxes levied are collected by the County Treasurer and are usually distributed to the City in June and in December. 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 prior year. These rates are based on the taxable valuation of property as of the preceding January 1. Taxable property is assessed at 100% 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 that become delinquent if not paid by May 10 and November 10, respectively, at which time penalties and interest are assessed.

Property taxes levied not later than December 31 are recorded as a receivable at year-end, reduced by any amounts received prior to December 31 (if any) and an estimated allowance for uncollectible property taxes with an offset to deferred inflows of resources for the same amount. Property tax revenue is recognized in the year for which the taxes are levied, subject to the available and measurable criteria for property taxes reported in the funds financial statements.

Pension

The City offers several defined benefit pension plans to its employees. For each plan, the City records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring net pension liability in each plan, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the pension plans' fiduciary net position have been determined on the same basis as they are reported by the pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net pension liability, expenses and deferred inflows and outflows of resources for each plan are allocated between governmental activities and proprietary funds based on applicable salaries covered by each plan.

Other Postemployment Benefit Costs

The City offers post-employment healthcare benefits to retirees. For purposes of measuring the total OPEB liability in the government-wide financial statements, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense of the City of South Bend

Note 1 – Summary of Significant Accounting Policies (Continued)

Retiree Healthcare Plan (SBRHP) have been determined on the same basis as they are reported.

OPEB liability, expense and deferred inflows and outflows of resources are allocated between governmental activities and proprietary funds based on applicable salaries.

Compensated Absences (Vacation and Sick Leave)

- **Sick Leave** - City employees earn sick leave at the rate of four to eight days per year, depending upon employee classification and length of service.
 - Police officers, teamsters, 40 hour-per-week firefighters, and all other employees earn eight sick days per year, regardless of tenure of service.
 - Firefighters working 24-hour workdays with tenure greater than five years earn five days of sick leave per year, and firefighters working 24-hour workdays with tenure less than five years, earn four days of sick leave per year.
 - Sick leave may accumulate to a maximum 90 days for police officers, 100 days for 40-hour-per-week firefighters, 38 days for 24-hour-per-day firefighters, 75 days for teamsters, and 65 days for all other employees.
 - Accumulated sick leave is paid to firefighters and police officers upon termination of employment depending upon the number of sick leave hours transacted, at a rate of 50% to 100% of the base hourly rate of pay for firefighters and at a rate of one-half the first class patrolman rank rate of pay for police officers. Accumulated sick leave is paid to teamster employees, upon retirement, at a rate of 50% of the employee's base regular rate of pay.
 - Sick leave buy-back during employment is paid to firefighters and police officers annually upon request. Upon request, firefighters are paid unused sick days earned in the previous year in excess of 252 hours in the sick day bank at the base hourly rate of pay. Upon request, police officers are paid up to a maximum eight unused sick days at the first class patrolman rate of pay.
- **Vacation Leave** - Primary government employees earn vacation leave at rates from 10 days to 28 days based upon hire date, years of service, and employee classification.
 - Vacation leave does not accumulate from year to year for police officers, firefighters, and teamster employees. Non-bargaining employees carry over to the following year unused vacation time up to a maximum of 160 hours.
 - Unused vacation leave is paid to employees upon termination of employment.
 - Firefighters may sell back vacation leave, up to a maximum three days per year, during selected times of the year, at the employee's normal hourly rate of pay.
- **Personal Leave**
 - City police officers earn personal leave at the rate of seven days per year, and have the opportunity to earn an additional three days leave with participation in regularly scheduled police practice shooting exercises. Police officers' personal leave does not accumulate from year to year.
 - City employees under the teamster contract can use up to four days of their sick leave for personal leave. Personal leave of absence may be available for certain personal, family, and medical reasons when other forms of leave have been exhausted or otherwise not available.

Note 1 – Summary of Significant Accounting Policies (Continued)

- Leaves of absences are unpaid although employees may use accrued vacation, sick, and comp time. A leave of absence may not exceed 30 calendar days, however an employee facing exceptional circumstances may seek an additional 30 calendar day leave of absence subject to approval by the department and HR department. Employees who are enrolled in the City's insurance plans will be covered during the initial leave of absence, but benefit time, such as vacation and sick time, will not accrue during this period. While every effort will be made to retain employment opportunities for an individual during this time, there is no guarantee of employment at the completion of personal leave of absence.
- **Compensatory Leave**
 - City firefighters can elect to receive compensation for overtime hours worked either through wage payment or compensatory time off work up to a maximum of 240 hours.
 - All other non-exempt employees working overtime hours earn compensatory time off up to a maximum balance of 36 hours, after which they are paid overtime wage.
 - All exempt employees working overtime hours earn compensatory time up to a maximum of 160 hours.

Unused vacation leave for all City employees, and unused sick leave and compensatory leave of firefighters, police officers, and teamsters, is accrued when incurred and reported as a liability in the statement of net position. Amounts due and payable at year end are included in the proprietary fund statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year-end.

Proprietary Funds Operating Classification

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Wastewater Utility Funds, nonmajor proprietary funds, and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows of resources, and deferred outflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Upcoming Accounting Pronouncements

The following pronouncements issued by the GASB will be effective and/or are anticipated to be reflected in the City's financial statements for the year ending December 31, 2023:

- GASB Statement No. 96, Subscription-Based Information Technology Arrangements
 - This pronouncement will establish certain additional requirements for right-to-use subscription assets and associated subscription liability.

Note 1 – Summary of Significant Accounting Policies (Continued)

- GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements
 - This statement clarifies the accounting treatment of public-private partnerships, service concession arrangements, and availability payment arrangements.

Note 2 – Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets are adopted on the cash basis which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at fiscal year-end. Annual budgets are adopted for the following governmental funds.

Major governmental funds

- General Fund
- Special Revenue Funds - Park and Recreation, Local Income Tax-Public Safety, Local Income Tax-Economic Development, American Rescue Plan
- Capital Projects Fund - River West TIF

Nonmajor governmental funds:

- Special Revenue Funds - Motor Vehicle Highway, Studebaker Oliver Revitalization Grants, Economic Development State Grants, DCI Operating, DCI Federal Grants, Police State Seizure, Gift Donation Bequest, Police Curfew Violation, Unsafe Building, Law Enforcement Continuing Education, Rental Units Regulation, Loss Recovery Fund, Code Enforcement, Local Road and Street, LOIT 2016 Special Distribution, Human Rights Federal Grants, COVID-19 Response, Local Road and Bridge Grant, MVH Restricted, Morris and Palais Marketing, Morris PAC Self Promoted Events, Police Block Grants, Hazmat, Indiana River Rescue, Police Grants, Regional Police Academy, COPS MORE Grant, Federal Drug Enforcement, Urban Development Action Grant, Leaf Collection and Removal, Police K-9 Unit, City Cemetery, Bowman Cemetery, Industrial Revolving Fund
- Debt Service Funds - 2003 Redevelopment Bond - Airport Taxable, 2003 Redevelopment Bond - Palais Royale, 2015 Smart Streets Bond Debt Service, 2015 Park Bond Debt Service, 2017 Park Bond Debt Service, 2017 Eddy St. Commons Bond Debt Service, 2018 Fire Station #9 Bond Debt Service, 2018 TIF Park Bond Debt Service Reserve, 2019 South Shore Double Tracking Bond Debt Service, 2020 TIF Library Bond Debt Service Reserve, Century Center Energy Conservation Debt Service, Redevelopment Authority Debt Service, South Bend Building Corporation Debt Service
- Capital Projects Funds – Fire Department Capital, Coveleski Stadium Capital, Cumulative Capital Development, Cumulative Capital Improvement, Major Moves, Professional Sports Convention Development Area, Morris Performing Arts Center Capital, Redevelopment General, TIF West Washington, TIF River East Development, TIF Southside Development Area No. 1, TIF Douglas Road, TIF River East Residential, Certified Technology Park, Palais Royale Historic Preservation, 2022 Zoo Bond Capital, Airport Urban Enterprise Zone, Equipment Vehicle Leasing, 2017 Park Bond Capital, 2017 Eddy St. Commons Bond Capital, 2018 Fire Station #9 Bond Capital, 2018 TIF Park Bond Capital, 2021 Infrastructure Bond Capital

Note 2 – Stewardship, Compliance, and Accountability (Continued)

On or before August 31, the City Controller submits to the Common Council a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised, and public hearings are conducted by the Common Council to obtain taxpayer comments. Prior to November 1 of each year, the Common Council, through the passage of an ordinance, approves the budget for the next year. Copies of the budget ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the City Controller receives approval of the Indiana Department of Local Government Finance.

The City's management cannot transfer budgeted appropriations between funds, departments, divisions, or cost categories (Personnel, Supplies, Services, or Capital) without approval of the Common Council. The Department of Local Government Finance must approve any revisions to the appropriations for any controlled fund or any department of the General Fund. The legal level of budgetary control is by fund, department, division and cost classification (Personnel, Services, Supplies, and Capital).

Budgetary Excess of Expenditures over Appropriations

Expenditures did not exceed appropriations for any funds or any departments within the General Fund, the Parks and Recreation Fund, the Local Income Tax-Public Safety Fund, the Local Income Tax-Certified Shares Fund, the Local Income Tax-Economic Development Fund, the American Rescue Plan Fund, or any other major or nonmajor governmental fund which required legally approved budgets.

Fund Deficits

As of December 31, 2022, the following funds reported a deficit in fund equity: Economic Development State Grants (\$75,888), DCI Operating (\$69,073), and COVID-19 Response Fund (\$51,578). These funds account for a variety of grants, some of which are paid on a reimbursement basis. This, plus expenditures awaiting a future funding source, accounts for the current fund deficit. This deficit will be repaid from future revenue in 2023.

Note 3 – Deposits and Investments

Allowable Investments

In accordance with Indiana Code 5-13-9, the City of South Bend Common Council has authorized investment in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government-sponsored enterprise. The maturity on these investments may not exceed five (5) years, and at least 75% of the City's investment portfolio must have a maturity of two (2) years or less.

In accordance with state law, the Common Council has also authorized investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the City and available for investment.

The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by the federal agency, a federal

Note 3 – Deposits and Investments (Continued)

instrumentality, or a federal government-sponsored enterprise; or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government-sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard & Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the City may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the unit's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government-sponsored enterprise. The repurchase agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

Finally, the City may invest in municipal securities issued by an Indiana local governmental entity, a quasi-governmental entity related to the state, or a unit of government, municipal corporation, or special taxing district in Indiana, if the issuer has not defaulted on any of the issuer's obligations within the twenty (20) years preceding the date of the purchase.

Deposit and Investment Risks

The City's cash and investments are subject to several types of risk:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Indiana Code § 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if that institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision.

All City bank balances are insured by either the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories. As such, the City has not formally adopted a deposit policy for custodial credit risk.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk.

At year end, \$156,345,892 in U.S. Treasuries and U.S. Government Agency Securities holdings was uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The City must follow state statute and limit the stated final maturities of the investments to no more than five years. The City does not have a formal investment policy for interest rate risk.

At year end, the City had the following investments and maturities:

Note 3 – Deposits and Investments (Continued)

Investment Type	Fair Value	Maturity		
		Less than One Year	One to Two Years	More than Two Years
Time Deposits	\$ 33,493,495	\$ 16,222,140	\$ 11,841,194	\$ 5,430,162
U.S. Treasuries	48,024,404	14,860,073	28,317,894	4,846,437
U.S. Government Agency Securities	108,321,488	59,581,498	37,081,257	11,658,734
Total	\$189,839,387	\$ 90,663,711	\$ 77,240,344	\$ 21,935,333

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. U.S. government agency securities are implicitly guaranteed by the full faith and credit of the U.S. government and are recognized as one of the safest investments available. The City does not have a formal investment policy for credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. It is the City's practice to limit concentration of investments to no more than 10% of any institution's asset base. The government of the United States of America and United States of America governmental agency securities are exempt from this policy requirement.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The City has the following recurring fair value measurements as of December 31, 2022:

The fair value of Time Deposits, U.S. Treasuries, and U.S. Government Agency securities of \$189,839,387 are valued using significant other observable inputs (Level 2 inputs). The City's Level 2 holdings are valued using a matrix pricing model with inputs from prices and yields of similar fixed income holdings.

Note 4 – Receivables

The following receivable accounts have timing and credit characteristics different from typical accounts receivable.

Loans Receivable

As of December 31, 2022, City funds recognized the following loan receivable balances. The schedule shows the total receivable and the portion that is not due within one year. These loans were for economic development projects:

	Receivable	Noncurrent
TIF River West	<u>\$ 571,500</u>	<u>\$ 551,500</u>
Nonmajor governmental funds:		
Community investment grants	122,233	95,342
Industrial revolving fund	<u>9,902,903</u>	<u>7,685,265</u>
Total nonmajor governmental funds	<u>\$ 10,025,136</u>	<u>\$ 7,780,607</u>

Note 5 – Net Investment in Capital Assets

The net investment in capital assets as of December 31, 2022 is calculated as follows:

	Governmental Activities	Business- type Activities	Total
Capital assets not subject to depreciation	\$34,163,714	\$10,542,295	\$44,706,009
Capital assets subject to depreciation - Net	244,186,653	212,855,960	457,042,613
Deferred outflows (capital related)	1,879,955	703,892	2,583,847
General obligations bonds payable-current	(1,080,000)	-	(1,080,000)
Revenue bonds payable - current	(9,673,054)	(7,440,000)	(17,113,054)
Mortgage bonds payable - current	(1,035,000)	-	(1,035,000)
Notes and loans payable - current	(303,221)	(25,513)	(328,734)
Financed purchase agreements payable-current	(3,950,523)	(803,414)	(4,753,937)
General obligations bonds payable-noncurrent	(13,806,850)	-	(13,806,850)
Revenue bonds payable - noncurrent	(111,819,065)	(43,198,747)	(155,017,812)
Mortgage bonds payable - noncurrent	(3,533,552)	-	(3,533,552)
Notes and loans payable - noncurrent	(2,478,630)	(170,517)	(2,649,147)
Financed purchase agreements payable-noncurrent	(9,188,300)	(1,786,946)	(10,975,246)
Deferred inflows (capital related)	(291,823)	(714,520)	(1,006,343)
Unspent debt proceeds	<u>15,318,480</u>	<u>1,580,667</u>	<u>16,899,147</u>
Net investment in capital assets	<u>\$138,388,784</u>	<u>\$171,543,157</u>	<u>\$309,931,941</u>

The business-type activities' unspent debt proceeds are financed purchase agreement proceeds, reported as restricted assets.

Notes to Financial Statements (continued)

December 31, 2022

Note 6 – Capital Assets

Capital asset activity of the City's governmental and business-type activities was as follows:

Governmental Activities

	Balance January 1, 2022	Additions / Transfers	Disposals / Transfers	Balance December 31, 2022
Governmental Activities				
Capital assets, non-depreciable				
Land	\$ 14,496,141	\$ -	\$ -	\$ 14,496,141
Construction in progress	16,404,213	17,421,679	(14,158,319)	19,667,573
Total capital assets, non-depreciable	<u>30,900,354</u>	<u>17,421,679</u>	<u>(14,158,319)</u>	<u>34,163,714</u>
Capital assets, depreciable				
Buildings	\$ 139,855,410	\$ 8,958,692	\$ -	148,814,102
Improvements other than buildings	47,737,443	2,294,447	-	50,031,890
Machinery and equipment	54,841,204	2,639,730	(1,518,878)	55,962,055
Roads and other infrastructure	484,619,434	11,800,132	-	496,419,566
Subtotal	<u>727,053,491</u>	<u>25,693,000</u>	<u>(1,518,878)</u>	<u>751,227,613</u>
Less accumulated depreciation for:				
Buildings	\$ 63,451,489	\$ 3,730,114	\$ -	\$ 67,181,604
Improvements other than buildings	14,459,065	1,956,537	-	16,415,602
Machinery and equipment	42,019,616	3,497,443	(1,364,267)	44,152,792
Roads and other infrastructure	366,512,165	12,778,797	-	379,290,962
Subtotal	<u>486,442,336</u>	<u>21,962,890</u>	<u>(1,364,267)</u>	<u>507,040,960</u>
Net capital assets, depreciable	<u>240,611,155</u>	<u>3,730,110</u>	<u>(154,612)</u>	<u>244,186,653</u>
Total governmental activities capital assets, net	<u>\$271,511,509</u>	<u>\$21,151,789</u>	<u>\$(14,312,931)</u>	<u>\$278,350,367</u>

Business-type Activities

	Balance January 1, 2022	Additions / Transfers	Disposals / Transfers	Balance December 31, 2022
Business-type Activities				
Capital assets, non-depreciable				
Land	\$ 2,586,613	\$ -	\$ -	\$ 2,586,613
Construction in progress	14,328,420	5,509,024	(11,881,762)	7,955,682
Total capital assets, non-depreciable	<u>16,915,033</u>	<u>5,509,024</u>	<u>(11,881,762)</u>	<u>10,542,295</u>
Capital assets, depreciable				
Buildings	\$ 82,332,850	\$ 7,941,758	\$ -	\$ 90,274,609
Improvements other than buildings	27,112,178	-	-	27,112,178
Machinery and equipment	41,923,784	1,876,704	(208,045)	43,592,444
Roads and other infrastructure	237,924,363	5,313,137	-	243,237,499
Subtotal	<u>389,293,175</u>	<u>15,131,599</u>	<u>(208,045)</u>	<u>404,216,730</u>
Less accumulated depreciation for:				
Buildings	\$ 43,314,943	\$ 2,007,507	\$ -	\$ 45,322,449
Improvements other than buildings	12,296,312	1,245,530	-	13,541,842
Machinery and equipment	28,933,982	3,209,142	(208,045)	31,935,079
Roads and other infrastructure	95,483,669	5,077,731	-	100,561,400
Subtotal	<u>180,028,906</u>	<u>11,539,910</u>	<u>(208,045)</u>	<u>191,360,771</u>
Net capital assets, depreciable	<u>209,264,270</u>	<u>3,591,690</u>	<u>-</u>	<u>212,855,960</u>
Total business-type activities capital assets, net	<u>\$226,179,303</u>	<u>\$ 9,100,714</u>	<u>\$(11,881,762)</u>	<u>\$223,398,254</u>

Note 6 – Capital Assets (Continued)

Depreciation

Accumulated depreciation additions shown in the two schedules above include depreciation expense and also include accumulated depreciation on assets transferred from other funds. Depreciation expense was charged to programs of the primary government as follows:

Governmental Activities:

General government	\$ 258,396
Public safety	2,992,788
Highways and streets, and other general infrastructure	14,278,251
Culture and recreation	497,297
Economic development	3,820,595
Internal service funds	115,564

Total governmental activities depreciation expense	\$ 21,962,890
---	----------------------

Business-type Activities:

Water	1,734,957
Wastewater	7,555,991
Century Center	1,060,586
Building department	28,502
Parking garages	290,880
Solid waste	868,994

Total business-type activities depreciation expense	\$ 11,539,910
--	----------------------

Construction in Progress

The City has active construction projects at year end. As of December 31, 2022, the City's commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Governmental activities:		
Governmental funds:		
2022 Contractor Paving	\$ 1,944,837	\$ 4,610,699
2022 Curb and Sidewalk	783,989	1,977,249
2022 Internal Street Paving	1,537,718	276,953
2022 VPA Athletic Court Renovations	83,213	1,626,787
Bendix Drive - Lathrop to Toll Road	2,488,953	2,808,834
Century Center Electrical and HVAC Improvements	65,635	934,365
Corby-Ironwood-Rockne Intersection Improvements	1,528,474	2,656,044
Eddy & Howard Street Intersection Improvements	203,430	15,015
Fire Station 8 Renovations	62,341	3,437,659
Lincoln Way West Streetscape - Olive St Node	1,893,816	40,890
Mishawaka Ave Streetscape Improvements	124,921	(18,921)
MLK Dream Center	663,691	10,435,039
Morris PAC Flooring and Seating Replacement	2,057,401	176,097
Neighborhood Infrastructure Improvements	142,800	7,000
New City Hall - Renovations	29,729	4,970,271
River Lights 2022 Repairs	83,637	161,187
Seitz Park Reconstruction	4,690,823	4,363,943
	<u>18,385,408</u>	<u>38,479,111</u>
Internal service funds		
Beck's Lake/LaSalle Park	1,282,165	1,028,013
Total - governmental activities	\$ 19,667,573	\$ 39,507,124
Business-type activities:		

Notes to Financial Statements (continued)

December 31, 2022

Note 6 – Capital Assets (Continued)

Water Utility:		
Northwest Elevated Tank Improvements	796,231	2,728,962
Pinhook Water Treatment Plant Improvements	1,711,559	277,841
South Wellfield Plant & Pressure Zone Improv.	302,990	47,010
	2,810,780	3,053,813
Wastewater Utility:		
WWTP Masonry Improvements Gallery Bldgs 1-4	5,144,902	55,671
Total business-type activities	\$ 7,955,682	\$ 3,109,484
Total Construction in Progress	\$ 27,623,255	\$ 42,616,608

Note 7 – Interfund Receivables, Payables, and Transfers

Interfund Receivables & Payables

Interfund balances resulted from the time lag between the dates that (1) interfund loans are repaid, (2) interfund goods and services are provided or reimbursable expenditures occur, (3) transactions are recorded in the accounting system, and (4) payments between funds are made. The composition of interfund balances as of December 31, 2022 is as follows:

Receivable Fund	Payable Fund	Amount
Water Utility	General	\$ 3,389
	Parks & Recreation	2,877
	Local Income Tax-Economic Development	282
	Nonmajor governmental	632
	Wastewater Utility	2,250
	Nonmajor enterprise	272
	Internal service	368
		Total Water Utility
Wastewater Utility	General	5,208
	Parks & Recreation	4,421
	Local Income Tax-Economic Development	440
	Nonmajor governmental	960
	Nonmajor enterprise	3,884
	Internal service	566
		Total Wastewater Utility
Nonmajor enterprise	General	779
	Parks & Recreation	661
	Local Income Tax-Economic Development	66
	Nonmajor governmental	144
	Wastewater Utility	580
	Internal service	85
	Total Nonmajor enterprise	2,315
Nonmajor governmental	General	14
	Parks & Recreation	12
	Local Income Tax-Economic Development	5
	Nonmajor enterprise	3
	Wastewater Utility	9
	Internal service	1
	Total Nonmajor governmental	44
	Total	\$ 27,902

Notes to Financial Statements (continued)

December 31, 2022

Note 7 – Interfund Receivables, Payables, and Transfers (Continued)

Interfund Advances

The City has made the following advances between funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental	\$338,253
Nonmajor governmental	Nonmajor governmental	\$1,106,959
	Total	<u>\$1,445,212</u>

- The General Fund advanced funds to the Urban Development Action Grant Fund for community development projects.

The Major Moves Fund advanced funds to the TIF-River East Residential for project costs incurred to construct roads and a parking garage.

Interfund Transfers

Interfund transfers reported in the fund financial statements are comprised of the following:

Receiving Fund	Paying Fund	Amount
General	Nonmajor governmental	\$ 730,725
	Water Utility	1,613,639
	Wastewater Utility	4,465,686
		<u>6,810,050</u>
Parks and Recreation	General Fund	119,221
River West TIF	Nonmajor governmental	16
Nonmajor governmental	General Fund	5,286,158
	Local Income Tax-Econ Development	6,520,192
	River West TIF	4,710,000
	Nonmajor governmental	7,063,884
	Nonmajor enterprise	100,688
		<u>23,680,922</u>
Water Utility	General	294,627
Wastewater Utility	General	537,322
	Nonmajor Governmental	209,148
		<u>746,470</u>
Nonmajor enterprise	General Fund	863,687
	Nonmajor Enterprise	981,664
	Nonmajor Governmental	339,012
		<u>2,184,363</u>
	Grand Total	<u>33,835,669</u>

The City typically uses transfers to fund ongoing operating subsidies into the General Fund, the Parks & Recreation Fund, and various nonmajor governmental funds.

Additionally, the City recognizes transfers of Payment in Lieu of Taxes (PILOT) payments from the Water and Wastewater utilities into the General Fund.

Note 8 – Financed Purchase Agreements

Leases as financing for purchases

The City has entered into various lease agreements as lessee for financing the purchase of various types of equipment and two parking garages.

The parking garage financed purchase agreements are being repaid from governmental funds.

Future minimum financed purchase agreement payments and present values of the net minimum payments under these financed purchase agreements as of December 31, 2022 are as follows:

Governmental Activities			
	Total to Be Paid	Principal	Interest
2023	\$ 4,921,883	\$ 4,635,339	\$ 286,544
2024	3,929,753	3,739,248	190,505
2025	3,782,510	3,668,177	114,332
2026	2,005,281	1,960,264	45,017
2027	684,488	676,542	7,946
	\$ 15,323,915	\$ 14,679,570	\$ 644,344

Business-Type Activities			
	Total to Be Paid	Principal	Interest
2023	\$ 849,004	\$ 803,414	\$ 45,590
2024	638,363	607,879	30,484
2025	562,104	542,006	20,098
2026	484,874	474,282	10,592
2027	164,691	162,780	1,912
	\$ 2,699,036	\$ 2,590,361	\$ 108,676

Note 9 – Long-term Obligations

Long-Term Obligations Summary

Long-term obligations activity for the year ended December 31, 2022 is summarized as follows:

Governmental Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation	\$ 15,745,000	\$ -	\$ (1,040,000)	\$ 14,705,000	\$ 1,080,000
Less unamortized (discounts)/premiums	205,563	-	(23,713)	181,850	-
Net - general obligation	15,950,563	-	(1,063,713)	14,886,850	1,080,000
Mortgage	6,220,000	-	(1,735,000)	4,485,000	1,035,000
Less unamortized (discounts)/premiums	125,096	-	(41,544)	83,552	-
Net - Mortgage	6,345,096	-	(1,776,544)	4,568,552	1,035,000
Revenue	115,063,897	12,110,000	(9,063,699)	118,110,198	9,673,054
Less unamortized (discounts)/premiums	3,689,291	283,690	(591,060)	3,381,921	-
Net - Revenue	118,753,188	12,393,690	(9,654,759)	121,492,119	9,673,054
Total bonds payable	141,048,847	12,393,690	(12,495,019)	140,947,521	11,788,053
Notes from direct borrowings payable	3,079,026	-	(297,175)	2,781,851	303,221
Financed purchase agreements	12,888,265	6,900,653	(5,109,347)	14,679,571	4,635,339
Subtotal	157,016,138	19,294,343	(17,901,541)	158,408,943	16,726,613
Accumulated compensated absences	4,623,871	4,985,726	(4,623,871)	4,985,726	4,985,726
Net pension liability	140,244,301	-	(5,309,743)	134,934,558	-
Total other post-employment benefits (OPEB) liability	23,065,327	-	(254,038)	22,811,289	-
Total governmental activities	\$ 324,949,637	\$ 24,280,068	\$ (28,089,190)	\$ 321,140,515	\$ 21,712,340

Business-type Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Bonds payable:					
Revenue	\$ 55,664,257	\$ -	\$ (7,499,257)	\$ 48,165,000	\$ 7,440,000
Less unamortized (discounts)/premiums	2,910,583	-	(436,836)	2,473,747	-
Net - revenue	58,574,840	-	(7,936,093)	50,638,747	7,440,000
Total bonds payable	58,574,840	-	(7,936,093)	50,638,747	7,440,000
Financed purchase agreements	2,394,205	1,559,726	(1,363,571)	2,590,360	803,414
Notes from direct borrowings payable	220,712	-	(24,682)	196,030	25,513
Subtotal	61,189,757	1,559,726	(9,324,346)	53,425,137	8,268,927
Accumulated compensated absences	174,965	182,802	(174,965)	182,802	182,802
Net pension liability	2,271,657	3,631,727	-	5,903,385	-
Total other post-employment benefits (OPEB) liability	3,916,056	-	(1,087,104)	2,828,952	-
Total business-type activities	\$ 67,552,435	\$ 5,374,256	\$ (10,586,415)	\$ 63,340,276	\$ 8,451,729

Total interest expense for the year was \$7,016,575. The City does not have any unused lines of credit.

Note 9 – Long-term Obligations (Continued)

Revenue Bonds

The City issues bonds to provide for the acquisition and construction of major capital facilities. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets and to pay debt service.

Utility Revenue Bonds

The City has pledged future revenue, net of operating expenses, to repay water and wastewater utilities' bonds. Bond ordinances require monthly deposits of a portion of user fee revenue sufficient to meet requirements of the next principal, interest, and bank fiscal charge payment. Water and wastewater bond ordinances also require monthly deposits of user fee revenues over 60 months to produce a bond reserve equal to approximately the maximum annual debt service.

During 2022, the Water Utility paid \$1,842,386 in debt payments or approximately 8.83% of operating revenue. The Wastewater Utility paid \$7,674,145 in debt payments or approximately 17.98% of operating revenue.

Other Revenue Bonds

The City has pledged tax incremental financing revenue to meet tax incremental financing and Redevelopment Authority debt requirements.

Mortgage Bonds

The City issues bonds to provide for the acquisition and construction of major capital facilities. Bondholders of mortgage bonds have a claim on the real assets constructed or acquired with the bond proceeds, which the City puts up as collateral for the bond.

The City has pledged assets as collateral in each of the mortgage bonds issued below. Collateralized assets include the Central Police Station and Central Fire Station, and the City's Fire Training Center.

Events of Default

The bonds and direct borrowings of the City contain significant consequences for default. Default on the City's long-term debt is generally defined as one of the following: 1) Failure of the City to make payment on the due date; 2) Declaration of bankruptcy or insolvency by the City; 3) In the case of revenue bonds, the failure to apply collected pledged revenues; 4) In the case of mortgage bonds or revenue bonds secured by a leased asset, the placement of a lien on the underlying asset.

Nearly all of the City's bonds and direct borrowings contain a provision that, in the event of a default, the outstanding principal and any outstanding interest of the debt become immediately due. The events of default are specific and enumerated in each of the provisions – none of the City's bonds or direct borrowings contain a subjective acceleration clause.

Notes to Financial Statements (continued)

December 31, 2022

Bonds Outstanding as of December 31, 2022

Purpose	Outstanding 12/31/2022
<u>Governmental Activities</u>	
<u>General Obligation Bonds</u>	
South Bend Park District Bonds, Series 2017(A-K)	
- Interest rates 3% - 3.25%	
- Original issue \$14,075,000	
- Installments of \$350,000 to \$580,000 plus interest	
- Maturity January 15, 2033	10,515,000
General Obligation Bonds, Series 2018 (Fire Station #9)	
- Interest rates 3% - 3.25%	
- Original issue \$5,045,000	
- Installments of \$75,000 to \$170,000 plus interest	
- Maturity January 15, 2038	4,190,000
Total General Obligation Bonds	\$ 14,705,000
<u>Mortgage Bonds</u>	
Building Corporation First Mortgage Revenue Refunding Bonds, Series 2012 (Police & Fire Station Projects)	
- Interest rates 2.1% - 5%	
- Original issue \$13,595,000	
- Installments of \$545,000 to \$770,000 plus interest	
- Maturity February 1, 2023	770,000
Building Corporation First Mortgage Revenue Bonds, Series 2013	
- Original issue \$5,580,000	
- Installments of \$215,000 to \$425,000 plus interest	
- Maturity February 1, 2033	3,715,000
Total Governmental Mortgage Bonds	\$ 4,485,000
<u>Revenue Bonds</u>	
Indiana Bond Bank Special Program Bonds, Series 2011A (TIF A)	
- Interest rates 4% - 5.2%	
- Original issue \$18,030,000	
- Installments of \$260,000 to \$935,000 plus interest	
- Maturity August 1, 2024	3,595,000
Indiana Bond Bank Special Program Bonds, Series 2011A (TIF B)	
- Interest rates 4% - 5.2%	
- Original issue \$10,435,000	
- Installments of \$254,036 to \$530,000 plus interest	
- Maturity August 1, 2024	2,050,000
South Bend Redevelopment Authority Lease Rental Revenue Bonds of 2015 (Refunding 2008)	
- Interest rates 2% - 5%	
- Original issue \$31,450,000	
- Installments of \$650,000 to \$1,210,000 plus interest	
- Maturity February 15, 2033	21,430,000
South Bend Redevelopment Authority Lease Rental Revenue Refunding Bonds, Series 2013	
- Interest rates 2% - 4%	
- Original issue \$3,990,000	
- Installments of \$160,000 to \$375,000 plus interest *	
- Maturity May 1, 2026	1,245,000

Note 9 – Long-term Obligations (Continued)

2014 St. Joseph County PSAP (EDIT) Revenue Bonds	
- City's portion of \$9.155M bond (29.03%)	
- Interest rates 2% - 3.625%	
- Original issue \$2,657,697	
- Maturity December 31, 2034	1,595,198
South Bend Redevelopment Authority Lease Rental Revenue Bonds of 2015 (Smart Streets Project)	
- Interest rates 3% - 4%	
- Original issue \$25,000,000	
- Installments of \$460,000 to \$840,000 plus interest	
- Maturity February 1, 2037	19,540,000
Economic Development Income Tax Bonds of 2015 (Parks Projects)	
- Interest rates 3% - 3.75%	
- Original issue \$5,605,000	
- Installments of \$16,667 to \$65,000 plus interest	
- Maturity August 1, 2035	4,080,000
Taxable Economic Development Revenue Bonds, Series 2017 (Eddy Street Phase II)	
- Interest rate 5%	
- Original issue \$25,000,000	
- Installments of \$628,472 to \$1,834,750 plus interest	
- Maturity February 15, 2037	23,585,000
Redevelopment District Bonds, Series 2018 (Parks Projects)	
- Interest rates 2% - 3%	
- Original issue \$11,995,000	
- Installments of \$405,000 to \$490,000 plus interest	
- Maturity February 1, 2033	8,865,000
Economic Development Revenue Bonds, Series 2018 (Potawatomi Zoo Project)	
- Interest rates 4% - 5%	
- Original issue \$3,440,000	
- Installments of \$25,000 to \$155,000 plus interest	
- Maturity February 1, 2034	2,810,000
South Bend Redevelopment Authority Lease Rental Revenue Bonds of 2019 (Double Tracking Project)	
- Interest rate 5%	
- Original issue \$7,985,000	
- Installments of \$270,000 to \$500,000 plus interest	
- Maturity February 1, 2030	6,380,000
2020 Taxable Economic Development Tax Increment Revenue Bonds (Library Project)	
- Interest rates 2% - 3%	
- Original issue \$4,225,000	
- Installments of \$75,000 to \$160,000 plus interest	
- Maturity February 1, 2037	3,930,000
2021 Building Corporation LIT Lease Rental Revenue Bonds (Infrastructure Projects)	
- Interest rates 3% - 4%	
- Original issue \$7,610,000	
- Installments of \$150,000 to \$315,000 plus interest	
- Maturity August 1, 2036	7,120,000
South Bend Redevelopment Authority Lease Rental Revenue Bonds of 2022 (Morris PAC Project)	
- Interest rates 3% - 3.125%	
- Original issue \$6,395,000	
- Installments of \$190,000 to \$365,000 plus interest	

Note 9 – Long-term Obligations (Continued)

- Maturity February 1, 2046	6,290,000
Economic Development Lease Rental Revenue Bonds, Series 2022 (Potawatomi Zoo Project)	
- Interest rates 2% - 4%	
- Original issue \$5,715,000	
- Installments of \$215,000 to \$365,000 plus interest	
- Maturity February 1, 2042	5,595,000
Total Governmental Revenue Bonds	<u>\$ 118,110,198</u>
Total Governmental Activities	\$ 137,300,198

Business-Type Activities

Revenue Bonds

Amended Water Works Revenue Bonds of 2009, Series B	
- Interest rates 5.41% to 5.89%	
- Original issue \$2,814,256.87	
- Installments of \$124,257 to \$455,000 plus interest	
- Maturity January 1, 2030	2,690,000
Sewage Works 2020 Refunding Revenue Bonds (Refunding 2010)	
- Interest rates 4%	
- Original issue \$4,830,000	
- Installments of \$150,000 to \$555,000 plus interest	
- Maturity December 1, 2030	3,885,000
Water Works Revenue Bonds of 2012	
- Interest rates 2% - 3.7%	
- Original issue \$8,300,000	
- Installments of \$340,000 to \$540,000 plus interest	
- Maturity January 1, 2033	4,685,000
Sewage Works Revenue Bonds Series 2012	
- Interest rates 2% - 2.75%	
- Original issue \$25,000,000	
- Installments of \$1,105,000 to \$1,650,000 plus interest	
- Maturity December 1, 2032	14,205,000
Sewage Works Refunding Revenue Bonds of 2013A	
- Interest rate 1.94%	
- Original issue \$14,765,000	
- Installments of \$715,000 to \$1,065,000 plus interest	
- Maturity December 1, 2024	1,420,000
Sewage Works Refunding Revenue Bonds of 2015	
- Interest rate 2%	
- Original issue \$27,440,000	
- Installments of \$2,475,000 to \$3,025,000 plus interest	
- Maturity December 1, 2025	8,885,000
Water Works Refunding Revenue Bonds of 2016	
- Interest rate 3%	
- Original issue \$3,300,000	
- Installments of \$260,000 to \$440,000 plus interest	
- Maturity January 1, 2027	1,220,000

Notes to Financial Statements (continued)

December 31, 2022

Note 9 – Long-term Obligations (Continued)

Sewage Works Refunding Revenue Bonds of 2021	
- Interest rates 2% - 5%	
- Original issue \$12,450,000	
- Installments of \$1,160,000 to \$1,310,000 plus interest	
- Maturity December 1, 2031	11,175,000
Total Business-Type Revenue Bonds	<u>\$ 48,165,000</u>
Total Business-Type Activities	<u>\$ 48,165,000</u>

Notes from Direct Borrowings and Direct Placements

Purpose	Outstanding 12/31/2022
Governmental Activities	
2015 Century Center Energy Conservation Bond	
Interest rates: 3.5%	
Original issue: \$4,167,897	
Installments of \$22,585 to \$176,508 plus interest	
Maturity: May 1, 2031	<u>\$ 2,781,851</u>
Total governmental activities	<u><u>\$ 2,781,851</u></u>
Business-type Activities	
2009 Water Works State Revolving Loan	
Interest rate: 3.37%	
Original issue: \$427,332	
Installments of \$17,719 to \$29,459 plus interest	
Maturity: January 1, 2030	<u>\$ 196,030</u>
Total business-type activities	<u><u>\$ 196,030</u></u>

Other Long-term Liabilities

Compensated absences for governmental activities typically have been liquidated from the General Fund and special revenue funds. All of the December 31, 2022 compensated absences liabilities are due within one year.

The net 1925 Police and 1937 Firefighters' pension liability will be liquidated from the pension trust funds. The Public Employees' Retirement Fund (PERF) liability will not be liquidated from the pension trust funds.

The total OPEB obligation will be liquidated from the General Fund.

Notes to Financial Statements (continued)

December 31, 2022

Note 9 – Long-term Obligations (Continued)

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above obligations are as follows:

Bonds (General Obligation, Revenue, and Mortgage)

Year Ending December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 11,788,053	\$ 5,060,076	\$ 16,848,129	\$7,440,000	\$1,422,934	\$8,862,934
2024	11,482,408	4,584,943	16,067,351	7,640,000	1,248,974	8,888,974
2025	8,921,766	4,133,150	13,054,915	7,110,000	1,065,979	8,175,979
2026	9,021,120	3,791,541	12,812,661	4,225,000	877,903	5,102,903
2027	9,194,023	3,433,523	12,627,546	4,055,000	741,465	4,796,465
2028-2032	48,624,626	12,157,241	60,781,867	17,695,000	1,657,160	19,352,160
2033-2037	33,733,203	4,027,622	37,760,825	-	-	-
2038-2042	3,295,000	447,763	3,742,763	-	-	-
2043-2046	1,240,000	78,750	1,318,750	-	-	-
Totals	\$137,300,198	\$ 37,714,609	\$175,014,807	\$48,165,000	\$7,014,416	\$55,179,416

Notes from Direct Borrowings

Year Ending December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$303,221	\$94,738	\$397,959	\$25,513	\$6,606	\$32,119
2024	309,315	84,073	393,388	26,373	5,746	32,119
2025	315,561	73,193	388,754	27,262	4,858	32,120
2026	321,964	62,093	384,057	28,181	3,939	32,120
2027	328,529	50,767	379,296	29,130	2,989	32,119
2028-2032	1,203,261	85,096	1,288,357	59,571	3,000	62,571
Totals	\$2,781,851	\$449,959	\$3,231,810	\$196,030	\$27,139	\$223,169

Note 10 – Restricted Assets

As of December 31, 2022, the balances of restricted assets in the enterprise funds are comprised of the following:

	Water	Wastewater	Nonmajor Enterprise	Total Enterprise Funds
Payroll taxes/benefits payable	\$ 17,291	\$ 24,721	\$ 11,588	\$ 53,600
Customer repair and deposit	1,291,253	3,080,262	-	4,371,515
Cash with fiscal agent	-	-	1,580,667	1,580,667
Bond reserve	3,638,190	7,269,129	-	10,907,319
Operating reserve	2,892,437	5,483,478	-	8,375,915
Capital outlay	10,855,908	14,924,437	987,583	26,767,928
Total restricted assets	\$ 18,695,079	\$ 30,782,027	\$ 2,579,838	\$ 52,056,944

Note 11 – Property Held for Resale

The City's Redevelopment Commission has purchased properties in blighted areas for redevelopment and subsequent resale. As of December 31, 2022, the market value of these properties is not known. These properties are recognized as assets in the funds that purchased the property.

In the cases where proceeds from the sale of assets are expected to have internal or external restrictions, property held for resale is classified as restricted, committed, or assigned fund balance.

Note 12 – Service Concession Arrangement

On July 1, 2013, the City entered into a Service Concession Agreement (SCA) with SMG, a civic center management company, with the purpose of obtaining high-quality professional management of the Century Center. On October 1, 2019, SMG merged with AEG Facilities to form a new company, ASM Global.

The initial term of the contract extended through June 30, 2016 and has been extended twice to now be through December 31, 2022. ASM Global's compensation is a flat fee of \$135,000 for the first year and is then adjusted by the CPI (Consumer Price Index) for each successive year.

There are also additional financial incentives based on various operational goals. ASM Global is responsible for all operations and financial reporting. Additionally, ASM Global contributed a one-time capital infusion of \$575,000, to be used for capital improvement that was amortized over seventy-two (72) months and is fully amortized as of December 31, 2022. No other assets or liabilities or deferred inflows of resources are remaining on the financial statements related to this SCA. Both parties retain certain rights regarding operations and contract cessation.

Note 13 – Risk Management

The City is 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 provided to employees, retirees, and dependents; and natural disasters. Theft of, damage to, and destruction of assets; errors and omissions; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage in 2020, 2021, or 2022. There were no significant reductions in insurance by major category of risk.

Liability Insurance

The City has chosen to establish a risk financing fund for risks associated with job-related illnesses or injuries to employees, automobile liability, and comprehensive liability. The risk financing fund is accounted for in the Liability Insurance Premium Reserve Fund, an internal service fund, whereby assets are set aside for claim settlements.

Excess policies through commercial insurance covers individual claims in excess of \$400,000 per claim for job-related illnesses or injuries to employees (workers' compensation) and claims for damage to and destruction of assets (property damage) with various self-retention amounts.

Note 13 – Risk Management (Continued)

In recent years, no claims resulting from property damage exceeded the property insurance self-retention amount. A premium is charged to each fund based on a study of paid claims and based on the number of employees and percent of the total budget. Provisions are also made for unexpected and unusual claims.

Claim expenditures and liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNRs).

Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amounts of payouts, and other economic and social factors. The entire insurance liability balance is reported as a current liability as the City has the intent to pay within one year.

Group Health Insurance

The City has chosen to establish a risk financing fund for risks associated with medical benefits of employees and their covered dependents. The risk financing fund is accounted for in the Self-Funded Employee Benefits Fund, an internal service fund, whereby assets are set aside for benefit costs.

An excess policy through commercial insurance covers individual claims in excess of \$300,000 per year. Claims resulting from this risk exceeded the self-retention amount during 2020 and 2021 by \$133,634 and \$464,747, respectively. No claims exceeded the self-retention amount during 2022.

A premium is charged to each fund based on the number of employees and estimated costs exceeding the employees' contributions. Provisions are also made for unexpected and unusual claims. Claim expenditures and liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNRs).

Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amounts of payouts, and other economic and social factors. Changes in the estimated liability for the past two fiscal years were as follows:

	Liability Insurance		Group Health	
	2022	2021	2022	2021
Unpaid claims - Beginning of year	\$ 3,151,622	\$ 1,836,696	\$ 849,384	\$ 975,363
Incurred claims, including claims incurred but not reported	1,928,796	3,253,172	16,026,896	14,556,112
Claim payments	(1,568,088)	(1,938,246)	(15,802,492)	(14,682,091)
Unpaid claims - End of year	\$ 3,512,330	\$ 3,151,622	\$ 1,073,788	\$ 849,384

Note 14 – Subsequent Events

On April 18, 2023, the South Bend Redevelopment Authority issued a lease rental revenue bond totaling \$29,155,000 backed by semiannual lease payments made by the South Bend Redevelopment Commission from TIF revenues from the River West Development Area and River East Development Area. This bond will fund various neighborhood and economic development projects and will be repaid in semiannual installments through February 1, 2041.

Notes to Financial Statements (continued)

December 31, 2022

Note 15 – Conduit Debt Obligations

From time to time, the City has issued conduit debt obligations to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by private sector revenue sources or by the underlying assets constructed with the bond proceeds, and are not secured by any asset or revenue source of the City, nor by the full faith and credit of the City.

Neither the City, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2022, there were five series of conduit debt obligations outstanding:

Issue Description	Issue Date	Maturity Date	Original Issue Amount	Estimated Amt Outstanding (12/31/2022)
PEI/GENESIS Project	1/30/2007	4/1/2033	\$ 8,105,000	\$ 5,860,000
Erskine Commons Project	2/8/2006	2/1/2025	2,440,000	615,000
Stanley Clark School Project	12/9/2005	11/1/2030	15,000,000	7,380,000
Erskine Village Project	4/19/2005	2/1/2027	5,485,000	2,055,000
Southfield Village Project	5/1/1999	11/15/2029	17,665,000	8,240,000
			\$ 48,695,000	\$ 24,150,000

Note 16 – Fund Balance Constraints

The detail of the various components of fund balance is as follows:

Fund Balances	General Fund	Parks and Recreation	Local Income Tax Public Safety	Local Income Tax Economic Development	American Rescue Plan	River West TIF	Nonmajor Funds	Total
Nonspendable								
Advances to other funds	\$ 338,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,106,959	\$ 1,445,212
Inventory	-	22,351	-	-	-	-	-	22,351
Property held for resale	175,000	-	-	-	-	-	-	175,000
Total Nonspendable	513,253	22,351	-	-	-	-	-	1,642,563
Restricted								
Debt service	-	-	-	-	-	-	10,969,003	10,969,003
General administration	-	-	-	-	545,935	-	1,839,869	2,385,804
Police and fire salaries	-	-	2,741,665	-	-	-	-	2,741,665
Police and fire programs	-	-	-	-	-	-	1,053,270	1,053,270
Street maintenance	-	-	-	-	-	-	10,565,252	10,565,252
Economic development	-	-	-	-	-	40,199,461	58,115,577	98,315,038
Parks maintenance	-	5,759,577	-	-	-	-	3,997,588	9,757,165
Public safety capital	-	-	-	-	-	-	314,367	314,367
Cultural capital projects	-	-	-	-	-	-	10,574,423	10,574,423
Street capital projects	-	-	-	-	-	-	5,409,931	5,409,931
Total Restricted	-	5,759,577	2,741,665	-	545,935	40,199,461	102,839,280	152,085,918
Committed								
General administration	-	-	-	-	-	-	2,473,081	2,473,081
Street capital projects	-	-	-	-	-	-	-	-
Police and fire programs	-	-	-	-	-	-	30,709	30,709
Economic development	-	-	-	-	-	-	4,104,884	4,104,884
Cultural capital	-	-	-	-	-	-	1,688,913	1,688,913
Total Committed	-	-	-	-	-	-	8,297,587	8,297,587
Assigned								
General administration	-	-	-	23,334,180	-	-	-	23,334,180
Police and fire programs	-	-	-	-	-	-	-	-
Street maintenance	-	-	-	-	-	-	404,932	404,932
Economic development	-	-	-	-	-	-	-	-
Cultural projects	-	-	-	-	-	-	-	-
Total Assigned	-	-	-	23,334,180	-	-	404,932	23,739,112
Unassigned	112,933,830	-	-	-	-	-	(196,539)	112,737,291
Total fund balances	113,447,083	5,781,928	2,741,665	23,334,180	545,935	40,199,461	112,452,219	298,502,471

Note 16 – Fund Balance Constraints (Continued)

Local Income Tax-Public Safety funds are primarily restricted for payment of police and fire personnel. Parks and Recreation funds are restricted primarily for parks and recreation operating costs, including personnel. The Local Income Tax-Economic Development fund is assigned to general government primarily for debt service payments and operating expenses. River West TIF and Redevelopment Authority Debt Service are restricted for economic development projects and debt service. The government-wide statement of net position reports restricted net position for debt service and capital outlay, which is restricted by enabling legislation.

Note 17 – Other Postemployment Benefits

Plan Description

The City of South Bend Retiree Healthcare Plan (SBRHP) is a single-employer defined benefit healthcare plan administered by the City of South Bend, Department of Administration and Finance, through the City's self-insurance fund. Indiana Code section 5-10-8 gives the unit the authority to establish and amend the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. Namely, employer contributions to the OPEB plan are not irrevocable, nor are any plan assets legally protected from creditors.

The City issues a publicly available financial report that includes financial statements and required supplementary information for the plan. The report is available by contacting the City Controller's office: 227 West Jefferson Blvd., Suite 1200N, South Bend, IN 46601, Phone: (574) 235-9216.

Benefits Provided and Funding Policy

SBRHP provides for medical insurance benefits to eligible retirees and their spouses. Police officers and firefighters are eligible for retiree health coverage once they attain age 50 with 20 years of service. General employees are eligible for retiree health coverage upon satisfaction of:

- Rule of 85 and age 55; or
- Age 65 with 10 years of service; or
- Age 60 with 15 years of service

Health care coverage ceases when the retiree or dependent reaches age 65. The contribution requirements of plan members for SBRHP are established and can be amended by the City's Common Council. The required contribution is based on projected "pay-as-you-go" financing requirements. For the year ended December 31, 2022, the City contributed \$873,234 to the plan for current premiums.

Police and fire members receiving benefits contributed approximately 35.9% of the total premiums through their required contribution of \$223 per month for retiree-only coverage in the PPO plan and \$141 per month for retiree-only coverage for the HSA plan. Additionally, police and fire members contributed approximately 40.9% of the total premiums through their required contribution of \$699 for retiree and spouse coverage in the PPO plan and \$420 per month for retiree and spouse coverage in the HSA plan.

General employee members receiving benefits contributed 100% of the total premiums through their required contribution of \$648.51 and \$611.99 per month for retiree-only coverage and \$1,709.30 and \$1,592.10 for retiree and spouse coverage for the PPO and HSA plans, respectively.

Note 17 – Other Postemployment Benefits (Continued)

Employees Covered by Benefit Terms

At December 31, 2022, the following employees were covered by the benefit terms:

Active employees with coverage	967
Active employees without coverage	108
Retirees	92
Total	1,167

Total OPEB Liability

The City's total OPEB liability of \$25,640,241 was measured as of December 31, 2022, as determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25% per year
Salary increases	2.65%, average, including inflation
Discount rate	4.31% as of December 31, 2022 and 2.25% as of January 1, 2022
Healthcare cost trend rates	7.5% for 2023, decreasing 0.5% per year to an ultimate rate of 4.5% for 2028 and later years
Retirees' share of benefit-related costs	approximately 35.5% for projected health insurance premiums for retirees and approximately 40.4% for retiree and spouse

The discount rate was based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

Mortality assumptions are set to reflect general population trends based upon Pub-2010 Mortality tables and the most recent generational projection scale MP-2021 released by the Society of Actuaries (SOA) for future mortality improvement.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study for the year ending December 31, 2007.

The healthcare coverage election rate was 65% for active police and fire with current coverage, 40% for active general employees with current coverage, and 0% for active employees with no coverage.

Note 17 – Other Postemployment Benefits (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB Liability as of January 1, 2022	\$ 26,981,383
Changes for the year:	
Service cost	1,371,609
Interest	628,173
Changes in benefit terms	-
Differences between expected and actual experience	1,689,861
Changes in assumptions or other inputs	(4,157,551)
Benefit payments	(873,234)
Net changes	(1,341,143)
Total OPEB Liability as of December 31, 2022	\$ 25,640,241

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City as of December 31, 2022, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.31%) or 1-percentage-point higher (5.31%) than the current discount rate:

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Total OPEB Liability	27,951,282	25,640,241	23,547,467

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1- percentage-point lower (7.0% decreasing to 3.5%) or 1-percentage-point higher (9.0% decreasing to 5.5%) than the current healthcare cost trend rate:

	1% Decrease (6.5% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.5% decreasing to 4.5%)	1% Increase (8.5% decreasing to 5.5%)
Total OPEB Liability	23,067,694	25,640,241	28,653,760

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2022, the City recognized OPEB expense of \$1,110,841. As of December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,356,598	\$ (3,739,015)
Changes in assumptions or other inputs	3,749,662	(8,828,656)
Total	\$ 6,106,260	\$ (12,567,671)

Note 17 – Other Postemployment Benefits (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	Amount
2023	(888,940)
2024	(888,940)
2025	(888,940)
2026	(888,940)
2027	(888,940)
Thereafter	(2,016,711)

Note 18 – Pension Plans

Plan Descriptions

Public Employees' Retirement Fund (PERF)

The Public Employees' Retirement Fund, a cost-sharing multiple-employer defined benefit pension plan, administered by the Indiana Public Employees' Retirement Plan (INPRS) Board, provides pensions for all full-time employees other than police officers and firefighters, who are covered under the 1977 Police Officers' and Firefighters' Pension and Disability Fund. The pension system issues a publicly available financial report that can be obtained at <http://www.inprs.in.gov>.

1977 Police Officers' and Firefighters' Pension and Disability Fund

The 1977 Police Officers' and Firefighters' Pension and Disability Fund, a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (INPRS) Board, provides pensions for all police officers and firefighters hired after April 30, 1977. The pension system issues a publicly available financial report that can be obtained at <http://www.inprs.in.gov>.

1925 Police Officers' Pension Plan

The City contributes to the 1925 Police Officers' Pension Plan, a single-employer defined benefit pension plan administered by the local pension board as authorized by state statute (IC 36-8-6). The financial statements of the plan are included in these financial statements as a pension and other employee benefit trust fund (a fiduciary fund).

Management of the 1925 Police Officers' Pension plan is vested in the pension board, which consists of nine members - six elected by plan members, the Mayor, the Chief of Police, and the City Controller. The pension plan is closed to new entrants.

1937 Firefighters' Pension Plan

The City contributes to the 1937 Firefighters' Pension Plan, a single-employer defined benefit pension plan administered by the 1937 Firefighters' Pension Plan Board as authorized by state statute (IC 36-8-7). The financial statements of the plan are included in these financial statements as a pension and other employee benefit trust fund (a fiduciary fund). Management of the 1937 Firefighters' Pension Plan is vested in the pension board. The pension plan is closed to new entrants.

Note 18 – Pension Plans (Continued)

Benefits Provided

Public Employees' Retirement Fund (PERF)

These plans provide retirement, disability and survivor benefits for public employees not covered by the 1977 Police Officers' and Firefighters' Pension and Disability Fund. The Indiana Code, Title 5, Articles 10.2 and 10.3, as amended only by the Indiana General Assembly, identifies the benefit provisions and establishes the authority under which members and employers are obligated to contribute to the plan. The City of South Bend participates in two different plans for non-Public Safety positions: the PERF Hybrid Plan and the My Choice Retirement Savings Plan.

- *PERF Hybrid Plan:* PERF Hybrid consists of two components: a monthly, employer-funded defined benefit component and a member-funded defined contribution account. For the defined benefit component, retirement benefits for employees are calculated as years of credible service times the average highest 20 quarters of salary times 1.1%. Normal retirement ages are age 65 and 10 years (eight years for certain elected officials) of creditable service, age 60 and 15 years of creditable service, and age 55 if age and creditable service total at least 85, with early retirement at 50 with 15 years of service. Vesting period is 10 years. Benefit terms provide for annual cost of living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustments are granted by the Indiana General Assembly on an ad hoc basis. For the defined contribution component of the Hybrid plan, an employee who leaves service may withdraw his or her Annuity Savings Account contributions, plus any accumulated interest.
- *My Choice Retirement Savings Plan:* Defined contribution plan with no defined benefit for employee. Employee contributions are fully vested upon hire, employer contributions to employee account are vested based upon full years of participation (20% per year – 5 full years for 100% vesting).

1977 Police Officers' and Firefighters' Pension and Disability Fund

The plan provides retirement, disability, and death benefits. Benefit terms are established and amended by State legislative action. Annual retirement benefits for employees are calculated as 50% of first-class salary for 20 years of service plus 1% for each six months of active service over 20 years up to a maximum of 12 years (for a total of 32 years of service and 74% of salary). Normal retirement age is 52 with 20 years of service, with early retirement at age 50.

Employees are eligible for non-duty disability benefits after five years of service and for duty related disability benefits upon hire. Disability retirement benefits are based on the severity with a catastrophic disability receiving 100% of salary and less severity receiving lesser amounts ranging down to 35% of salary.

Death benefits equal the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits.

An employee who leaves service may withdraw his or her contributions, plus any accumulated interest. Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustments are determined by statute equal to the change in the Consumer Price Index but not in excess of a 3% increase.

Note 18 – Pension Plans (Continued)

1925 Police Officers' Pension Plan

The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by a plan administrator, as provided by state statute. The financial statements of the plan are included in these financial statements as a pension trust fund (a fiduciary fund).

1937 Firefighters' Pension Plan

The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by a plan administrator, as provided by state statute. The financial statements of the plan are included in these financial statements as a pension trust fund (a fiduciary fund).

Employees Covered by Benefit Terms

The following members were covered by the benefit terms:

	<u>1925 Police Officer's Pension Plan</u>	<u>1937 Firefighters' Pension Plan</u>
	December 31, 2022	December 31, 2022
Date of member count		
Inactive plan members or beneficiaries currently receiving benefits	177	126
Active plan members	0	1
Total employees covered by the plan	<u>177</u>	<u>127</u>

Contributions

Public Employees' Retirement Fund

Per Indiana Code, Title 5, Articles 10.2 and 10.3, the contribution requirements of the active employees and the participating employers are established and may be amended by the INPRS Board based on recommendations by the INPRS actuary. Employees are required to contribute 3% of their annual pay. The City's contractually required contribution rate for the year ended December 31, 2022 was 11.2% of annual payroll for the PERF Hybrid plan and 10% of annual payroll for the MyChoice Plan. Contributions to the plan from the City were \$3,606,008 for the year ended December 31, 2022.

1977 Police Officers' and Firefighters' Pension and Disability Fund

Per Indiana State statute (IC 36-8-8 and IC 36-8-8.5), the contribution requirements of the active employees and the participating employers are established and may be amended by the INPRS Board based on recommendations by the INPRS actuary. Employees are required to contribute 6% of their annual pay. The City's contractually required contribution rate for the year ended December 31, 2022 was 17.5% of annual payroll. Contributions to the plan from the City were \$5,470,461 for the year ended December 31, 2022.

1925 Police Officers' Pension Plan

Plan members are required by state statute (IC § 36-8-6-4) to contribute an amount equal to 6% of the salary of a first class patrolman. The contribution requirements of plan members are established by state statute. The City's annual pension cost and related information, as provided by the actuary, is presented in this note. The net pension liability (NPL) is considered an obligation of the City and is reflected in the statement of net position. The State of Indiana is required by statute to reimburse the City for benefits paid and has contributed \$6,010,721 during 2022 on behalf of the City. The City has recognized these on behalf payments as intergovernmental revenue and public safety expenditures in the General Fund.

Note 18 – Pension Plans (Continued)

1937 Firefighters' Pension Plan

Plan members are required by state statute (IC § 36-8-7-8) to contribute an amount equal to 6% of the salary of a first-class firefighter. The contribution requirements of plan members are established by state statute. The City's annual pension cost and related information, as provided by the actuary, is presented in this note. The net pension liability (NPL) is considered an obligation of the City and is reflected in the statement of net position. The State of Indiana is required by statute to reimburse the City for benefits paid and has contributed \$4,061,778 during 2022 on behalf of the City. The City has recognized these on behalf payments as intergovernmental revenue and public safety expenditures in the General Fund.

Net Pension Liability

The City chooses a date for each pension plan to measure its net pension liability. This is based on the measurement date of each pension plan, which may be based on a comprehensive valuation as of that date or based on an earlier valuation that has used procedures to roll the information forward to the measurement date.

	Public Employees' Retirement Fund	1977 Police Officers' and Firefighters' Pension and Disability	1925 Police Officers'	1937 Firefighters'
Measurement date used for the City NPL	June 30, 2022	June 30, 2022	December 31, 2022	December 31, 2022
Based on a comprehensive actuarial valuation as of	June 30, 2022	June 30, 2022	December 31, 2022	December 31, 2022

Changes in the net pension liability during the measurement year were as follows:

1925 Police Officers' Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Changes in Net Pension Liability			
Balance as of January 1, 2022	\$ 76,845,189	\$ 559,530	\$ 76,285,659
Service cost	-	-	-
Interest	1,061,871	-	1,061,871
Plan Amendments	-	-	-
Experience (gains)/ losses	2,441,559	-	2,441,559
Assumption Changes	(15,248,062)	-	(15,248,062)
Employer contributions	-	1,527	(1,527)
Non-employer contributing entity contributions	-	6,007,221	(6,007,221)
Net investment income	-	(417)	417
Benefit payments, including refunds	(5,786,349)	(5,950,596)	164,247
Administrative expenses	-	(10,653)	10,653
Net changes:	(17,530,981)	47,082	(17,578,063)
Balance as of December 31, 2022	\$ 59,314,208	\$ 606,612	\$ 58,707,596

The plan's fiduciary net position represents 1.02% of the total pension liability.

Note 18 – Pension Plans (Continued)

1937 Firefighters Pension Plan

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance as of January 1, 2022	\$ 58,693,821	\$ 419,134	\$ 58,274,687
Service cost	-	-	-
Interest	783,612	-	783,612
Plan Amendments	-	-	-
Experience (gains)/ losses	(255,266)	-	(255,266)
Assumption Changes	(11,312,679)	-	(11,312,679)
Employer contributions	-	3,922	(3,922)
Non-employer contributing entity contributions	-	4,058,278	(4,058,278)
Net investment income	-	611	(611)
Benefit payments, including refunds	(4,127,154)	(4,110,921)	(16,233)
Administrative expenses	-	(16,760)	16,760
Net changes:	(14,911,487)	(64,870)	(14,846,617)
Balance as of December 31, 2022	\$ 43,782,334	\$ 354,264	\$ 43,428,070

The plan's fiduciary net position represents 0.81% of the total pension liability.

Public Employees' Retirement Fund

At December 31, 2022, the City reported a liability of \$18,380,848 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's actuarially required contribution for the year ended June 30, 2022, relative to all other contributing employers. As of June 30, 2022, the City's proportion was 0.58281%, which was a decrease of 0.02179% from its proportion measured as of June 30, 2021.

1977 Police Officers' and Firefighters' Pension and Disability Fund

As of December 31, 2022, the City reported a net pension liability of \$20,321,428 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's actuarially required contribution for the year ended June 30, 2022, relative to all other contributing employers. As of June 30, 2022, the City's proportion was 3.13675%, which was a decrease of 0.1109% from its proportion measured as of June 30, 2021.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Note 18 – Pension Plans (Continued)

Public Employees' Retirement Fund

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 396,357	\$ 69,905
Changes in assumptions	2,489,594	786,394
Net difference between projected and actual earnings on pension plan investments	2,268,391	-
Employer contributions to the plan subsequent to the measurement date	1,839,578	-
Changes in proportion and difference between employer contributions and proportionate share of contributions	192,576	665,796
Total	\$ 7,186,496	\$ 1,522,095

1977 Police Officers' and Firefighters' Pension and Disability Fund

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 10,393,092	\$ 283,570
Changes in assumptions	8,671,195	1,602,600
Net difference between projected and actual earnings on pension plan investments	6,467,852	-
Employer contributions to the plan subsequent to the measurement date	2,845,853	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	164,993	133,033
Total	\$ 28,542,985	\$ 2,019,203

1925 Police Officers' Pension Plan

	Deferred Outflows of Resources
Investment experience	\$ 17,996

1937 Firefighters' Pension Plan

	Deferred Outflows of Resources
Investment experience	\$ 11,173

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date will reduce the net pension liability and therefore will not be included in future pension expense):

Note 18 – Pension Plans (Continued)

Public Employees' Retirement Fund

<u>Year Ending June 30</u>	<u>Amount</u>
2023	\$ 628,295
2024	1,302,869
2025	(505,858)
2026	2,399,517
2027	-
Thereafter	-
Total	\$ 3,824,823

1977 Police Officers' and Firefighters' Pension and Disability Fund

<u>Year Ending June 30</u>	<u>Amount</u>
2023	\$ 2,408,934
2024	3,508,681
2025	2,083,008
2026	9,592,327
2027	2,640,678
Thereafter	3,444,301
Total	\$ 23,677,929

1925 Police Officers' Pension Plan

<u>Year Ending December 31</u>	<u>Amount</u>
2023	\$ 5,736
2024	6,031
2025	4,188
2026	2,041
2027	-
Thereafter	-
Total	\$ 17,996

1937 Firefighters' Pension Plan

<u>Year Ending December 31</u>	<u>Amount</u>
2023	\$ 2,979
2024	3,760
2025	3,090
2026	1,344
2027	-
Thereafter	-
Total	\$ 11,173

Note 18 – Pension Plans (Continued)

Actuarial Assumptions

The total pension liability in each actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

	Public Employees' Retirement Fund	1977 Police Officers' and Firefighters' Pension and Disability Fund	1925 Police Officers' Pension Plan	1937 Firefighters' Pension Plan
Inflation	2.00%	2.00%	2.00%	2.00%
Salary increases (including inflation)	2.65% - 8.65%	2.65%	2.65%	2.65%
Investment rate of return (net of expenses)	6.25%	6.25%	1.75%	1.75%
Mortality rates	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019

There were no changes to any actuarial assumptions for any City pension plan for 2022. The actuarial assumptions used in the June 30, 2022 actuarial valuation date valuation were based on the results of an actuarial experience study for the five years ended June 30, 2020.

Discount Rate

As shown below, the discount rate used to measure the total pension liability was determined after considering a projection of the cash flows to determine whether the future contributions (made at the current contribution rates) will be sufficient to allow the pension plans' fiduciary net position to make all projected future benefit payments of current active and inactive employees.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation update.

	Public Employees' Retirement Fund	1977 Police Officers' and Firefighters' Pension and Disability Fund	1925 Police Officers' Pension Plan	1937 Firefighters' Pension Plan
Assumed investment rate of return	6.25%	6.25%	1.75%	1.75%
Are contributions expected to be sufficient to allow fiduciary net position to pay future benefits?	Yes	Yes	No	No
Discount rate used to measure TPL	6.25%	6.25%	4.12%	4.12%

Note 18 – Pension Plans (Continued)

1925 Police Officers' Pension Plan's and 1937 Firefighters' Pension Plan's fiduciary net position were not projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate incorporates a municipal bond rate which was 4.12 %. The source of that bond rate was the Barclay's 20-year Municipal Bond (as referenced in The Wall Street Journal, December 31, 2022).

Investment Rate of Return

Best estimates of geometric real rates of return as of the June 30, 2022 measurement date for the Public Employees' Retirement Fund and 1977 Police Officers' and Firefighters' Pension and Disability Fund and December 31, 2022 measurement date for the 1925 Police Officers' Pension Plan and 1937 Firefighters' Pension Plan, and for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

Public Employees' Retirement Fund and 1977 Police Officers' and Firefighters' Pension and Disability Fund

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public Equity	20%	3.6%
Private Markets	15%	7.7%
Fixed Income - Ex Inflation-Linked	20%	1.4%
Fixed Income - Inflation-Linked	15%	-0.3%
Commodities	10%	0.9%
Real Estate	10%	3.7%
Absolute Return	5%	2.1%
Risk Parity	20%	3.8%
Leverage Offset	-15%	

1925 Police Officers' Pension Plan

Asset Class	Long-term Expected Real Rate of Return
Cash or cash equivalents	1.75%
Fixed income investments	1.75%

1937 Firefighters' Pension Plan

Asset Class	Long-term Expected Real Rate of Return
Cash or cash equivalents	1.75%
Government agency securities	1.75%

Note 18 – Pension Plans (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Pension Plan	1% Decrease (5.25%)	Discount (6.25%)	1% Increase (7.25%)
Public Employees' Retirement Fund	\$ 31,051,981	\$ 18,380,848	\$ 7,812,201
1977 Police Officers' and Firefighters' Pension and Disability Fund	60,927,856	20,321,428	(12,454,199)
Pension Plan	1% Decrease (3.12%)	Discount (4.12%)	1% Increase (5.12%)
1925 Police Officers' Pension Plan	\$ 63,605,702	\$ 58,707,596	\$ 54,438,833
1937 Firefighters' Pension Plan	47,057,829	43,428,070	40,267,101

Detailed Information

Public Employees' Retirement Fund, and 1977 Police Officers' and Firefighters' Pension and Disability Fund

Detailed information about the plan's fiduciary net position is available in a separately issued financial report: https://www.in.gov/inprs/files/INPRSAnnualReportBook_FY22.pdf. The plan's fiduciary net position has been determined on the same basis used by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

1925 Police Officers' Pension Plan

The financial statements of the plan are included in these financial statements as a pension and other postemployment benefit trust fund. For the purpose of measuring the net pension liability, deferred outflows of resources, and deferred inflows or resources related to pension and pension expense, information about the plan's fiduciary net position and addition to/deduction from fiduciary net position have been determined on the same basis as they are report by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

1937 Firefighters' Pension Plan

The financial statements of the plan are included in these financial statements as a pension and other postemployment benefit trust fund. For the purpose of measuring the net pension liability, deferred outflows of resources, and deferred inflows or resources related to pension and pension expense, information about the plan's fiduciary net position and addition to/deduction from fiduciary net position have been determined on the same basis as they are report by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Note 18 – Pension Plans (Continued)

Assumption Changes

Public Employees' Retirement Fund / 1977 Police Officers' and Firefighters' Pension and Disability Fund

There were no actuarial assumption changes in the Public Employees Retirement Fund or 1977 Police Officers' and Firefighters' Pension and Disability Fund that impacted the net pension liability.

1925 Police Officers' Pension Plan and 1937 Firefighters' Pension Plan

The following actuarial assumption change occurred for the 1925 Police Officers and 1937 Firefighters pension plans since the Prior Measurement Date.

- Discount rate: The discount rate used for the December 31, 2022 valuation was 4.12%, as directed by INPRS, based on the Barclay's 20-year Municipal Bond Index as of December 31, 2022. This is an increase from the 1.39% used for the December 31, 2021 valuation.

Investment Policy

The 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension plan's policy in regard to the allocation of invested assets is established and may be amended by the pension board by a majority vote of its members.

It is the policy of the pension board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the pension board's adopted asset allocation policy as of December 31, 2022:

<u>Asset Class Allocation</u>	<u>Target</u>
Cash or cash equivalents	24%
Government agency securities	76%

Rate of Return and Pension Summary

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.75%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The total aggregate amounts, for all City plans, of employer's pension liability, deferred outflows of resources, deferred inflows of resources and pension expenditures for the period associated with net pension liabilities is as follows:

<u>Plan Description</u>	<u>Net Pension Liability (Asset)</u>	<u>Pension Expenses (Income)</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Public Employees' Retirement Fund	\$ 18,380,848	\$ 2,250,854	\$ 7,186,496	\$ 1,522,095
1977 Police Officers and Firefighters Pension and Disability Fund	20,321,428	5,373,194	28,542,985	2,019,203
1925 Police Officers' Pension Plan	58,707,596	(11,748,638)	17,996	-
1937 Firefighters' Pension Plan	43,428,070	(10,788,577)	11,173	-
Total Aggregate Amounts	\$ 140,837,942	\$ (14,913,167)	\$ 35,758,650	\$ 3,541,298

Note 19 – Pension Trust Funds

The following are condensed financial statements for the individual pension plans:

	1925 Police Pension	1937 Fire Pension	Total
Statement of Net Position			
Cash and investments	\$ 605,146	\$ 353,437	\$ 958,583
Other assets	1,555	908	2,463
Liabilities	(89)	(83)	(172)
Net position	606,612	354,262	960,874
Statement of Changes in Net Position:			
Investment income	(417)	611	194
Contributions	6,012,248	4,067,506	10,079,754
Benefit payments	(5,950,596)	(4,112,727)	(10,063,323)
Administrative expenses	(14,152)	(20,262)	(34,414)
Net change in net position	\$ 47,083	\$ (64,872)	\$ (17,789)

Note 20 – Closure and Post-closure Care Cost

As of January 1, 2008, the City of South Bend's Biosolids Lagoon #4 site has been closed. The City is required to maintain the one-acre site by monitoring methane and groundwater and maintain the site (mowing, cover inspection, gas collection system inspection, cover repair, ditch maintenance, etc.). The closure and post-closure care costs are reported as operating expenses, as incurred. For the year ending December 31, 2022, the total expenses incurred were \$35,964. The remaining expected liability relating to post-closure costs is estimated at less than \$250,000 and due to the minimal nature of these expenditures, is not included in the financial statements. This estimate is subject to changes due to inflation or deflation, changes in technology, or changes in applicable laws or regulations.

Note 21 – Tax Abatements

The City enters into property tax abatement agreements with local businesses and also for qualifying residential construction under the City's Municipal Code Chapter 2, Article 6, Tax Abatements, created by Ordinance 7267-83. Under this Article, the City may grant property tax abatements to a business located within or promising to relocate to the City for the purpose of attracting or retaining the business and also for the purpose of encouraging residential construction within economic development target areas. For the fiscal year ended December 31, 2022, the City abated property taxes totaling \$4,295,143 under this program. No property had property taxes abated that exceeded 10% of the total amount.

Required Supplementary Information

City of South Bend, Indiana

**Required Supplementary Information
1925 Police Officers' Pension Plan Schedule of Investment Returns**

**Last Nine Fiscal Years
Years Ended December 31**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	1.75%	1.75%	1.75%	1.75%	1.75%	0.80%	1.00%	0.80%	0.60%

Information is presented for the years available

City of South Bend, Indiana

Required Supplementary Information 1925 Police Officers' Pension Plan Schedule of Contributions

**Last Ten Fiscal Years
Years Ended December 31**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 5,950,596	\$ 5,936,871	\$ 6,183,243	\$ 6,363,550	\$ 6,161,954	\$ 6,119,059	\$ 6,133,389	\$ 6,073,049	\$ 6,432,800	\$ 6,633,200
Contributions in relation to the actuarially determined contribution	<u>6,011,602</u>	<u>5,947,193</u>	<u>6,045,313</u>	<u>6,107,782</u>	<u>6,220,658</u>	<u>6,204,179</u>	<u>6,364,236</u>	<u>6,323,645</u>	<u>6,116,195</u>	<u>5,837,216</u>
Contribution (Deficiency) Excess	<u>\$ 61,006</u>	<u>\$ 10,322</u>	<u>\$ (137,930)</u>	<u>\$ (255,768)</u>	<u>\$ 58,704</u>	<u>\$ 85,120</u>	<u>\$ 230,847</u>	<u>\$ 250,596</u>	<u>\$ (316,605)</u>	<u>\$ (795,984)</u>
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 441,200	\$ 441,200	\$ 430,000
Contributions as a Percentage of Covered Payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1433.3%	1386.3%	1357.5%

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date December 31, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal

Amortization method Level percent of payroll

Remaining amortization period 30 years

Asset valuation method Not applicable. Benefits are funded on a pay-as-you-go basis

Inflation 2.00% per year

Salary increase 2.65% per year

Investment rate of return 1.75% per year

Retirement age Non-converted - any age with 20 or more years of creditable service; Converted - age 52 with 20 or more years of creditable service and no longer active

Mortality Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019

Other information Cost of living increases of 2.65% per year in retirement for non-converted and 1.95% per year for converted

The following actuarial assumption changes occurred for the 1925 Police Officers pension plan since the Prior Measurement Date:

- Discount rate: The discount rate used for the December 31, 2022 valuation was 4.12%, as directed by INPRS, based on the Barclay's 20-year Municipal Bond Index as of December 31, 2022. This is an increase from the 1.39% used for the December 31, 2021 valuation.

City of South Bend, Indiana

Required Supplementary Information
 Schedule of Changes in the City Net Pension Liability and Related Ratios
 1925 Police Officers' Pension Plan

**Last Nine Fiscal Years
 Years Ended December 31**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability									
Service cost	\$ -	\$ -	\$ 40,214	\$ 84,969	\$ 92,916	\$ 78,812	\$ 164,481	\$ 184,104	\$ 157,965
Interest	1,061,871	1,174,172	1,771,194	2,445,011	2,337,437	2,653,831	2,344,653	2,415,583	3,721,864
Experience (gains)/losses	2,441,559	139,773	(494,601)	278,613	2,284,134	995,949	396,259	(2,973,249)	-
Plan amendments	-	-	-	870,092	-	-	-	-	-
Changes in assumptions	(15,248,062)	(215,355)	(371,926)	7,451,976	(2,697,730)	3,926,922	(5,617,308)	(294,402)	12,487,771
Projected benefit payments	(5,786,349)	(5,834,267)	(5,946,093)	(6,112,665)	(6,146,696)	(6,045,097)	(5,977,290)	(6,061,589)	(6,122,870)
Net Change in Total Pension Liability	(17,530,981)	(4,735,677)	(5,001,212)	5,017,996	(4,129,939)	1,610,417	(8,689,205)	(6,729,553)	10,244,730
Total Pension Liability - Beginning of year	<u>76,845,189</u>	<u>81,580,866</u>	<u>86,582,078</u>	<u>81,564,082</u>	<u>85,694,021</u>	<u>84,083,604</u>	<u>92,772,809</u>	<u>99,502,362</u>	<u>89,257,632</u>
Total Pension Liability - End of year	<u>\$59,314,208</u>	<u>\$76,845,189</u>	<u>\$81,580,866</u>	<u>\$86,582,078</u>	<u>\$81,564,082</u>	<u>\$85,694,021</u>	<u>\$84,083,604</u>	<u>\$92,772,809</u>	<u>\$99,502,362</u>
Plan Fiduciary Net Position									
Contributions - Other	\$ 1,527	\$ 4,119	\$ -	\$ -	\$ -	\$ 13,544	\$ 15,749	\$ 62	\$ 4,329
Contributions - Non-employer Entity	6,007,221	5,947,193	6,045,313	6,107,782	6,220,658	6,204,179	5,991,750	6,378,359	6,111,865
Net investment income	(417)	(1,009)	3,076	18,102	15,219	6,557	6,713	4,376	3,759
Administrative expenses	(10,653)	(10,321)	(9,942)	(10,304)	(10,054)	(13,577)	(13,551)	(12,462)	(10,957)
Benefit payments, including refunds	(5,950,596)	(5,936,871)	(6,183,243)	(6,363,550)	(6,161,954)	(6,119,245)	(6,364,236)	(6,323,646)	(6,705,815)
Net Change in Plan Fiduciary Net Position	47,082	3,111	(144,796)	(247,970)	63,869	91,458	(363,575)	46,689	(596,819)
Plan Fiduciary Net Position - Beginning of year	<u>559,530</u>	<u>556,419</u>	<u>701,215</u>	<u>949,185</u>	<u>885,316</u>	<u>793,858</u>	<u>1,157,433</u>	<u>1,110,743</u>	<u>1,707,562</u>
Plan Fiduciary Net Position - End of year	<u>\$606,612</u>	<u>\$559,530</u>	<u>\$556,419</u>	<u>\$701,215</u>	<u>\$949,185</u>	<u>\$885,316</u>	<u>\$793,858</u>	<u>\$1,157,432</u>	<u>\$1,110,743</u>
City's Net Pension Liability - Ending	<u>\$58,707,596</u>	<u>\$76,285,659</u>	<u>\$81,024,447</u>	<u>\$85,880,863</u>	<u>\$80,614,897</u>	<u>\$84,808,705</u>	<u>\$83,289,746</u>	<u>\$91,615,377</u>	<u>\$98,391,619</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	1.02%	0.73%	0.68%	0.81%	1.16%	1.03%	0.94%	1.25%	1.12%
Covered Payroll	\$-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 441,200	\$ 441,200
City's Net Pension Liability as a % of Covered Payroll	- %	- %	- %	- %	- %	- %	- %	20765%	22301%

Information is presented for the years available

City of South Bend, Indiana

**Required Supplementary Information
1937 Firefighters' Pension Plan Schedule of Investment Returns**

**Last Nine Fiscal Years
Years Ended December 31**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	1.75%	1.75%	1.75%	1.75%	1.75%	0.80%	1.00%	0.80%	0.60%

Information is presented for the years available

City of South Bend, Indiana

Required Supplementary Information 1937 Firefighters' Pension Plan Schedule of Contributions

**Last Ten Fiscal Years
Years Ended December 31**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$4,110,921	\$4,121,440	\$4,195,490	\$4,439,496	\$4,618,617	\$4,727,592	\$5,152,192	\$4,977,042	\$5,436,400	\$5,550,900
Contributions in relation to the actuarially determined contribution	<u>4,058,278</u>	<u>4,097,779</u>	<u>4,320,033</u>	<u>4,462,993</u>	<u>4,472,469</u>	<u>4,920,712</u>	<u>5,165,758</u>	<u>5,197,158</u>	<u>5,130,581</u>	<u>5,051,319</u>
Contribution (Deficiency) Excess	<u>\$(52,643)</u>	<u>\$(23,661)</u>	<u>\$124,543</u>	<u>\$23,497</u>	<u>\$(146,148)</u>	<u>\$193,120</u>	<u>\$13,566</u>	<u>\$220,116</u>	<u>\$(305,819)</u>	<u>\$(499,581)</u>
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$328,600	\$328,600	\$319,300
Contributions as a Percentage of Covered Payroll	- %	- %	- %	- %	- %	- %	- %	1581.6%	1561.3%	1582.0%

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date December 31, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal

Amortization method Level percent of payroll

Remaining amortization period 30 years

Asset valuation method Not applicable. Benefits are funded on a pay-as-you-go basis

Inflation 2.00% per year

Salary increase 2.65% per year

Investment rate of return 1.75% per year

Retirement age Non-converted - any age with 20 or more years of creditable service; Converted - age 52 with 20 or more years of creditable service and no longer active

Mortality Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019

Other information Cost of living increases of 2.65% per year in retirement for non-converted and 1.95% per year for converted

The following actuarial assumption changes occurred for the 1925 Police Officers pension plan since the Prior Measurement Date:

- Discount rate: The discount rate used for the December 31, 2022 valuation was 4.12%, as directed by INPRS, based on the Barclay's 20-year Municipal Bond Index as of December 31, 2022. This is an increase from the 1.39% used for the December 31, 2021 valuation.

Required Supplementary Information
 Schedule of Changes in the City Net Pension Liability and Related Ratios
 1937 Firefighters' Pension Plan

**Last Nine Fiscal Years
 Years Ended December 31**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability									
Service cost	\$ -	\$ -	\$49,137	\$62,978	\$98,529	\$81,717	\$163,162	\$155,487	\$114,297
Interest	783,612	895,656	1,362,747	1,865,607	1,815,032	2,124,050	1,940,826	2,020,796	3,155,669
Experience (gains)/losses	(255,266)	(562,790)	(457,133)	(1,096,354)	(482,208)	(1,611,010)	(262,337)	(2,816,692)	-
Plan amendments	-	-	-	941,442	-	-	-	-	-
Changes in assumptions	(11,312,679)	(218,152)	(422,909)	5,758,955	(2,105,211)	3,179,702	(4,645,609)	(245,887)	9,620,657
Projected benefit payments	(4,127,154)	(4,189,691)	(4,299,517)	(4,420,816)	(4,572,612)	(4,727,592)	(4,980,991)	(5,094,762)	(5,206,870)
Net Change in Total Pension Liability	<u>(14,911,487)</u>	<u>(4,074,977)</u>	<u>(3,767,675)</u>	<u>3,111,812</u>	<u>(5,246,470)</u>	<u>(953,133)</u>	<u>(7,784,949)</u>	<u>(5,981,058)</u>	<u>7,683,753</u>
Total Pension Liability - Beginning of year	<u>58,693,821</u>	<u>62,768,798</u>	<u>66,536,473</u>	<u>63,424,661</u>	<u>68,671,131</u>	<u>69,624,264</u>	<u>77,409,213</u>	<u>83,390,271</u>	<u>75,706,518</u>
Total Pension Liability - End of year	<u>\$43,782,334</u>	<u>\$58,693,821</u>	<u>\$62,768,798</u>	<u>\$66,536,473</u>	<u>\$63,424,661</u>	<u>\$68,671,131</u>	<u>\$69,624,264</u>	<u>\$77,409,213</u>	<u>\$83,390,271</u>
Plan Fiduciary Net Position									
Contributions - Other	\$3,922	\$-	\$-	\$-	\$-	\$4,251	\$6,279	\$2,667	\$1,484
Contributions - Non-employer Entity	4,058,278	4,097,779	4,320,033	4,462,993	4,472,469	4,920,712	4,866,271	5,039,025	5,129,098
Net investment income	611	(774)	2,579	9,432	7,596	3,352	2,852	2,675	1,963
Administrative expenses	(16,764)	(11,458)	(10,265)	(10,309)	(12,154)	(14,771)	(14,485)	(14,255)	(10,920)
Benefit payments, including refunds	(4,110,921)	(4,121,440)	(4,195,490)	(4,439,496)	(4,618,617)	(4,614,480)	(5,165,758)	(5,197,159)	(5,407,429)
Net Change in Plan Fiduciary Net Position	<u>(64,874)</u>	<u>(35,893)</u>	<u>116,857</u>	<u>22,620</u>	<u>(150,706)</u>	<u>299,064</u>	<u>(304,841)</u>	<u>(167,047)</u>	<u>(285,804)</u>
Plan Fiduciary Net Position - Beginning of year	<u>419,136</u>	<u>455,029</u>	<u>338,172</u>	<u>315,552</u>	<u>466,258</u>	<u>167,194</u>	<u>472,035</u>	<u>639,081</u>	<u>924,885</u>
Plan Fiduciary Net Position - End of year	<u>\$354,262</u>	<u>\$419,136</u>	<u>\$455,029</u>	<u>\$338,172</u>	<u>\$315,552</u>	<u>\$466,258</u>	<u>\$167,194</u>	<u>\$472,034</u>	<u>\$639,081</u>
City's Net Pension Liability - Ending	<u>\$43,428,072</u>	<u>\$58,274,685</u>	<u>\$62,313,769</u>	<u>\$66,198,301</u>	<u>\$63,109,109</u>	<u>\$68,204,873</u>	<u>\$69,457,070</u>	<u>\$76,937,179</u>	<u>\$82,751,190</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	0.81%	0.71%	0.72%	0.51%	0.50%	0.68%	0.24%	0.61%	0.77%
Covered Payroll	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$328,600	\$328,600
City's Net Pension Liability as a % of Covered Payroll	- %	- %	- %	- %	- %	- %	- %	23414%	25183%

Information is presented for the years available

Required Supplementary Information
 Schedule of City Contributions
 Public Employees' Retirement Fund

Last Eight Fiscal Years
 Years Ended December 31

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$3,606,008	\$3,578,344	\$3,621,367	\$3,523,406	\$3,385,879	\$3,320,567	\$3,037,666	\$2,982,234
Contributions in relation to the actuarially determined contributions	\$3,606,008	3,578,344	3,621,367	3,523,406	3,385,879	3,320,567	3,037,666	2,982,234
Contribution Excess (Deficiency)	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Covered Payroll	\$32,965,029	\$32,493,524	\$32,664,657	\$32,020,965	\$30,503,247	\$29,647,920	\$27,389,875	\$26,681,229
Contributions as a Percentage of Covered Payroll	10.9%	11.0%	11.1%	11.0%	11.1%	11.2%	11.2%	11.2%

Information is presented for the years available

Contributions in relation to the actuarially determined contributions and covered payroll are reported as of the City's calendar year-end (December 31).

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date June 30, 2022

Methods and assumptions used to determine contribution rates:

- Actuarial cost method Entry age normal
- Amortization method Level percent of payroll
- Actuarial Amortization Period for Unfunded Liability 20 years, closed
- Remaining amortization period 24 years
- Asset valuation method Actuarial Value of Assets is equal to a five-year smoothing of gains and losses on the Fair Value of Assets subject to a 20% corridor
- Inflation 2.00% per year
- Salary increase 2.65% to 8.65% per year
- Investment rate of return 6.25% per year, includes inflation and net of administrative and investment expenses
- Retirement age Normal retirement ages are age 65 and 10 years (eight years for certain elected officials) of creditable service, age 60 and 15 years of creditable service, and age 55 if age and creditable service total at least 85 with early retirement at 50 with 15 years of service
- Mortality Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019
- Other information The following COLAs, compounded annually, were assumed:
 1.00% beginning on January 1, 2022, 0.40% beginning on January 1, 2024; 0.50% beginning on January 1, 2034;
 0.60% beginning on January 1, 2039

There were no actuarial assumption changes in the Public Employees Retirement Fund since the Prior Measurement Date:

City of South Bend, Indiana

**Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Public Employees' Retirement Fund**

**Last Nine Fiscal Years
Years Ended June 30**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.58281%	0.60460%	0.59296%	0.59232%	0.58323%	0.57988%	0.54700%	0.55700%	0.56300%
City's proportionate share of the net pension liability (asset)	\$18,380,848	\$7,955,615	\$17,909,730	\$19,576,553	\$19,812,587	\$25,871,598	\$24,845,715	\$22,687,694	\$14,807,363
City's Covered Payroll	\$33,541,763	\$33,334,366	\$32,011,410	\$30,860,389	\$29,759,859	\$28,768,543	\$26,237,016	\$26,691,229	\$27,509,916
City's Proportionate Share of the Net pension Liability (Asset) as a Percentage of its Covered Payroll	54.80%	23.87%	55.95%	63.44%	66.57%	89.93%	94.70%	85.00%	53.83%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	82.5%	92.5%	81.4%	80.1%	78.9%	76.6%	75.3%	77.3%	84.3%

Information is presented for the years available

City of South Bend, Indiana

**Required Supplementary Information
Schedule of City Contributions
1977 Police Officers' Pension and Disability Fund**

**Last Eight Fiscal Years
Years Ended December 31**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 2,624,767	\$ 2,638,916	\$ 2,499,056	\$ 2,528,512	\$ 2,479,908	\$ 2,394,421	\$ 2,715,555	\$ 2,625,418
Contributions in relation to the actuarially determined contributions	<u>2,624,767</u>	<u>2,638,916</u>	<u>2,499,056</u>	<u>2,528,512</u>	<u>2,479,908</u>	<u>2,394,421</u>	<u>2,715,555</u>	<u>2,625,418</u>
Contribution Excess (Deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$14,998,666	\$ 15,079,522	\$ 14,280,320	\$ 14,448,643	\$ 14,170,905	\$ 12,873,232	\$ 13,784,545	\$ 13,327,077
Contributions as a Percentage of Covered Payroll	17.5%	17.5%	17.5%	17.5%	17.5%	18.6%	19.7%	19.7%

Information is presented for the years available

Contributions in relation to the actuarially determined contributions and covered payroll are reported as of the City's calendar year-end (December 31).

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date June 30, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal

Amortization method Level percent of payroll

Actuarial Amortization Period for Unfunded Liability 30 years, open

Remaining amortization period 30 years, open

Asset valuation method Actuarial Value of Assets is equal to a five-year smoothing of gains and losses on the Market Value of Assets subject to a 20% corridor

Inflation 2.00% per year

Salary increase 2.65% per year

Investment rate of return 6.25% per year, includes inflation and net of administrative and investment expenses

Retirement age Normal retirement is age 52 with 20 years of service; early retirement is age 50 with 20 years of service (reduced benefit)

Mortality Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019

Other information Assumed Cost of Living Adjustment (COLA): 1.95% annually

There were no actuarial assumption changes in the Public Employees Retirement Fund since the Prior Measurement Date:

City of South Bend, Indiana

Required Supplementary Information Schedule of the City's Proportionate Share of the Net Pension Liability 1977 Police Officers' Pension and Disability Fund

**Last Nine Fiscal Years
Years Ended June 30**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	1.50982%	1.55846%	1.54916%	1.62738%	1.6501%	1.72294%	1.75600%	1.78700%	1.82900%
City's proportionate share of the net pension liability (asset)	\$9,781,397	\$(9,210,737)	\$3,761,481	\$149,979	\$(1,450,622)	\$(265,770)	\$1,559,932	\$(2,640,039)	\$(932,236)
City's Covered Payroll	\$15,261,636	\$14,796,362	\$14,365,200	\$14,385,011	\$13,896,923	\$13,968,031	\$13,571,531	\$13,327,077	\$12,981,067
City's Proportionate Share of the Net pension Liability (Asset) as a Percentage of its Covered Payroll	64.09%	-62.25%	26.18%	1.04%	-10.44%	-1.90%	11.49%	(19.8)%	(7.2)%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.20%	107.80%	96.40%	99.90%	101.50%	100.3%	98.2%	103.2%	101.1%

Information is presented for the years available

Required Supplementary Information
Schedule of City Contributions
1977 Firefighters' Pension and Disability Fund

**Last Eight Fiscal Years
Years Ended December 31**

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 2,845,694	\$ 2,799,560	\$ 2,795,379	\$ 2,730,295	\$ 2,690,987	\$ 2,556,604	\$ 2,717,624	\$ 2,666,116
Contributions in relation to the actuarially determined contributions	<u>2,845,694</u>	<u>2,799,560</u>	<u>2,795,379</u>	<u>2,730,295</u>	<u>2,690,987</u>	<u>2,556,604</u>	<u>2,717,624</u>	<u>2,666,116</u>
Contribution Excess (Deficiency)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	16,261,112	15,997,482	\$ 15,973,594	\$ 15,601,683	\$ 15,377,071	\$ 13,745,183	\$ 13,795,047	\$ 13,533,745
Contributions as a Percentage of Covered Payroll	17.50%	17.50%	17.50%	17.50%	17.50%	18.60%	19.70%	19.70%

Information is presented for the years available

Contributions in relation to the actuarially determined contributions and covered payroll are reported as of the City's calendar year-end (December 31).

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date June 30, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal

Amortization method Level percent of payroll

Actuarial Amortization Period for Unfunded Liability 30 years, open

Remaining amortization period 30 years, open

Asset valuation method Actuarial Value of Assets is equal to a five-year smoothing of gains and losses on the Market Value of Assets subject to a 20% corridor

Inflation 2.00% per year

Salary increase 2.65% per year

Investment rate of return 6.25% per year, includes inflation and net of administrative and investment expenses

Retirement age Normal retirement is age 52 with 20 years of service; early retirement is age 50 with 20 years of service (reduced benefit)

Mortality Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019

Other information Assumed Cost of Living Adjustment (COLA): 1.95% annually

There were no actuarial assumption changes in the Public Employees Retirement Fund since the Prior Measurement Date:

City of South Bend, Indiana

Required Supplementary Information Schedule of the City's Proportionate Share of the Net Pension Liability 1977 Firefighters' Pension and Disability Fund

**Last Nine Fiscal Years
Years Ended June 30**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	1.62692%	1.68915%	1.70153%	1.75457%	1.78736%	1.77600%	1.75800%	1.81500%	1.79500%
City's proportionate share of the net pension liability (asset)	\$10,540,031	\$(9,983,135)	\$ 4,131,447	\$ 161,701	\$(1,571,289)	\$ (273,955)	\$ 1,561,833	\$(2,680,987)	\$ (915,265)
City's Covered Payroll	\$16,445,364	\$16,037,134	\$15,778,121	\$15,509,357	\$15,052,876	\$14,398,217	\$13,588,032	\$13,533,745	\$12,744,754
City's Proportionate Share of the Net pension Liability (Asset) as a Percentage of its Covered Payroll	64.09%	-62.25%	26.18%	1.04%	-10.44%	-1.90%	11.49%	(19.8)%	(7.2)%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.20%	107.80%	96.40%	99.90%	101.50%	100.3%	98.2%	103.2%	101.1%

Information is presented for the years available

City of South Bend, Indiana

Required Supplementary Information Schedule of Changes in the City's Total OPEB Liability and Related Ratios

**Last Five Fiscal Years
Years Ended December 31**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability					
Service Cost	\$ 1,371,609	\$ 1,473,053	\$ 1,072,669	\$ 1,049,065	\$ 1,489,465
Interest	628,173	620,338	1,032,011	981,132	1,026,964
Difference between expected and actual experience	1,689,861	(2,190,115)	(2,677,265)	-	1,503,991
Changes of assumptions or other inputs	(4,157,551)	(307,148)	5,155,786	-	(8,795,897)
Benefit payments	<u>(873,234)</u>	<u>(801,646)</u>	<u>(858,114)</u>	<u>(774,470)</u>	<u>(758,730)</u>
Net change in total OPEB liability	(1,341,143)	(1,205,518)	3,725,087	1,255,727	(5,534,207)
Total OPEB Liability - beginning	<u>26,981,383</u>	<u>28,186,901</u>	<u>24,461,814</u>	<u>23,206,087</u>	<u>28,740,294</u>
Total OPEB Liability - ending	<u>\$ 25,640,241</u>	<u>\$ 26,981,383</u>	<u>\$ 28,186,901</u>	<u>\$ 24,461,814</u>	<u>\$ 23,206,087</u>
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability - ending	<u>\$ 25,640,241</u>	<u>\$ 26,981,383</u>	<u>\$ 28,186,901</u>	<u>\$ 24,461,814</u>	<u>\$ 23,206,087</u>
Plan fiduciary net position as % of total OPEB liability	0%	0%	0%	0%	0%
Covered-Employee Payroll	<u>\$ 63,979,551</u>	<u>\$ 62,327,863</u>	<u>\$ 62,222,358</u>	<u>\$ 60,754,757</u>	<u>\$ 58,876,762</u>
Net OPEB liability as a % of covered payroll	40.1%	43.3%	45.3%	40.3%	39.4%

Information is presented for the years available. No assets are accumulated in a trust.

Required Supplementary Information
Budgetary Comparison Schedules
General Fund

December 31, 2022

	General Fund			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 44,975,102	\$ 44,975,102	\$ 45,635,698	\$ 660,596
Taxes - local income tax	9,021,120	9,591,298	9,591,298	-
Licenses and permits	294,125	294,125	319,288	25,163
Intergovernmental	4,030,122	4,030,122	2,216,019	(1,814,103)
Charges for services	4,135,160	4,891,160	4,838,529	(52,631)
Fines and forfeitures	8,525	8,525	4,911	(3,614)
Investment income	692,273	627,395	879,082	251,687
Other	13,244,940	13,310,256	13,252,506	(57,750)
Total revenues	76,401,367	77,727,983	76,737,331	(990,652)
Expenditures:				
Current:				
General government:				
Mayor:				
Personnel services	1,411,514	1,411,514	1,221,587	189,927
Supplies	5,500	5,500	2,706	2,794
Other services and charges	1,261,726	1,258,965	1,079,397	179,568
City Clerk:				
Personnel services	454,471	428,871	373,617	55,254
Supplies	9,200	8,819	4,316	4,503
Other services and charges	230,876	249,199	210,779	38,420
Common Council:				
Personnel services	425,774	425,774	309,265	116,509
Supplies	2,500	2,500	2,496	4
Other services and charges	296,667	277,307	241,006	36,301
Administration/Finance:				
Personnel services	3,480,695	3,446,363	2,582,856	863,507
Supplies	31,441	30,296	17,910	12,386
Other services and charges	39,514,869	9,613,556	9,857,076	(243,520)
Capital outlay	2,700,000	78,438	78,438	-
Innovation and Technology				
Other services and charges	151,500	111,365	31,365	80,000
Legal Department:				
Personnel services	1,480,136	1,465,636	1,260,209	205,427
Supplies	3,500	5,786	4,919	867
Other services and charges	227,080	229,484	209,936	19,548
Total general government	51,687,449	19,049,373	17,487,878	1,561,495
Public safety:				
Police Department:				
Personnel services	23,143,108	22,779,108	504,324	22,274,784
Supplies	1,268,261	1,579,492	1,405,226	174,266
Other services and charges	9,212,706	8,902,450	8,686,976	215,474
Capital outlay	4,512,802	2,737,142	2,733,273	3,869
Fire Department:				
Personnel services	21,143,745	21,143,745	62,956	21,080,789
Supplies	1,129,971	1,290,461	1,213,047	77,414
Other services and charges	5,066,531	5,267,576	5,103,876	163,700
Total public safety	65,477,124	63,699,974	19,709,678	43,990,296

Required Supplementary Information
Budgetary Comparison Schedules
General Fund (Continued)

December 31, 2022

	General Fund			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Highways and streets:				
Streets and Sewers:				
Other services and charges	1,472,715	1,472,715	1,327,014	145,701
Engineering:				
Personnel services	2,693,981	2,693,981	2,337,717	356,264
Supplies	358,335	257,985	119,674	138,311
Other services and charges	915,224	814,898	652,550	162,348
Capital outlay	-	3,120	-	3,120
Total highways and streets	<u>5,440,255</u>	<u>5,242,699</u>	<u>4,436,955</u>	<u>805,744</u>
Community and economic development:				
Other services and charges	1,126,848	1,093,848	1,030,864	62,984
Capital outlay	173,629	173,629	62,244	111,385
Total community and economic development	<u>1,300,477</u>	<u>1,267,477</u>	<u>1,093,108</u>	<u>174,369</u>
Culture and recreation:				
Park Maintenance				
Other services and charges	978,315	978,315	967,746	10,569
Recreation				
Other services and charges	138,388	287,659	237,826	49,833
Morris Performing Arts Center:				
Personnel services	-	-	-	-
Supplies	8,435	8,435	8,435	-
Other services and charges	48,527	48,343	34,898	13,445
Palais Royale Ballroom:				
Supplies	5,000	5,000	4,457	543
Other services and charges	224,403	222,712	173,515	49,197
Total culture and recreation	<u>1,403,068</u>	<u>1,550,464</u>	<u>1,426,877</u>	<u>123,587</u>
Total expenditures	<u>125,308,373</u>	<u>90,809,987</u>	<u>44,154,496</u>	<u>46,655,491</u>
Other Financing Sources (Uses):				
Debt proceeds	1,462,000	1,632,000	1,632,000	-
Proceeds from sale of capital assets	-	-	26,680	26,680
Transfers in	6,462,353	6,810,050	6,810,050	-
Transfers out	(5,969,221)	(7,101,015)	(7,101,015)	-
Net change in fund balances	(46,951,874)	(11,740,969)	33,950,550	45,691,519
Fund balances - Beginning	54,208,073	54,208,073	54,208,073	-
Fund balances - Ending	<u>\$ 7,256,199</u>	<u>\$ 42,467,104</u>	<u>\$ 88,158,623</u>	<u>\$ 45,691,519</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 33,950,550	
To adjust revenues for accruals			8,042,285	
To adjust expenditures for accruals			(10,087,127)	
Net change in fund balance, GAAP basis			<u>\$ 31,905,708</u>	

Required Supplementary Information
Budgetary Comparison Schedules
Major Special Revenue Funds
Parks and Recreation Fund

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 10,580,413	\$ 10,580,413	\$ 10,742,492	\$ 162,079
Licenses and permits	-	250	348	98
Intergovernmental	953,848	953,848	427,491	(526,357)
Charges for services	3,196,581	3,108,794	3,503,012	394,218
Fines and forfeitures	-	-	24	24
Investment income	50,000	15,000	33,988	18,988
Other	1,314,941	1,438,287	924,233	(514,054)
	16,095,783	16,096,592	15,631,588	(465,004)
Expenditures:				
Current:				
Culture and recreation:				
Personnel services	8,836,650	8,996,623	8,259,162	737,461
Supplies	1,563,323	1,747,182	1,591,115	156,067
Other services and charges	5,702,808	6,293,936	6,022,229	271,707
Capital outlay	2,362,815	1,046,606	896,973	149,633
	18,465,596	18,084,347	16,769,479	1,314,868
Other Financing Sources (Uses):				
Debt proceeds	269,000	1,290,000	1,290,000	-
Proceeds from sale of capital assets	-	-	53,682	53,682
Transfers in	119,221	119,221	119,221	-
Transfers out	-	-	-	-
	(1,981,592)	(578,534)	325,012	903,546
Fund balances - Beginning	5,865,858	5,865,858	5,865,858	-
Fund balances - Ending	\$ 3,884,266	\$ 5,287,324	\$ 6,190,870	\$ 903,546
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 325,012	
To adjust revenues for accruals			(80,662)	
To adjust expenditures for accruals			234,228	
Net change in fund balance, GAAP basis			\$ 478,578	

Required Supplementary Information
 Budgetary Comparison Schedules
 Major Special Revenue Funds (Continued)
 Local Income Tax-Public Safety Fund

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - local income tax	\$ 8,826,957	\$ 9,168,554	\$ 9,168,579	\$ 25
Investment income	10,000	10,000	28,836	18,836
Total revenues	8,836,957	9,178,554	9,197,415	18,861
Expenditures:				
Current:				
Public safety:				
Personnel services	12,689,047	12,689,047	10,248,840	2,440,207
Total expenditures	12,689,047	12,689,047	10,248,840	2,440,207
Net change in fund balances	(3,852,090)	(3,510,493)	(1,051,425)	2,459,068
Fund balances - Beginning	3,844,465	3,844,465	3,844,465	-
Fund balances - Ending	\$ (7,625)	\$ 333,972	\$ 2,793,040	\$ 2,459,068
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (1,051,425)	
To adjust revenues for accruals			(41,825)	
To adjust expenditures for accruals			488,040	
Net change in fund balance, GAAP basis			\$ (605,210)	

Required Supplementary Information
 Budgetary Comparison Schedules
 Major Special Revenue Funds (Continued)
 Local Income Tax-Economic Development Fund

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - local income tax	\$ 12,216,636	\$ 12,704,389	\$ 12,704,389	\$ -
Intergovernmental	50,000	50,000	-	(50,000)
Investment income	136,795	136,795	334,543	197,748
Other	349,424	424,424	232,970	(191,454)
Total revenues	12,752,855	13,315,608	13,271,902	(43,706)
Expenditures:				
Current:				
General government:				
Other services and charges	9,079,288	7,323,013	5,153,250	2,169,763
Capital outlay	263,783	3,034,937	3,003,653	31,284
Total expenditures	9,343,071	10,357,950	8,156,903	2,201,047
Other Financing Sources (Uses):				
Transfers out	(9,564,788)	(9,428,788)	(6,520,192)	2,908,596
Net change in fund balances	(6,155,004)	(6,471,130)	(1,405,193)	5,065,937
Fund balances - Beginning	24,795,353	24,795,353	24,795,353	-
Fund balances - Ending	\$ 18,640,349	\$ 18,324,223	\$ 23,390,160	\$ 5,065,937
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (1,405,193)	
To adjust revenues for accruals			(369,444)	
To adjust expenditures for accruals			452,439	
Net change in fund balance, GAAP basis			\$ (1,322,198)	

Required Supplementary Information
 Budgetary Comparison Schedules
 Major Special Revenue Funds (Continued)
 American Rescue Plan
 December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 29,455,024	\$ 29,455,024	\$ 29,455,024	\$ -
Investment income	-	90,000	666,655	576,655
Total revenues	29,455,024	29,545,024	30,121,679	576,655
Expenditures:				
Current:				
General government:				
Personnel services	-	47,990,405	47,970,065	20,340
Other services and charges	500,000	501,270	1,270	500,000
Capital outlay	11,100,000	807,053	807,053	-
Total expenditures	11,600,000	49,298,728	48,778,388	520,340
Net change in fund balances	17,855,024	(19,753,704)	(18,656,709)	1,096,995
Fund balances - Beginning	29,536,642	29,536,642	29,536,642	-
Fund balances - Ending	\$ 47,391,666	\$ 9,782,938	\$ 10,879,933	\$ 1,096,995
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ (18,656,709)	
To adjust revenues for accruals			19,196,115	
To adjust expenditures for accruals			(1,720)	
Net change in fund balance, GAAP basis			\$ 537,686	

Required Supplementary Information
Budget/GAAP Reconciliation
General Fund and Major Special Revenue Funds
December 31, 2022

The major difference between budgetary (Non-GAAP) basis and GAAP basis are as follows:

- a. Revenues are recorded when received in cash (budgetary) as opposed to susceptible to accrual (GAAP).
- b. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on a budgetary basis to a GAAP basis are as follows:

	<u>General</u>	<u>Parks and Recreation</u>	<u>Local Income Tax Public Safety</u>	<u>Local Income Tax Economic Development</u>	<u>American Rescue Plan</u>
Net change in fund balances (budgetary basis)	\$ 33,950,550	\$ 325,012	\$ (1,051,425)	\$ (1,405,193)	\$ (18,656,709)
Adjustments:					
To adjust revenues for accruals	8,042,285	(80,662)	(41,825)	(369,444)	19,196,115
To adjust expenditures for accruals	<u>(10,087,127)</u>	<u>234,228</u>	<u>488,040</u>	<u>452,439</u>	<u>(1,720)</u>
Net change in fund balances (GAAP basis)	<u>\$ 31,905,708</u>	<u>\$ 478,578</u>	<u>\$ (605,210)</u>	<u>\$ (1,322,198)</u>	<u>\$ 537,686</u>

Note 1 – Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:

- A. After conferring with the Common Council President and several department heads, the City Controller submits to the Common Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- B. Prior to adoption, the City advertises the budget and the Common Council holds public hearings to obtain taxpayer comments. The Common Council may reduce, but not increase, the budget from the advertised amounts.
- C. No later than November 1 of each year, the budget for the next year is approved by the Common Council through the passage of an ordinance.
- D. Copies of the budget ordinance and advertisements for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance for their review and approval. The budget becomes legally enacted after the City Controller receives approval from the Indiana Department of Local Government Finance. This approval is required by Indiana statute and ad valorem property tax rates are to be set by December 31 prior to the year budgeted. The budget ordinance as approved by the Indiana Department of Local Government Finance becomes the City's expenditures budget. The City's maximum tax levy is restricted by Indiana law, with certain adjustments and exceptions. If the advertised budget, for funds for which property taxes are levied or for which highway use taxes are received, exceeds the spending and tax limits of the state control laws, an excess levy can be granted by the Indiana Department of Local Government Finance, upon appeal by the City.
- E. The legal level of budgetary control (the level at which expenditures may not exceed appropriations without the governing body's approval) is by fund, department, division, and cost classification for all funds. The City's management cannot transfer budgeted appropriations between cost classifications of a budget without approval of the Common Council. Any revisions that alter the total appropriations for any fund or any department of the General Fund must be approved by the Common Council and, in some instances, by the Indiana Department of Local Government Finance. Formal budgetary integration is required by state statute and is employed as a management control method.
- F. Formal budgetary integration is required by State statute and is employed as a management control device. An annual budget was legally adopted for the following funds:

Major governmental funds:

- General Fund
- Special Revenue Funds - Park and Recreation, Local Income Tax-Public Safety, Local Income Tax-Economic Development, American Rescue Plan
- Capital Projects Fund - River West TIF

Note 1 – Budgets and Budgetary Accounting (Continued)

Nonmajor governmental funds:

- Special Revenue Funds - Motor Vehicle Highway, Studebaker Oliver Revitalization Grants, Economic Development State Grants, DCI Operating, DCI Federal Grants, Police State Seizure, Gift Donation Bequest, Police Curfew Violation, Unsafe Building, Law Enforcement Continuing Education, Rental Units Regulation, Loss Recovery Fund, Code Enforcement, Local Road and Street, LOIT 2016 Special Distribution, Human Rights Federal Grants, COVID-19 Response, Local Road and Bridge Grant, MVH Restricted, Morris and Palais Marketing, Morris PAC Self Promoted Events, Police Block Grants, Hazmat, Indiana River Rescue, Police Grants, Regional Police Academy, COPS MORE Grant, Federal Drug Enforcement, Urban Development Action Grant, Leaf Collection and Removal, Police K-9 Unit, City Cemetery, Bowman Cemetery, Industrial Revolving Fund.
- Debt Service Funds - 2003 Redevelopment Bond - Airport Taxable, 2003 Redevelopment Bond - Palais Royale, 2015 Smart Streets Bond Debt Service, 2015 Park Bond Debt Service, 2017 Park Bond Debt Service, 2017 Eddy St. Commons Bond Debt Service, 2018 Fire Station #9 Bond Debt Service, 2018 TIF Park Bond Debt Service Reserve, 2019 South Shore Double Tracking Bond Debt Service, 2020 TIF Library Bond Debt Service Reserve, Century Center Energy Conservation Debt Service, Redevelopment Authority Debt Service, South Bend Building Corporation Debt Service
- Capital Projects Funds – Fire Department Capital, Coveleski Stadium Capital, Cumulative Capital Development, Cumulative Capital Improvement, Major Moves, Professional Sports Convention Development Area, Morris Performing Arts Center Capital, Redevelopment General, TIF West Washington, TIF River East Development, TIF Southside Development Area No. 1, TIF Douglas Road, TIF River East Residential, Certified Technology Park, Palais Royale Historic Preservation, 2022 Zoo Bond Capital, Airport Urban Enterprise Zone, Equipment Vehicle Leasing, 2017 Park Bond Capital, 2017 Eddy St. Commons Bond Capital, 2018 Fire Station #9 Bond Capital, 2018 TIF Park Bond Capital, 2021 Infrastructure Bond Capital

- G. The City's budgetary process is based upon cash outflows, which is a non-GAAP basis. Appropriations lapse with the expiration of the budgetary period unless encumbered by a purchase order or contract. Encumbered appropriations are carried over and added to the subsequent year's budget.
- H. Budgeted amounts are as originally adopted, or as amended by the Common Council and approved by the Indiana Department of Local Government Finance in the regular legal manner. The net effect of individual amendments to the budget increased the original appropriations by \$103,647,781 in 2022 for the funds listed above.
- I. Expenditures did not exceed appropriations for any funds or any departments within any major or nonmajor governmental fund which required legally approved budgets.

Note 2 – Pension & OPEB Assets

There are no assets accumulated in a trust that meets the criteria in GASB Codification Section P22.101 to pay future pension benefits. There are no assets accumulated in a trust that meets the criteria in GASB Codification Section P52.101 to pay future OPEB benefits.

Other Supplemental Information

SPECIAL REVENUE FUNDS

Motor Vehicle Highway	To account for street construction and the operations of the street maintenance department. Financing is provided by state motor vehicle highway distributions.
Studebaker/Oliver Revitalization Grants	To account for expenditures related to the Studebaker and Oliver revitalization projects. Financing is provided by federal and state grants and loans from other organizations.
Economic Development State Grants	To account for expenditures related to projects promoting economic development. Financing is provided by state grants and loan payments. Expenditures include grants and related expenses.
DCI Operating	To account for the operating expenditures related to the South Bend Department of Community Investment (DCI). Financing will be provided by revenues received from charges for services, other revenue sources, and from fund transfers.
DCI Federal Grants	To account for revenues received from the U.S. Department of Housing and Urban Development related to community improvement projects.
Police State Seizure	To account for law enforcement expenditures financed by the authorized state or local agencies' sale of confiscated property.
Gift Donation Bequest	To account for donations, gifts, or bequeaths for purposes designated by the donor.
Police Curfew Violation	To account for monies received from penalties paid for curfew violations. Expenditures include Drug Abuse Resistance Education and Juvenile Aid Bureau.
Unsafe Building	To receive fines and fees related to Indiana's Unsafe Building law and account for the expenses incurred for board-ups, demolitions, ordinance violation abatements, and other related services.
Law Enforcement Continuing Education	To account for police fees collected to finance police officers' continuing education, training, and supplies and equipment.
Rental Units Regulation	To account for the revenues and expenditures related to the Landlord Registration and the Rental Safety Verification Program (RSVP) ordinances enacted by the Common Council.
Loss Recovery	To account for compensatory or exemplary damage payments from third parties arising from loss or damage to City tangible or intangible property.
Code Enforcement	To account for the activity of the Department of Code Enforcement including Neighborhood Code Enforcement and the South Bend Animal Resource Center.
Local Road and Street	To account for operation and maintenance of local and arterial road and street systems. Financing is provided by state gasoline tax distributions.
LOIT 2016 Special Distribution	To account for a one-time, special distribution of local income taxes from the State of Indiana for the purpose of infrastructure expenditures.
Human Rights Federal Grants	To account for expenditures to prevent discrimination and to promote human rights. Financing is provided by federal grants.
COVID-19 Response	To account for expenditures related to the City's response to the COVID-19 pandemic, including public safety and economic development activity, as well as related grants dedicated to fund these efforts.

Local Road & Bridge Grant	To account for the receipt of the Community Crossings grant and matching revenue and for the payment of expenditures on eligible projects.
MVH Restricted	To account for preventive maintenance of the City's streets. Allowable costs related to preventive maintenance is defined by the state. Financing is provided by state motor vehicle highway distributions.
Morris and Palais Marketing	To account for marketing and promotion expenditures financed by sponsorship solicitations and donations.
Morris PAC Self-Promoted Events	To account for earnings on self-promoted events.
Police Block Grants	To account for federal grants which provide financing for police activities.
Hazmat	To account for monies generated by the South Bend Fire Department's response to hazardous materials incidents. Funds are used to purchase, repair, or replace hazmat equipment, or for training and supplies.
Indiana River Rescue	To account for expenditures related to river rescue training. Financing is provided by registration fees.
Police Grants	To account for federal grants which provide financing for police activities.
Regional Police Academy	To account for revenues (tuition) and expenditures (seminars, travel, lectures, and career days) related to the advancement of present and future police officers.
COPS MORE Grant	To account for a grant which provides financing for police activities. The Community-Oriented Policing Services (COPS) Office of the Department of Justice offers grants through the Making Officer Redeployment Effective (MORE) program.
Federal Drug Enforcement	To account for expenditures for drug enforcement. Financing is provided by distributions from the authorized federal agencies' confiscated property sale.
Urban Development Action Grant	To account for economic development expenditures which are financed by federal grants and loan repayments.
Leaf Collection and Removal	To account for the expenditures of a program to remove leaves from the City each fall. Financing is provided by a monthly service fee charged to all City residents.
Police K-9 Unit	To account for donations for development and maintenance of the K-9 unit.
City Cemetery	To account for expenditures specifically for the City Cemetery. Funding is provided by the sale of cemetery plots and burial expenses.
Bowman Cemetery	To account for the expenditures the City incurs in maintaining the Bowman Cemetery.
Industrial Revolving Fund	To report and administer loan funds for small businesses that is governed by a separate Board of Directors which contracts with the City's Community Investment Department for administration services.
Urban Enterprise Association	<i>Blended Component Unit:</i> Accounts for activities from the UEA, which runs a variety of economic development projects for the City.
VPA Foundation	<i>Blended Component Unit:</i> Accounts for donations for the City's department of Venues Parks & Arts.

DEBT SERVICE FUNDS

2003 Redevelopment Bond Airport Taxable	To accumulate monies as a reserve for the payment of Redevelopment Authority bonds for the airport taxable project.
2003 Redevelopment Bond Palais Royale	To accumulate monies as a reserve for the payment of Redevelopment Authority bonds for the Palais Royale project.
2015 Smart Streets Bond Debt Service	To accumulate monies as a reserve for the payment of Smart Streets Bonds related to the conversion of one-way to two-way streets.
2015 Park Bond Debt Service	To accumulate monies as a reserve for the payment of the 2015 Parks & Recreation Bond debt service payments.
2017 Eddy St. Commons Bond Debt Service	To accumulate monies as a reserve for the payment of the 2017 Eddy Street Commons Phase II Bond debt service payments.
2017 Park Bond Debt Service	This fund is used to collect a separate property tax levy and is used to pay for the semi-annual payment of debt service principal and interest to the bondholders of the 2017 Park District Bonds, Series A-K.
2018 Fire Station #9 Bond Debt Service	To accumulate monies received as debt service payments from the City and pass them through to trustee banks and bondholders.
2018 TIF Park Bond Debt Service Reserve	To account for assets held to satisfy bond covenant requirements.
2019 South Shore Double Tracking Bond Debt Service	To accumulate monies received as debt service payments from the City and pass them through to trustee banks and bondholders.
2020 TIF Library Bond Debt Service Reserve	To account for assets held to satisfy bond covenant requirements.
Century Center Energy Conservation Debt Service	To account for debt retirement of a 2015 qualified energy conservation bond for improvements at Century Center. Funding is provided by hotel/motel tax revenue, interest rebates, and transfers from other City funds.
Redevelopment Authority Debt Service	To accumulate monies for the payment of Redevelopment Authority bonds issued to refinance bonds issued for construction of a parking garage facility, bonds issued for central development area land acquisition and construction of public improvements, bonds issued to purchase the Palais Royale, bonds issued to refinance bonds issued for construction of Century Center improvements, and bonds issued to refinance bonds issued for renovations to the Morris Performing Art Center.
South Bend Building Corporation Debt Service	To accumulate monies received as debt service payments from the City and pass them through to trustee banks and bondholders.

CAPITAL PROJECTS FUNDS

Fire Department Capital	To purchase capital assets for the City's Fire Department, including vehicles (such as fire trucks and ambulances) and capital improvements to Fire Stations.
--------------------------------	---

Coveleski Stadium Capital	To account for expenditures related to the maintenance and improvement of the baseball stadium. Financing is provided by a rental paid by the semi-pro baseball team.
Cumulative Capital Development	To account for expenditures relating to the purchase or lease of capital improvements in the City. Financing is provided by a specific property tax levy.
Cumulative Capital Improvement	To account for state cigarette tax distributions used for improvement projects.
Major Moves	To account for state distributions used for road construction and other uses authorized by Indiana statute.
Professional Sports Convention Development Area	To account for state distributions of sales tax and income tax earned at specified locations within the area. Restricted for use on capital projects at those specific locations (which include Four Winds Field, Morris Performing Arts Center, and Century Center).
Morris Performing Arts Center Capital	To accumulate monies for major repairs and capital improvements to the Morris Civic Auditorium. Financing is provided by a surcharge on ticket sales for events held at the auditorium.
Redevelopment General	To account for eligible redevelopment initiatives designed to improve educational opportunities and address poverty and unemployment in the City. Financing is provided by an annual payment in lieu of taxes from the Pokagon Band of Potawatomi Indians and a small receipt of local income tax.
TIF – West Washington	To account for expenditures for public improvement projects in the West Washington Economic Development Area. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of the property in the district before redevelopment.
TIF – River East Development	To account for expenditures for improvements in the northeast development tax incremental district. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment. During TIF consolidation in 2015, this fund was renamed. It was formerly known as the TIF Northeast Development Fund.
TIF – Southside Development Area No. 1	To account for expenditures for improvements in the Southside development tax incremental district no. 1. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment.
TIF – Douglas Road	To account for expenditures for improvements in the Douglas Road development tax incremental district. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment.
TIF – River East Residential	To account for expenditures for improvements in the Northeast Neighborhood Residential development tax incremental district. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment. During TIF consolidation in 2015, this fund was renamed. It was formerly known as the TIF Northeast Residential Fund.

Certified Technology Park	To account for expenditures related to acquisition, improvements, construction and maintenance of public facilities, debt service and other permitted uses under I.C. 36-7-32-23 in connection with a certified technology park. Financing is provided by property tax proceeds, state gross retail and uses taxes, and other revenues.
Palais Royale Historic Preservation	To account for expenditures financed by a two percent fee charged for all Palais Royale services.
2022 Zoo Bond Capital	To account for the expenditures of bond funds to be used for the construction, expansion, renovation, equipping, furnishing and improvement of the Potawatomi Zoo.
Airport Urban Enterprise Zone	To account expenditures for improvements in the Zone area, financed by property taxes on qualifying properties in the Zone.
Equipment Vehicle Leasing	To account for proceeds from financed-purchase agreements used to finance major equipment needs of the City.
2017 Park Bond Capital	To account for the expenditures of bond funds relating to the Park District Bonds, Series 2017 A-K to be used for planned capital projects to improve the parks.
2017 Eddy St. Commons Bond Capital	To account for the expenditures of the bond proceeds from to be spent on Phase II of the mixed-use development near the University of Notre Dame.
2018 Fire Station #9 Bond Capital	To account for the expenditures of bond funds relating to the General Obligation Bonds, Series 2018 to be used for the construction of the new Fire Station #9 and additional classroom for the Fire Training Center.
2018 TIF Park Bond Capital	To account for the expenditures of bond funds relating to the Redevelopment District Bonds, Series 2018 to be used for planned capital projects to improve the parks.

	Special Revenue Funds								
	Motor Vehicle Highway	Studebaker Oliver Revitalization Grants	Economic Development State Grants	DCI Operating	DCI Federal Grants	Police State Seizure	Gift Donation Bequest	Police Curfew Violation	Unsafe Building
Assets									
Cash and cash equivalents	\$ 3,591,037	\$ 298,359	\$ (75,903)	\$ 21,650	\$ (155,885)	\$ 90,293	\$ 405,799	\$ -	\$ 372,934
Investments	2,229,172	347,370	-	12,037	-	105,125	472,459	-	434,195
Receivables:									
Accounts	13,491	-	-	330	232,795	-	15,000	-	-
Interest	8,799	1,662	15	144	-	502	2,259	-	2,075
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	122,233	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	1	-	-	2,288,072	-	-	-	-
Total assets	<u>\$ 5,842,499</u>	<u>\$ 647,392</u>	<u>\$ (75,888)</u>	<u>\$ 34,161</u>	<u>\$ 2,487,215</u>	<u>\$ 195,920</u>	<u>\$ 895,517</u>	<u>\$ -</u>	<u>\$ 809,204</u>
Liabilities									
Accounts payable	\$ 36,501	\$ 7,838	\$ -	\$ 16,643	\$ 147,096	\$ -	\$ 3,116	\$ -	\$ -
Due to other funds	756	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	4,950
Accrued liabilities and other:									
Accrued payroll payable	140,611	-	-	77,034	-	-	-	-	-
Taxes payable	17,444	-	-	9,557	-	-	-	-	-
Other current payables	-	-	-	-	2,783	-	-	-	-
Customer deposits	1,200	-	-	-	-	-	-	-	-
Total liabilities	<u>196,512</u>	<u>7,838</u>	<u>-</u>	<u>103,234</u>	<u>149,879</u>	<u>-</u>	<u>3,116</u>	<u>-</u>	<u>4,950</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	5,645,987	639,554	-	-	2,337,336	195,920	892,401	-	-
Committed	-	-	-	-	-	-	-	-	804,254
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(75,888)	(69,073)	-	-	-	-	-
Total fund balances	<u>5,645,987</u>	<u>639,554</u>	<u>(75,888)</u>	<u>(69,073)</u>	<u>2,337,336</u>	<u>195,920</u>	<u>892,401</u>	<u>-</u>	<u>804,254</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,842,499</u>	<u>\$ 647,392</u>	<u>\$ (75,888)</u>	<u>\$ 34,161</u>	<u>\$ 2,487,215</u>	<u>\$ 195,920</u>	<u>\$ 895,517</u>	<u>\$ -</u>	<u>\$ 809,204</u>

	Special Revenue Funds								
	Law Enforcement Continuing Education	Rental Units Regulation	Loss Recovery Fund	Code Enforcement	Local Road and Street	LOIT 2016 Special Distribution	Human Rights Federal Grants	COVID-19 Response	Local Road and Bridge Grant
Assets									
Cash and cash equivalents	\$ 328,205	\$ 56,204	\$ 477,535	\$ 478,199	\$ 1,079,440	\$ 112,585	\$ 143,099	\$ (52,921)	\$ 1,123,418
Investments	378,990	65,225	555,978	27,253	1,256,756	131,080	166,606	-	1,307,959
Receivables:									
Accounts	12,150	250	-	81,050	5,255	-	-	6,063	-
Interest	1,813	314	1,057	189	6,009	627	636	-	6,255
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	1,672,105	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 721,158</u>	<u>\$ 121,993</u>	<u>\$ 2,706,675</u>	<u>\$ 586,691</u>	<u>\$ 2,347,460</u>	<u>\$ 244,292</u>	<u>\$ 310,341</u>	<u>\$ (46,858)</u>	<u>\$ 2,437,632</u>
Liabilities									
Accounts payable	\$ 2,830	\$ -	\$ -	\$ 17,751	\$ 49,521	\$ -	\$ 145	\$ 4,720	\$ 60,598
Due to other funds	-	-	-	979	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	1,464	-	48,086	-	-	-	-	-
Taxes payable	-	182	-	5,965	-	-	-	-	-
Other current payables	-	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total liabilities	<u>2,830</u>	<u>1,646</u>	<u>-</u>	<u>72,781</u>	<u>49,521</u>	<u>-</u>	<u>145</u>	<u>4,720</u>	<u>60,598</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	1,672,105	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,672,105</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	718,328	-	-	-	2,297,939	244,292	310,196	-	2,377,034
Committed	-	120,347	1,034,570	513,910	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(51,578)	-
Total fund balances	<u>718,328</u>	<u>120,347</u>	<u>1,034,570</u>	<u>513,910</u>	<u>2,297,939</u>	<u>244,292</u>	<u>310,196</u>	<u>(51,578)</u>	<u>2,377,034</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 721,158</u>	<u>\$ 121,993</u>	<u>\$ 2,706,675</u>	<u>\$ 586,691</u>	<u>\$ 2,347,460</u>	<u>\$ 244,292</u>	<u>\$ 310,341</u>	<u>\$ (46,858)</u>	<u>\$ 2,437,632</u>

	Special Revenue Funds								
	MVH Restricted	Morris and Palais Marketing	Morris PAC Self-Promoted Events	Police Block Grants	Hazmat	Indiana River Rescue	Police Grants	Regional Police Academy	COPS MORE Grant
Assets									
Cash and cash equivalents	\$ 1,278,603	\$ -	\$ -	\$ -	\$ 14,153	\$ 176,683	\$ -	\$ -	\$ 9,439
Investments	669,099	-	-	-	16,478	205,706	-	-	10,990
Receivables:									
Accounts	-	-	-	-	-	26,100	-	-	-
Interest	3,205	-	-	-	78	983	-	-	-
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 1,950,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,709</u>	<u>\$ 409,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,429</u>
Liabilities									
Accounts payable	\$ 27,653	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	-	-	-	-	-	-	-	-
Taxes payable	-	-	-	-	-	-	-	-	-
Other current payables	-	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total liabilities	<u>27,653</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	1,923,254	-	-	-	-	-	-	-	20,429
Committed	-	-	-	-	30,709	409,472	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>1,923,254</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,709</u>	<u>409,472</u>	<u>-</u>	<u>-</u>	<u>20,429</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,950,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,709</u>	<u>\$ 409,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,429</u>

	Special Revenue Funds								
	Federal Drug Enforcement	Urban Development Action Grant	Leaf Collection and Removal	Police K-9 Unit	City Cemetery	Bowman Cemetery	Industrial Revolving Fund	Urban Enterprise Association	VPA Foundation
Assets									
Cash and cash equivalents	\$ 118,593	\$ 180,286	\$ 160,126	\$ -	\$ 13,851	\$ 217,887	\$ 4,731,022	\$ 2,152,063	\$ 3,494,756
Investments	-	209,901	186,429	-	16,126	253,679	-	179,658	-
Receivables:									
Accounts	-	-	57,334	-	-	-	83,298	1,457	-
Interest	-	1,004	999	-	76	1,213	-	-	-
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	9,902,903	-	-
Due from other funds	-	-	44	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	76,300	-	-
Total assets	<u>\$ 118,593</u>	<u>\$ 391,191</u>	<u>\$ 404,932</u>	<u>\$ -</u>	<u>\$ 30,053</u>	<u>\$ 472,779</u>	<u>\$ 14,793,523</u>	<u>\$ 2,333,178</u>	<u>\$ 3,494,756</u>
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 11,645	\$ -
Due to other funds	-	-	-	-	-	-	-	-	-
Advances from other funds	-	338,253	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	-	-	-	-	-	-	-	-
Taxes payable	-	-	-	-	-	-	-	-	-
Other current payables	-	-	-	-	-	-	-	24,358	-
Customer deposits	-	-	-	-	-	-	-	21,492	-
Total liabilities	<u>-</u>	<u>338,253</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>57,495</u>	<u>-</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	118,593	52,938	-	-	30,053	472,779	14,743,523	2,275,683	3,494,756
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	-	404,932	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>118,593</u>	<u>52,938</u>	<u>404,932</u>	<u>-</u>	<u>30,053</u>	<u>472,779</u>	<u>14,743,523</u>	<u>2,275,683</u>	<u>3,494,756</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 118,593</u>	<u>\$ 391,191</u>	<u>\$ 404,932</u>	<u>\$ -</u>	<u>\$ 30,053</u>	<u>\$ 472,779</u>	<u>\$ 14,793,523</u>	<u>\$ 2,333,178</u>	<u>\$ 3,494,756</u>

	Total Special Revenue Funds	Debt Service Funds							2018 Fire Station #9 Bond Debt Service	2018 TIF Park Bond Debt Service Reserve
		2003 Redevelopment Bond - Airport Taxable	2003 Redevelopment Bond - Palais Royale	2015 Smart Streets Bond Debt Service	2015 Park Bond Debt Service	2017 Park Bond Debt Service	2017 Eddy St. Commons Bond Debt Service			
Assets										
Cash and cash equivalents	\$ 20,841,510	\$ 474,915	\$ 793,986	\$ 1,746,446	\$ 590,148	\$ 89,151	\$ 3,668,799	\$ -	\$ 474,740	
Investments	9,238,271	552,928	924,412	-	-	103,796	-	-	552,724	
Receivables:										
Accounts	534,573	-	-	-	-	-	-	-	-	
Interest	39,914	2,644	4,420	-	-	-	-	-	2,643	
Taxes	-	-	-	-	-	-	-	-	-	
Intergovernmental	1,672,105	-	-	-	-	-	-	-	-	
Property taxes	-	-	-	-	-	1,098,655	-	-	-	
Loans	10,025,136	-	-	-	-	-	-	-	-	
Due from other funds	44	-	-	-	-	-	-	-	-	
Advances to other funds	-	-	-	-	-	-	-	-	-	
Property held for resale	2,364,373	-	-	-	-	-	-	-	-	
Total assets	<u>\$ 44,715,926</u>	<u>\$ 1,030,487</u>	<u>\$ 1,722,818</u>	<u>\$ 1,746,446</u>	<u>\$ 590,148</u>	<u>\$ 1,291,602</u>	<u>\$ 3,668,799</u>	<u>\$ -</u>	<u>\$ 1,030,107</u>	
Liabilities										
Accounts payable	\$ 436,057	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Due to other funds	1,735	-	-	-	-	-	-	-	-	
Advances from other funds	338,253	-	-	-	-	-	-	-	-	
Performance deposits payable	4,950	-	-	-	-	-	-	-	-	
Accrued liabilities and other:										
Accrued payroll payable	267,195	-	-	-	-	-	-	-	-	
Taxes payable	33,148	-	-	-	-	-	-	-	-	
Other current payables	27,141	-	-	-	-	-	-	-	-	
Customer deposits	22,692	-	-	-	-	-	-	-	-	
Total liabilities	<u>1,131,171</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Deferred inflows of resources										
- unavailable revenue										
Intergovernmental receivable	1,672,105	-	-	-	-	-	-	-	-	
Property taxes receivable	-	-	-	-	-	1,098,654	-	-	-	
Total deferred inflows of resources	<u>1,672,105</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,098,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balances										
Nonspendable	-	-	-	-	-	-	-	-	-	
Restricted	38,790,995	1,030,487	1,722,818	1,746,446	590,148	192,948	3,668,799	-	1,030,107	
Committed	2,913,262	-	-	-	-	-	-	-	-	
Assigned	404,932	-	-	-	-	-	-	-	-	
Unassigned	(196,539)	-	-	-	-	-	-	-	-	
Total fund balances	<u>41,912,650</u>	<u>1,030,487</u>	<u>1,722,818</u>	<u>1,746,446</u>	<u>590,148</u>	<u>192,948</u>	<u>3,668,799</u>	<u>-</u>	<u>1,030,107</u>	
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 44,715,926</u>	<u>\$ 1,030,487</u>	<u>\$ 1,722,818</u>	<u>\$ 1,746,446</u>	<u>\$ 590,148</u>	<u>\$ 1,291,602</u>	<u>\$ 3,668,799</u>	<u>\$ -</u>	<u>\$ 1,030,107</u>	

	Debt Service Funds					Capital Projects Funds			
	2019 South Shore Double Tracking Bond Debt Service	2020 TIF Library Bond Debt Service Reserve	Century Center Energy Conservation Debt Service	Redevelopment Authority Debt Service	South Bend Building Corporation Debt Service	Total Debt Service Funds	Fire Department Capital	Coveleski Stadium Capital	Cumulative Capital Development
Assets									
Cash and cash equivalents	\$ 14,696	\$ 326,944	\$ 107,836	\$ 258,753	\$ 211,908	\$ 8,758,322	\$ 2,701,315	\$ 1,917	\$ 131,059
Investments	-	-	66,793	-	-	2,200,653	1,116,474	2,232	152,588
Receivables:									
Accounts	-	-	-	-	-	-	300	-	-
Interest	-	-	320	-	-	10,027	5,341	10	218
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	1,098,655	-	-	580,913
Loans	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 14,696</u>	<u>\$ 326,944</u>	<u>\$ 174,949</u>	<u>\$ 258,753</u>	<u>\$ 211,908</u>	<u>\$ 12,067,657</u>	<u>\$ 3,823,430</u>	<u>\$ 4,159</u>	<u>\$ 864,778</u>
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	-	-	-	-	-	-	-	-
Taxes payable	-	-	-	-	-	-	-	-	-
Other current payables	-	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources - unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	1,098,654	-	-	580,913
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,098,654</u>	<u>-</u>	<u>-</u>	<u>580,913</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	14,696	326,944	174,949	258,753	211,908	10,969,003	3,823,430	-	283,865
Committed	-	-	-	-	-	-	-	4,159	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>14,696</u>	<u>326,944</u>	<u>174,949</u>	<u>258,753</u>	<u>211,908</u>	<u>10,969,003</u>	<u>3,823,430</u>	<u>4,159</u>	<u>283,865</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 14,696</u>	<u>\$ 326,944</u>	<u>\$ 174,949</u>	<u>\$ 258,753</u>	<u>\$ 211,908</u>	<u>\$ 12,067,657</u>	<u>\$ 3,823,430</u>	<u>\$ 4,159</u>	<u>\$ 864,778</u>

	Capital Projects Funds								
	Cumulative Capital Improvement	Major Moves	Professional Sports Convention Development Area	Morris Performing Arts Center Capital	Redevelopment General	TIF - West Washington	TIF - River East Development	TIF - Southside Development Area No. 1	TIF - Douglas Road
Assets									
Cash and cash equivalents	\$ 162,826	\$ 713,085	\$ 665,012	\$ 1,368,110	\$ 1,702,669	\$ 654,779	\$ 5,396,966	\$ 6,876,751	\$ 162,334
Investments	189,573	830,222	774,252	-	1,982,363	762,338	6,283,512	8,006,378	189,000
Receivables:									
Accounts	-	-	280,707	-	-	-	-	-	-
Interest	1,008	3,969	3,704	202	9,480	3,249	25,541	35,172	614
Taxes	-	-	245,396	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	510,539	5,550,601	3,140,051	249,027
Loans	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	1,106,959	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	2,214	436,000	11,300	-	-
Total assets	<u>\$ 353,407</u>	<u>\$ 2,654,235</u>	<u>\$ 1,969,071</u>	<u>\$ 1,368,312</u>	<u>\$ 3,696,726</u>	<u>\$ 2,366,905</u>	<u>\$ 17,267,920</u>	<u>\$ 18,058,352</u>	<u>\$ 600,975</u>
Liabilities									
Accounts payable	\$ -	\$ 108,732	\$ 3,803	\$ 200,084	\$ -	\$ -	\$ 65,122	\$ 188,646	\$ -
Due to other funds	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	-	-	-	-	-	-	-	-
Taxes payable	-	-	-	-	-	-	-	-	-
Other current payables	-	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>108,732</u>	<u>3,803</u>	<u>200,084</u>	<u>-</u>	<u>-</u>	<u>65,122</u>	<u>188,646</u>	<u>-</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	510,539	5,550,601	3,140,051	249,027
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>510,539</u>	<u>5,550,601</u>	<u>3,140,051</u>	<u>249,027</u>
Fund balances									
Nonspendable	-	1,106,959	-	-	-	-	-	-	-
Restricted	353,407	1,438,544	1,965,268	-	-	1,856,366	11,652,197	14,729,655	351,948
Committed	-	-	-	1,168,228	3,696,726	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>353,407</u>	<u>2,545,503</u>	<u>1,965,268</u>	<u>1,168,228</u>	<u>3,696,726</u>	<u>1,856,366</u>	<u>11,652,197</u>	<u>14,729,655</u>	<u>351,948</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 353,407</u>	<u>\$ 2,654,235</u>	<u>\$ 1,969,071</u>	<u>\$ 1,368,312</u>	<u>\$ 3,696,726</u>	<u>\$ 2,366,905</u>	<u>\$ 17,267,920</u>	<u>\$ 18,058,352</u>	<u>\$ 600,975</u>

	Capital Projects Funds								
	TIF - River East Residential	Certified Technology Park	Palais Royale Historic Preservation	2022 Zoo Bond Capital	Airport Urban Enterprise Zone	Equipment Vehicle Leasing	2017 Park Bond Capital	2017 Eddy St. Commons Bond Capital	2018 Fire Station #9 Bond Capital
Assets									
Cash and cash equivalents	\$ 3,101,588	\$ 5,108	\$ 49,338	\$ 4,467,833	\$ 188,105	\$ -	\$ 1,173,695	\$ 25,764	\$ 144,881
Investments	3,611,078	5,948	57,442	-	219,005	-	1,366,495	-	168,680
Receivables:									
Accounts	-	-	-	-	-	-	-	-	-
Interest	10,392	28	274	-	1,048	-	6,535	-	806
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	6,551,382	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 13,274,440</u>	<u>\$ 11,084</u>	<u>\$ 107,054</u>	<u>\$ 4,467,833</u>	<u>\$ 408,158</u>	<u>\$ -</u>	<u>\$ 2,546,725</u>	<u>\$ 25,764</u>	<u>\$ 314,367</u>
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 671,604	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-	-
Advances from other funds	1,106,959	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	-	-	-	-	-	-	-	-
Taxes payable	-	-	-	-	-	-	-	-	-
Other current payables	-	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total liabilities	<u>1,106,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>671,604</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	6,551,382	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>6,551,382</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	5,616,099	11,084	-	4,467,833	-	-	1,875,121	25,764	314,367
Committed	-	-	107,054	-	408,158	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>5,616,099</u>	<u>11,084</u>	<u>107,054</u>	<u>4,467,833</u>	<u>408,158</u>	<u>-</u>	<u>1,875,121</u>	<u>25,764</u>	<u>314,367</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,274,440</u>	<u>\$ 11,084</u>	<u>\$ 107,054</u>	<u>\$ 4,467,833</u>	<u>\$ 408,158</u>	<u>\$ -</u>	<u>\$ 2,546,725</u>	<u>\$ 25,764</u>	<u>\$ 314,367</u>

	Capital Projects Funds			
	2018 TIF Park Bond Capital	2021 Infrastructure Bond Capital	Total Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,044,412	\$ 1,044,030	\$ 31,781,577	\$ 61,381,409
Investments	1,215,975	1,215,531	28,149,086	39,588,010
Receivables:				
Accounts	-	-	281,007	815,580
Interest	5,814	5,813	119,218	169,159
Taxes	-	-	245,396	245,396
Intergovernmental	-	-	-	1,672,105
Property taxes	-	-	16,582,513	17,681,168
Loans	-	-	-	10,025,136
Due from other funds	-	-	-	44
Advances to other funds	-	-	1,106,959	1,106,959
Property held for resale	-	-	449,514	2,813,887
Total assets	<u>\$ 2,266,201</u>	<u>\$ 2,265,374</u>	<u>\$ 78,715,270</u>	<u>\$ 135,498,853</u>
Liabilities				
Accounts payable	\$ -	\$ 217,241	\$ 1,455,232	\$ 1,891,289
Due to other funds	-	-	-	1,735
Advances from other funds	-	-	1,106,959	1,445,212
Performance deposits payable	-	-	-	4,950
Accrued liabilities and other:				
Accrued payroll payable	-	-	-	267,195
Taxes payable	-	-	-	33,148
Other current payables	-	-	-	27,141
Customer deposits	-	-	-	22,692
Total liabilities	<u>-</u>	<u>217,241</u>	<u>2,562,191</u>	<u>3,693,362</u>
Deferred inflows of resources				
- unavailable revenue				
Intergovernmental receivable	-	-	-	1,672,105
Property taxes receivable	-	-	16,582,513	17,681,167
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>16,582,513</u>	<u>19,353,272</u>
Fund balances				
Nonspendable	-	-	1,106,959	1,106,959
Restricted	2,266,201	2,048,133	53,079,282	102,839,280
Committed	-	-	5,384,325	8,297,587
Assigned	-	-	-	404,932
Unassigned	-	-	-	(196,539)
Total fund balances	<u>2,266,201</u>	<u>2,048,133</u>	<u>59,570,566</u>	<u>112,452,219</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,266,201</u>	<u>\$ 2,265,374</u>	<u>\$ 78,715,270</u>	<u>\$ 135,498,853</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2022

	Special Revenue Funds								
	Motor Vehicle Highway	Studebaker Oliver Revitalization Grants	Economic Development State Grants	DCI Operating	DCI Federal Grants	Police State Seizure	Gift Donation Bequest	Police Curfew Violation	Unsafe Building
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	2,175	-	-	-	-	-	-	-	-
Intergovernmental	3,134,543	-	126,822	-	2,419,448	-	-	-	-
Charges for services	112,415	-	-	691,646	-	-	-	-	-
Fines and forfeitures	-	-	-	70,178	-	-	-	171	68,583
Investment income (loss)	(19,193)	(1,517)	118	3,318	-	(818)	(1,041)	42	(2,826)
Other	232,368	-	-	184,731	26,577	23,345	265,059	-	366
Total revenues	3,462,308	(1,517)	126,940	949,873	2,446,025	22,527	264,018	213	66,123
Expenditures									
Current:									
General government	-	-	-	-	-	-	263,977	-	20,000
Public safety	-	-	-	-	-	-	-	-	-
Highways and streets	7,387,684	-	-	-	-	-	-	-	-
Community and economic development	-	49,458	229,637	3,912,795	2,908,280	-	32,818	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Capital outlay:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Highways and streets	155,986	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	891,039	-	-	-	-	-	-	-	-
Interest on long-term debt	34,928	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-
Total expenditures	8,469,637	49,458	229,637	3,912,795	2,908,280	-	296,795	-	20,000
Excess of revenues (under) over expenditures	(5,007,329)	(50,975)	(102,697)	(2,962,922)	(462,255)	22,527	(32,777)	213	46,123
Other financing sources (uses)									
Issuance of debt	817,500	-	-	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	5,550,000	-	-	2,570,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(14,059)	-
Total other financing sources (uses)	6,367,500	-	-	2,570,000	-	-	-	(14,059)	-
Net change in fund balances	1,360,171	(50,975)	(102,697)	(392,922)	(462,255)	22,527	(32,777)	(13,846)	46,123
Fund balances - Beginning of year	4,285,816	690,529	26,809	323,849	2,799,591	173,393	925,178	13,846	758,131
Fund balances - End of year	\$ 5,645,987	\$ 639,554	\$ (75,888)	\$ (69,073)	\$ 2,337,336	\$ 195,920	\$ 892,401	\$ -	\$ 804,254

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2022

	Special Revenue Funds								
	Law Enforcement Continuing Education	Rental Units Regulation	Loss Recovery Fund	Code Enforcement	Local Road and Street	LOIT 2016 Special Distribution	Human Rights Federal Grants	COVID-19 Response	Local Road and Bridge Grant
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	28,750	-	-	-	-	-
Intergovernmental	390,016	-	634,425	-	2,148,824	-	66,260	460,352	1,350,100
Charges for services	136,492	-	-	53,545	-	-	1,667	-	-
Fines and forfeitures	111,666	45,048	-	292,490	-	-	-	-	-
Investment income (loss)	(3,983)	(552)	(12,926)	1,060	(5,773)	(728)	(934)	-	(20,841)
Other	2,669	-	-	2,556	10,510	-	-	-	-
Total revenues	636,860	44,496	621,499	378,401	2,153,561	(728)	66,993	460,352	1,329,259
Expenditures									
Current:									
General government	-	78,114	-	3,272,158	-	-	175,801	-	-
Public safety	476,878	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	885,820	-	-	-	457,502
Community and economic development	-	-	-	-	-	-	-	485,297	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Capital outlay:									
General government	-	-	-	320,736	-	-	-	-	-
Public safety	26,338	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	286,612	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	181,470	-	-	-	-	-
Interest on long-term debt	-	-	-	5,625	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-
Total expenditures	503,216	78,114	-	3,779,989	1,172,432	-	175,801	485,297	457,502
Excess of revenues (under) over expenditures	133,644	(33,618)	621,499	(3,401,588)	981,129	(728)	(108,808)	(24,945)	871,757
Other financing sources (uses)									
Issuance of debt	-	-	-	500,000	-	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	50,416	-	-	-	-	-
Transfers in	218,353	70,000	-	2,930,968	-	-	-	-	1,000,000
Transfers out	(19,000)	-	-	-	(1,000,000)	-	-	-	-
Total other financing sources (uses)	199,353	70,000	-	3,481,384	(1,000,000)	-	-	-	1,000,000
Net change in fund balances	332,997	36,382	621,499	79,796	(18,871)	(728)	(108,808)	(24,945)	1,871,757
Fund balances - Beginning of year	385,331	83,965	413,071	434,114	2,316,810	245,020	419,004	(26,633)	505,277
Fund balances - End of year	\$ 718,328	\$ 120,347	\$ 1,034,570	\$ 513,910	\$ 2,297,939	\$ 244,292	\$ 310,196	\$ (51,578)	\$ 2,377,034

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2022

	Special Revenue Funds								
	MVH Restricted	Morris and Palais Marketing	Morris PAC Self-Promoted Events	Police Block Grants	Hazmat	Indiana River Rescue	Police Grants	Regional Police Academy	COPS MORE Grant
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	3,134,543	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	3,000	125,805	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Investment income (loss)	4,503	228	806	13	(123)	(1,521)	-	446	(241)
Other	-	-	-	-	-	-	-	-	-
Total revenues	<u>3,139,046</u>	<u>228</u>	<u>806</u>	<u>13</u>	<u>2,877</u>	<u>124,284</u>	<u>-</u>	<u>446</u>	<u>(241)</u>
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	200	88,268	-	-	-
Highways and streets	3,840,147	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Capital outlay:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Highways and streets	184,116	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	91,621	-	-	-	-	-	-	-	-
Interest on long-term debt	2,144	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-
Total expenditures	<u>4,118,028</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200</u>	<u>88,268</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues (under) over expenditures	<u>(978,982)</u>	<u>228</u>	<u>806</u>	<u>13</u>	<u>2,677</u>	<u>36,016</u>	<u>-</u>	<u>446</u>	<u>(241)</u>
Other financing sources (uses)									
Issuance of debt	888,007	-	-	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(74,852)	(264,160)	(4,165)	-	-	(26,716)	(146,411)	(24,566)
Total other financing sources (uses)	<u>888,007</u>	<u>(74,852)</u>	<u>(264,160)</u>	<u>(4,165)</u>	<u>-</u>	<u>-</u>	<u>(26,716)</u>	<u>(146,411)</u>	<u>(24,566)</u>
Net change in fund balances	(90,975)	(74,624)	(263,354)	(4,152)	2,677	36,016	(26,716)	(145,965)	(24,807)
Fund balances - Beginning of year	<u>2,014,229</u>	<u>74,624</u>	<u>263,354</u>	<u>4,152</u>	<u>28,032</u>	<u>373,456</u>	<u>26,716</u>	<u>145,965</u>	<u>45,236</u>
Fund balances - End of year	<u>\$ 1,923,254</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,709</u>	<u>\$ 409,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,429</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2022

	Special Revenue Funds								
	Federal Drug Enforcement	Urban Development Action Grant	Leaf Collection and Removal	Police K-9 Unit	City Cemetery	Bowman Cemetery	Industrial Revolving Fund	Urban Enterprise Association	VPA Foundation
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	4,749,980	-	-
Charges for services	-	-	455,212	-	-	-	-	1,180,404	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Investment income (loss)	993	(3,501)	(1,087)	8	(90)	(1,409)	50,496	523	-
Other	98,333	-	-	-	-	-	431,822	26,705	2,685,393
Total revenues	99,326	(3,501)	454,125	8	(90)	(1,409)	5,232,298	1,207,632	2,685,393
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety	44,144	-	-	-	-	-	-	-	-
Highways and streets	-	-	127,401	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	268,357	647,749	-
Culture and recreation	-	-	-	-	-	-	-	-	523,043
Capital outlay:									
General government	-	-	-	-	-	-	-	-	-
Public safety	15,835	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-
Total expenditures	59,979	-	127,401	-	-	-	268,357	647,749	523,043
Excess of revenues (under) over expenditures	39,347	(3,501)	326,724	8	(90)	(1,409)	4,963,941	559,883	2,162,350
Other financing sources (uses)									
Issuance of debt	-	-	-	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	19,000	-	36,158	-	-	-	-	-	-
Transfers out	-	-	(300,000)	(2,436)	-	-	-	-	-
Total other financing sources (uses)	19,000	-	(263,842)	(2,436)	-	-	-	-	-
Net change in fund balances	58,347	(3,501)	62,882	(2,428)	(90)	(1,409)	4,963,941	559,883	2,162,350
Fund balances - Beginning of year	60,246	56,439	342,050	2,428	30,143	474,188	9,779,582	1,715,800	1,332,406
Fund balances - End of year	\$ 118,593	\$ 52,938	\$ 404,932	\$ -	\$ 30,053	\$ 472,779	\$ 14,743,523	\$ 2,275,683	\$ 3,494,756

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2022

	Debt Service Funds								
	Total Special Revenue Funds	2003 Redevelopment Bond - Airport Taxable	2003 Redevelopment Bond - Palais Royale	2015 Smart Streets Bond Debt Service	2015 Park Bond Debt Service	2017 Park Bond Debt Service	2017 Eddy St. Commons Bond Debt Service	2018 Fire Station #9 Bond Debt Service	2018 TIF Park Bond Debt Service Reserve
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,149,510	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	30,925	-	-	-	-	-	-	-	-
Intergovernmental	18,615,313	-	-	-	-	32,012	-	-	-
Charges for services	2,760,186	-	-	-	-	-	-	-	-
Fines and forfeitures	588,136	-	-	-	-	-	-	-	-
Investment income (loss)	(16,550)	(6,798)	(11,365)	84	1,212	(2,915)	172	-	(3,070)
Other	3,990,434	-	-	-	-	-	-	-	-
Total revenues	25,968,444	(6,798)	(11,365)	84	1,212	1,178,607	172	-	(3,070)
Expenditures									
Current:									
General government	3,810,050	-	-	-	-	-	-	-	-
Public safety	609,490	-	-	-	-	-	-	-	-
Highways and streets	12,698,554	-	-	-	-	-	-	-	-
Community and economic development	8,534,391	-	-	-	-	-	-	-	-
Culture and recreation	523,043	-	-	-	-	-	-	-	-
Capital outlay:									
General government	320,736	-	-	-	-	-	-	-	-
Public safety	42,173	-	-	-	-	-	-	-	-
Highways and streets	626,714	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	1,164,130	-	-	1,060,000	230,000	830,000	720,000	210,000	-
Interest on long-term debt	42,697	-	-	651,344	142,556	339,365	1,206,375	134,156	-
Bond issuance costs	-	-	-	-	-	-	-	-	-
Total expenditures	28,371,978	-	-	1,711,344	372,556	1,169,365	1,926,375	344,156	-
Excess of revenues (under) over expenditures	(2,403,534)	(6,798)	(11,365)	(1,711,260)	(371,344)	9,242	(1,926,203)	(344,156)	(3,070)
Other financing sources (uses)									
Issuance of debt	2,205,507	-	-	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	50,416	-	-	-	-	-	-	-	-
Transfers in	12,394,479	-	-	1,715,000	373,724	-	1,926,375	344,156	-
Transfers out	(1,876,365)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	12,774,037	-	-	1,715,000	373,724	-	1,926,375	344,156	-
Net change in fund balances	10,370,503	(6,798)	(11,365)	3,740	2,380	9,242	172	-	(3,070)
Fund balances - Beginning of year	31,542,147	1,037,285	1,734,183	1,742,706	587,768	183,706	3,668,627	-	1,033,177
Fund balances - End of year	\$ 41,912,650	\$ 1,030,487	\$ 1,722,818	\$ 1,746,446	\$ 590,148	\$ 192,948	\$ 3,668,799	\$ -	\$ 1,030,107

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2022

	Debt Service Funds					Total Debt Service Funds	Capital Projects Funds		
	2019 South Shore Double Tracking Bond Debt Service	2020 TIF Library Bond Debt Service Reserve	Century Center Energy Conservation Debt Service	Redevelopment Authority Debt Service	South Bend Building Corporation Debt Service		Fire Department Capital	Coveleski Stadium Capital	Cumulative Capital Development
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,149,510	\$ -	\$ -	\$ 492,015
Income taxes	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	221,437	-	-	221,437	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	32,012	-	-	19,615
Charges for services	-	-	-	-	-	-	1,972,044	21,182	-
Fines and forfeitures	-	-	-	-	-	-	47	-	-
Investment income (loss)	3	15	673	2,851	1,247	(17,891)	(10,575)	(51)	(2,302)
Other	-	-	58,178	-	-	58,178	30,836	-	-
Total revenues	3	15	280,288	2,851	1,247	1,443,246	1,992,352	21,131	509,328
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	17,784	-
Capital outlay:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	671,760	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	685,000	-	297,175	2,030,000	2,195,000	8,257,175	833,022	-	353,115
Interest on long-term debt	344,750	-	105,192	1,012,027	554,716	4,490,481	29,449	-	14,694
Bond issuance costs	-	-	-	-	-	-	-	-	-
Total expenditures	1,029,750	-	402,367	3,042,027	2,749,716	12,747,656	1,534,231	17,784	367,809
Excess of revenues (under) over expenditures	(1,029,747)	15	(122,079)	(3,039,176)	(2,748,469)	(11,304,410)	458,121	3,347	141,519
Other financing sources (uses)									
Issuance of debt	-	-	-	-	-	-	1,355,000	-	-
Premium on debt	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	4,738	-	-
Transfers in	1,035,000	-	100,688	3,055,500	2,736,000	11,286,443	-	-	-
Transfers out	-	(17)	-	-	-	(17)	(748,656)	-	(143,687)
Total other financing sources (uses)	1,035,000	(17)	100,688	3,055,500	2,736,000	11,286,426	611,082	-	(143,687)
Net change in fund balances	5,253	(2)	(21,391)	16,324	(12,469)	(17,984)	1,069,203	3,347	(2,168)
Fund balances - Beginning of year	9,443	326,946	196,340	242,429	224,377	10,986,987	2,754,227	812	286,033
Fund balances - End of year	\$ 14,696	\$ 326,944	\$ 174,949	\$ 258,753	\$ 211,908	\$ 10,969,003	\$ 3,823,430	\$ 4,159	\$ 283,865

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2022

	Capital Projects Funds								
	Cumulative Capital Improvement	Major Moves	Professional Sports Convention Development Area	Morris Performing Arts Center Capital	Redevelopment General	TIF - West Washington	TIF - River East Development	TIF - Southside Development Area No. 1	TIF - Douglas Road
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 308,363	\$ 4,209,328	\$ 2,745,678	\$ 308,581
Income taxes	-	-	-	-	556	-	-	-	-
Hotel/motel taxes	-	-	-	-	374,523	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	187,765	32,517	2,062,480	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Investment income (loss)	1,620	1,071	(11,420)	12,890	(18,725)	(6,390)	(57,301)	(53,545)	(3,117)
Other	-	47,805	-	-	1,000,000	-	-	-	-
Total revenues	189,385	81,393	2,051,060	12,890	1,356,354	301,973	4,152,027	2,692,133	305,464
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Highways and streets	-	772,395	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	350,417	-	378,350	141,144	1,308
Culture and recreation	-	-	-	19,705	-	-	-	-	-
Capital outlay:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Highways and streets	-	200,478	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	113,570	1,526,049	2,210,419	-
Culture and recreation	246,116	-	470,154	6,858,718	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	359,274	-	-	-	-	-
Total expenditures	246,116	972,873	470,154	7,237,697	350,417	113,570	1,904,399	2,351,563	1,308
Excess of revenues (under) over expenditures	(56,731)	(891,480)	1,580,906	(7,224,807)	1,005,937	188,403	2,247,628	340,570	304,156
Other financing sources (uses)									
Issuance of debt	-	-	-	6,395,000	-	-	-	-	-
Premium on debt	-	-	-	106,890	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(239,341)	-	-	-	(381,500)	-	-	-	(209,147)
Total other financing sources (uses)	(239,341)	-	-	6,501,890	(381,500)	-	-	-	(209,147)
Net change in fund balances	(296,072)	(891,480)	1,580,906	(722,917)	624,437	188,403	2,247,628	340,570	95,009
Fund balances - Beginning of year	649,479	3,436,983	384,362	1,891,145	3,072,289	1,667,963	9,404,569	14,389,085	256,939
Fund balances - End of year	\$ 353,407	\$ 2,545,503	\$ 1,965,268	\$ 1,168,228	\$ 3,696,726	\$ 1,856,366	\$ 11,652,197	\$ 14,729,655	\$ 351,948

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2022

	Capital Projects Funds								
	TIF - River East Residential	Certified Technology Park	Palais Royale Historic Preservation	2022 Zoo Bond Capital	Airport Urban Enterprise Zone	Equipment Vehicle Leasing	2017 Park Bond Capital	2017 Eddy St. Commons Bond Capital	2018 Fire Station #9 Bond Capital
Revenues									
Property taxes	\$ 6,268,217	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Charges for services	-	-	14,235	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Investment income (loss)	(58,936)	(33)	(430)	206	(1,216)	-	5,545	25,565	(937)
Other	-	-	-	-	-	-	-	-	-
Total revenues	6,209,281	(33)	13,805	206	(1,216)	-	5,545	25,565	(937)
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Community and economic development	11,500	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	6,414	-	-
Capital outlay:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	1,105,985	-	-	2,373,155	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest on long-term debt	49,305	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	318,188	-	-	-	-	-
Total expenditures	60,805	-	-	1,424,173	-	-	2,379,569	-	-
Excess of revenues (under) over expenditures	6,148,476	(33)	13,805	(1,423,967)	(1,216)	-	(2,374,024)	25,565	(937)
Other financing sources (uses)									
Issuance of debt	-	-	-	5,715,000	-	-	-	-	-
Premium on debt	-	-	-	176,800	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(4,396,375)	-	-	-	-	(347,697)	-	-	-
Total other financing sources (uses)	(4,396,375)	-	-	5,891,800	-	(347,697)	-	-	-
Net change in fund balances	1,752,101	(33)	13,805	4,467,833	(1,216)	(347,697)	(2,374,024)	25,565	(937)
Fund balances - Beginning of year	3,863,998	11,117	93,249	-	409,374	347,697	4,249,145	199	315,304
Fund balances - End of year	\$ 5,616,099	\$ 11,084	\$ 107,054	\$ 4,467,833	\$ 408,158	\$ -	\$ 1,875,121	\$ 25,764	\$ 314,367

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2022

	Capital Projects Funds			
	2018 TIF Park Bond Capital	2021 Infrastructure Bond Capital	Total Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property taxes	\$ -	\$ -	\$ 14,332,182	\$ 15,481,692
Income taxes	-	-	556	556
Hotel/motel taxes	-	-	374,523	595,960
Licenses and permits	-	-	-	30,925
Intergovernmental	-	-	2,302,377	20,949,702
Charges for services	-	-	2,007,461	4,767,647
Fines and forfeitures	-	-	47	588,183
Investment income (loss)	(4,888)	2,214	(180,755)	(215,196)
Other	-	-	1,078,641	5,127,253
Total revenues	<u>(4,888)</u>	<u>2,214</u>	<u>19,915,032</u>	<u>47,326,722</u>
Expenditures				
Current:				
General government	-	-	-	3,810,050
Public safety	-	-	-	609,490
Highways and streets	-	-	772,395	13,470,949
Community and economic development	-	-	882,719	9,417,110
Culture and recreation	-	-	43,903	566,946
Capital outlay:				
General government	-	-	-	320,736
Public safety	-	-	671,760	713,933
Highways and streets	-	1,574,476	1,774,954	2,401,668
Community and economic development	-	-	3,850,038	3,850,038
Culture and recreation	104,212	-	11,158,340	11,158,340
Debt service:				
Principal	-	-	1,186,137	10,607,442
Interest on long-term debt	-	-	93,448	4,626,626
Bond issuance costs	-	-	677,462	677,462
Total expenditures	<u>104,212</u>	<u>1,574,476</u>	<u>21,111,156</u>	<u>62,230,790</u>
Excess of revenues (under) over expenditures	<u>(109,100)</u>	<u>(1,572,262)</u>	<u>(1,196,124)</u>	<u>(14,904,068)</u>
Other financing sources (uses)				
Issuance of debt	-	-	13,465,000	15,670,507
Premium on debt	-	-	283,690	283,690
Proceeds from sale of capital assets	-	-	4,738	55,154
Transfers in	-	-	-	23,680,922
Transfers out	-	-	(6,466,403)	(8,342,785)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>7,287,025</u>	<u>31,347,488</u>
Net change in fund balances	(109,100)	(1,572,262)	6,090,901	16,443,420
Fund balances - Beginning of year	<u>2,375,301</u>	<u>3,620,395</u>	<u>53,479,665</u>	<u>96,008,799</u>
Fund balances - End of year	<u>\$ 2,266,201</u>	<u>\$ 2,048,133</u>	<u>\$ 59,570,566</u>	<u>\$ 112,452,219</u>

Other Supplemental Information
 Budgetary Comparison Schedule - Major Governmental Funds
 Capital Projects Funds - River West TIF

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 17,704,130	\$ 17,704,130	\$ 16,811,078	\$ (893,052)
Intergovernmental	396,500	396,500	323,848	(72,652)
Investment income	173,901	173,901	408,307	234,406
Other	-	15,393	167,125	151,732
	<u>18,274,531</u>	<u>18,289,924</u>	<u>17,710,358</u>	<u>(579,566)</u>
Expenditures:				
Current:				
Economic development:				
Other services and charges	5,604,672	5,453,355	5,443,266	10,089
Capital outlay	10,141,620	6,720,848	6,103,348	617,500
	<u>15,746,292</u>	<u>12,174,203</u>	<u>11,546,614</u>	<u>627,589</u>
Other Financing Sources (Uses):				
Transfers in	-	8	16	8
Transfers out	(4,710,000)	(4,710,000)	(4,710,000)	-
	<u>(2,181,761)</u>	<u>1,405,729</u>	<u>1,453,760</u>	<u>48,031</u>
Net change in fund balances	(2,181,761)	1,405,729	1,453,760	48,031
Fund balances - Beginning	<u>33,713,041</u>	<u>33,713,041</u>	<u>33,713,041</u>	<u>-</u>
Fund balances - Ending	\$ 31,531,280	\$ 35,118,770	\$ 35,166,801	\$ 48,031
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 1,453,760	
To adjust revenues for accruals			(632,688)	
To adjust expenditures for accruals			(148,267)	
Net change in fund balance, GAAP basis			<u>\$ 672,805</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 Special Revenue Funds - Motor Vehicle Highway
 December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ 1,500	\$ 1,500	\$ 2,175	\$ 675
Intergovernmental	3,050,000	3,050,000	3,134,543	84,543
Charges for services	262,300	256,455	112,415	(144,040)
Investment income	19,635	19,635	49,276	29,641
Other	193,963	226,985	232,368	5,383
Total revenues	3,527,398	3,554,575	3,530,777	(23,798)
Expenditures:				
Current:				
Highways and streets:				
Personnel services	4,753,912	4,753,612	4,128,023	625,589
Supplies	749,521	884,873	854,478	30,395
Other services and charges	4,500,191	3,843,547	3,682,242	161,305
Capital outlay	1,770,028	347,985	155,986	191,999
Total expenditures	11,773,652	9,830,017	8,820,729	1,009,288
Other Financing Sources (Uses):				
Debt proceeds	775,000	817,500	817,500	-
Transfers in	5,550,000	5,550,000	5,550,000	-
Transfers out	-	-	-	-
Net change in fund balances	(1,921,254)	92,058	1,077,548	985,490
Fund balances - Beginning	4,772,416	4,772,416	4,772,416	-
Fund balances - Ending	\$ 2,851,162	\$ 4,864,474	\$ 5,849,964	\$ 985,490
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 1,077,548	
To adjust revenues for accruals			(68,468)	
To adjust expenditures for accruals			351,091	
Net change in fund balance, GAAP basis			\$ 1,360,171	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Studebaker Oliver Revitalization Grants

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 5,942	\$ 5,942	\$ 8,894	\$ 2,952
Other	-	-	-	-
Total revenues	5,942	5,942	8,894	2,952
Expenditures:				
Current:				
Economic development:				
Other services and charges	262,443	237,892	41,621	196,271
Capital outlay	-	-	-	-
Total expenditures	262,443	237,892	41,621	196,271
Net change in fund balances	(256,501)	(231,950)	(32,727)	199,223
Fund balances - Beginning	692,248	692,248	692,248	-
Fund balances - Ending	\$ 435,747	\$ 460,298	\$ 659,521	\$ 199,223
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (32,727)	
To adjust revenues for accruals			(10,411)	
To adjust expenditures for accruals			(7,837)	
Net change in fund balance, GAAP basis			\$ (50,975)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Economic Development State Grants

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 577,322	\$ 126,822	\$ (450,500)
Investment income	18	38	51	13
Other	-	-	-	-
	18	577,360	126,873	(450,487)
Total revenues				
Expenditures:				
Current:				
Economic development:				
Other services and charges	595,236	220,637	220,637	-
	595,236	229,637	229,637	-
Total expenditures				
	(595,218)	347,723	(102,764)	(450,487)
Net change in fund balances				
Fund balances - Beginning	26,876	26,876	26,876	-
Fund balances - Ending	\$ (568,342)	\$ 374,599	\$ (75,888)	\$ (450,487)
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (102,764)	
To adjust revenues for accruals			67	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (102,697)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - DCI Operating

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Charges for services	1,049,655	1,066,156	691,646	(374,510)
Fines and forfeitures	58,450	58,450	70,178	11,728
Investment income	10,000	9,353	2,760	(6,593)
Other	181,981	182,628	184,731	2,103
	<u>1,305,086</u>	<u>1,321,587</u>	<u>949,315</u>	<u>(372,272)</u>
Expenditures:				
Current:				
Economic development:				
Personnel services	3,840,723	3,840,723	2,845,197	995,526
Supplies	49,922	48,107	33,616	14,491
Other services and charges	1,868,896	1,647,047	1,016,317	630,730
	<u>5,759,541</u>	<u>5,535,877</u>	<u>3,895,130</u>	<u>1,640,747</u>
Other Financing Sources (Uses):				
Transfers in	4,179,829	4,043,829	2,570,000	(1,473,829)
Transfers out	-	-	-	-
	<u>(274,626)</u>	<u>(170,461)</u>	<u>(375,815)</u>	<u>(205,354)</u>
Net change in fund balances				
Fund balances - Beginning	394,125	394,125	394,125	-
Fund balances - Ending	<u>\$ 119,499</u>	<u>\$ 223,664</u>	<u>\$ 18,310</u>	<u>\$ (205,354)</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ (375,815)	
To adjust revenues for accruals			558	
To adjust expenditures for accruals			(17,665)	
Net change in fund balance, GAAP basis			<u>\$ (392,922)</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - DCI Federal Grants

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,832,655	\$ 8,912,970	\$ 2,419,448	\$ (6,493,522)
Fines and forfeitures	-	-	-	-
Other	119,687	120,587	71,243	(49,344)
Total revenues	2,952,342	9,033,557	2,490,691	(6,542,866)
Expenditures:				
Current:				
Economic development:				
Other services and charges	9,443,375	3,538,994	2,823,943	715,051
Total expenditures	9,443,375	3,538,994	2,823,943	715,051
Net change in fund balances	(6,491,033)	5,494,563	(333,252)	(5,827,815)
Fund balances - Beginning	409,818	409,818	409,818	-
Fund balances - Ending	\$ (6,081,215)	\$ 5,904,381	\$ 76,566	\$ (5,827,815)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (333,252)	
To adjust revenues for accruals			(44,666)	
To adjust expenditures for accruals			(84,337)	
Net change in fund balance, GAAP basis			\$ (462,255)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Police State Seizure

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,000	\$ 5,000	\$ 23,345	\$ 18,345
Investment income	896	896	2,422	1,526
Total revenues	5,896	5,896	25,767	19,871
Expenditures:				
Current:				
Public safety:				
Other services and charges	22,000	22,000	-	22,000
Capital outlay	22,500	22,500	-	22,500
Total expenditures	44,500	44,500	-	44,500
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Net change in fund balances	(38,604)	(38,604)	25,767	64,371
Fund balances - Beginning	173,825	173,825	173,825	-
Fund balances - Ending	\$ 135,221	\$ 135,221	\$ 199,592	\$ 64,371
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 25,767	
To adjust revenues for accruals			(3,240)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 22,527	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Gift, Donation, Bequest

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 3,270	\$ 3,270	\$ 13,027	\$ 9,757
Other	53,000	243,000	265,059	22,059
Total revenues	56,270	246,270	278,086	31,816
Expenditures:				
Current:				
General government:				
Supplies	43,500	35,318	32,818	2,500
Other services and charges	606,789	598,786	311,755	287,031
Total expenditures	650,289	634,104	344,573	289,531
Net change in fund balances	(594,019)	(387,834)	(66,487)	321,347
Fund balances - Beginning	978,522	978,522	978,522	-
Fund balances - Ending	\$ 384,503	\$ 590,688	\$ 912,035	\$ 321,347
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (66,487)	
To adjust revenues for accruals			(14,068)	
To adjust expenditures for accruals			47,778	
Net change in fund balance, GAAP basis			\$ (32,777)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Police Curfew Violation

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 171	\$ 171
Investment income	-	8	8	-
Total revenues	-	8	179	171
Expenditures:				
Current:				
Public safety:				
Other services and charges	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	(18,799)	(18,791)	(13,880)	4,911
Fund balances - Beginning	13,880	13,880	13,880	-
Fund balances - Ending	<u>\$ (4,919)</u>	<u>\$ (4,911)</u>	<u>\$ -</u>	<u>\$ 4,911</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (13,880)	
To adjust revenues for accruals			34	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			<u>\$ (13,846)</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Unsafe Building
 December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 62,900	\$ 62,900	\$ 68,583	\$ 5,683
Investment income	7,971	7,604	10,437	2,833
Total revenues	70,871	70,871	79,386	8,515
Expenditures:				
Current:				
General government:				
Other services and charges	23,000	23,000	20,000	3,000
Total expenditures	23,000	23,000	20,000	3,000
Net change in fund balances	47,871	47,871	59,386	11,515
Fund balances - Beginning	764,981	764,981	764,981	-
Fund balances - Ending	\$ 812,852	\$ 812,852	\$ 824,367	\$ 11,515
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 59,386	
To adjust revenues for accruals			(13,263)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 46,123	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Law Enforcement Continuing Education

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 252,783	\$ 390,016	\$ 137,233
Charges for services	115,000	115,000	136,492	21,492
Fines and forfeitures	101,200	101,200	111,666	10,466
Investment income	4,889	3,005	8,311	5,306
Other	1,000	2,884	2,669	(215)
	<u>222,089</u>	<u>474,872</u>	<u>649,154</u>	<u>174,282</u>
Expenditures:				
Current:				
Public safety:				
Supplies	139,199	224,826	198,761	26,065
Other services and charges	201,370	284,538	278,383	6,155
Capital outlay	-	30,807	26,338	4,469
	<u>340,569</u>	<u>540,171</u>	<u>503,482</u>	<u>36,689</u>
Other Financing Sources (Uses):				
Transfers in	<u>352,373</u>	<u>352,373</u>	<u>218,353</u>	<u>(134,020)</u>
Net change in fund balances	233,893	268,074	345,025	76,951
Fund balances - Beginning	<u>378,981</u>	<u>378,981</u>	<u>378,981</u>	<u>-</u>
Fund balances - Ending	<u>\$ 612,874</u>	<u>\$ 647,055</u>	<u>\$ 724,006</u>	<u>\$ 76,951</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 345,025	
To adjust revenues for accruals			(12,294)	
To adjust expenditures for accruals			<u>266</u>	
Net change in fund balance, GAAP basis			<u>\$ 332,997</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Rental Units Regulation

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 100,000	\$ 99,900	\$ 45,048	\$ (54,852)
Investment income	200	300	1,508	1,208
Total revenues	100,200	100,200	46,556	(53,644)
Expenditures:				
Current:				
General government:				
Personnel services	350,123	350,123	78,899	271,224
Supplies	-	-	-	-
Other services and charges	100,671	985	985	-
Total expenditures	450,794	351,108	79,884	271,224
Other Financing Sources (Uses):				
Transfers in	303,923	303,923	70,000	(233,923)
Net change in fund balances	(46,671)	53,015	36,672	(16,343)
Fund balances - Beginning	87,416	87,416	87,416	-
Fund balances - Ending	\$ 40,745	\$ 140,431	\$ 124,088	\$ (16,343)
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 36,672	
To adjust revenues for accruals			(2,060)	
To adjust expenditures for accruals			1,770	
Net change in fund balance, GAAP basis			\$ 36,382	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Loss Recovery
 December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 634,425	\$ 634,425
Investment income	3,769	3,769	5,461	1,692
Other	-	-	-	-
Total revenues	<u>3,769</u>	<u>3,769</u>	<u>639,886</u>	<u>636,117</u>
Net change in fund balances	3,769	3,769	639,886	636,117
Fund balances - Beginning	<u>414,099</u>	<u>414,099</u>	<u>414,099</u>	<u>-</u>
Fund balances - Ending	<u>\$ 417,868</u>	<u>\$ 417,868</u>	<u>\$ 1,053,985</u>	<u>\$ 636,117</u>
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 639,886	
To adjust revenues for accruals			(18,387)	
To adjust expenditures for accruals			<u>-</u>	
Net change in fund balance, GAAP basis			<u>\$ 621,499</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Code Enforcement

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ 37,000	\$ 37,000	\$ 28,750	\$ (8,250)
Charges for services	50,300	50,300	53,545	3,245
Fines and forfeitures	342,000	340,155	292,490	(47,665)
Investment income	-	450	1,439	989
Other	500	1,985	2,556	571
	<u>429,800</u>	<u>429,890</u>	<u>378,780</u>	<u>(51,110)</u>
Total revenues				
Expenditures:				
Current:				
General government:				
Personnel services	2,141,234	2,141,234	1,884,392	256,842
Supplies	165,115	257,059	142,735	114,324
Other services and charges	2,088,086	1,975,526	1,437,457	538,069
Capital outlay	620,000	320,736	320,736	-
	<u>5,014,435</u>	<u>4,694,555</u>	<u>3,785,320</u>	<u>909,235</u>
Total expenditures				
Other Financing Sources (Uses):				
Debt proceeds	385,000	500,000	500,000	-
Proceeds from sale of capital assets	-	-	50,416	50,416
Transfers in	3,950,930	3,950,930	2,930,968	(1,019,962)
	<u>3,950,930</u>	<u>3,950,930</u>	<u>2,930,968</u>	<u>(1,019,962)</u>
Net change in fund balances				
	(248,705)	186,265	74,844	(111,421)
Fund balances - Beginning				
	497,492	497,492	497,492	-
Fund balances - Ending				
	<u>\$ 248,787</u>	<u>\$ 683,757</u>	<u>\$ 572,336</u>	<u>\$ (111,421)</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 74,844	
To adjust revenues for accruals			(379)	
To adjust expenditures for accruals			5,331	
			<u>\$ 79,796</u>	
Net change in fund balance, GAAP basis				

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Local Road and Street

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,776,152	\$ 2,765,642	\$ 2,148,824	\$ (616,818)
Investment income	7,417	7,417	32,280	24,863
Total revenues	2,783,569	2,783,569	2,191,614	(591,955)
Expenditures:				
Current:				
Highways and streets:				
Supplies	383,184	115,964	57,542	58,422
Other services and charges	1,660,949	890,348	816,396	73,952
Capital outlay	612,767	313,894	303,138	10,756
Total expenditures	2,656,900	1,320,206	1,177,076	143,130
Other Financing Sources (Uses):				
Transfers out	(1,000,000)	(1,000,000)	(1,000,000)	-
Net change in fund balances	(873,331)	463,363	14,538	(448,825)
Fund balances - Beginning	2,349,376	2,349,376	2,349,376	-
Fund balances - Ending	\$ 1,476,045	\$ 2,812,739	\$ 2,363,914	\$ (448,825)
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 14,538	
To adjust revenues for accruals			(38,053)	
To adjust expenditures for accruals			4,644	
Net change in fund balance, GAAP basis			\$ (18,871)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - LOIT 2016 Special Distribution

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 543	\$ 843	\$ 3,239	\$ 2,396
Other	-	-	-	-
Total revenues	543	843	3,239	2,396
Expenditures:				
Current:				
Highways and streets:				
Other services and charges	-	-	-	-
Capital outlay	56,950	-	-	-
Total expenditures	56,950	-	-	-
Net change in fund balances	(56,407)	843	3,239	2,396
Fund balances - Beginning	245,630	245,630	245,630	-
Fund balances - Ending	\$ 189,223	\$ 246,473	\$ 248,869	\$ 2,396
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 3,239	
To adjust revenues for accruals			(3,967)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (728)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Human Rights Federal Grants

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 68,200	\$ 68,200	\$ 66,260	\$ (1,940)
Charges for services	85,000	85,000	1,667	(83,333)
Investment income	-	1,600	3,824	2,224
Other	2,050	450	-	(450)
Total revenues	155,250	155,250	71,751	(83,499)
Expenditures:				
Current:				
General government:				
Personnel services	180,316	180,316	139,503	40,813
Supplies	2,000	1,972	824	1,148
Other services and charges	66,467	58,800	41,955	16,845
Total expenditures	248,783	241,088	182,282	58,806
Net change in fund balances	(93,533)	(85,838)	(110,531)	(24,693)
Fund balances - Beginning	426,544	426,544	426,544	-
Fund balances - Ending	\$ 333,011	\$ 340,706	\$ 316,013	\$ (24,693)
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (110,531)	
To adjust revenues for accruals			(4,758)	
To adjust expenditures for accruals			6,481	
Net change in fund balance, GAAP basis			\$ (108,808)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - COVID-19 Response

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 1,166,853	\$ 460,352	\$ (706,501)
Other	-	-	-	-
Total revenues	-	1,166,853	460,352	(706,501)
Expenditures:				
Current:				
General government:				
Supplies	-	-	-	-
Other services and charges	790,735	525,371	525,002	369
Total expenditures	790,735	525,371	525,002	369
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net change in fund balances	(790,735)	641,482	(64,650)	(706,132)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (790,735)	\$ 641,482	\$ (64,650)	\$ (706,132)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (64,650)	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			39,705	
Net change in fund balance, GAAP basis			\$ (24,945)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Local Road and Bridge Grant

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,000,000	\$ 1,000,000	\$ 1,350,100	\$ 350,100
Investment income	1,049	2,427	23,085	20,658
Total revenues	1,001,049	1,002,427	1,373,185	370,758
Expenditures:				
Current:				
Highways and streets:				
Other services and charges	2,923,443	594,751	594,751	-
Total expenditures	2,923,443	594,751	594,751	-
Other Financing Sources (Uses):				
Transfers in	1,000,000	1,000,000	1,000,000	-
Net change in fund balances	(922,394)	1,407,676	1,778,434	370,758
Fund balances - Beginning	704,875	704,875	704,875	-
Fund balances - Ending	\$ (217,519)	\$ 2,112,551	\$ 2,483,309	\$ 370,758
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 1,778,434	
To adjust revenues for accruals			(43,926)	
To adjust expenditures for accruals			137,249	
Net change in fund balance, GAAP basis			\$ 1,871,757	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - MVH Restricted

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,050,000	\$ 3,050,000	\$ 3,134,543	\$ 84,543
Investment income	285	8,785	22,797	14,012
Total revenues	3,050,285	3,058,785	3,157,340	98,555
Expenditures:				
Current:				
Highways and streets:				
Personnel services	589,017	589,317	379,172	210,145
Supplies	1,619,007	2,168,673	2,107,582	61,091
Other services and charges	2,014,282	1,574,575	1,470,187	104,388
Capital outlay	925,000	184,117	184,116	1
Total expenditures	5,147,306	4,516,682	4,141,057	375,625
Net change in fund balances	(1,172,021)	(569,890)	(95,710)	474,180
Fund balances - Beginning	2,042,332	2,042,332	2,042,332	-
Fund balances - Ending	\$ 870,311	\$ 1,472,442	\$ 1,946,622	\$ 474,180
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (95,710)	
To adjust revenues for accruals			(18,295)	
To adjust expenditures for accruals			23,030	
Net change in fund balance, GAAP basis			\$ (90,975)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Morris and Palais Marketing

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Investment income	-	43	43	-
Other	-	-	-	-
Total revenues	-	43	43	-
Other Financing Sources (Uses):				
Transfers out	(100,000)	(100,000)	(74,852)	25,148
Net change in fund balances	(100,000)	(99,957)	(74,809)	25,148
Fund balances - Beginning	74,809	74,809	74,809	-
Fund balances - Ending	\$ (25,191)	\$ (25,148)	\$ -	\$ 25,148
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (74,809)	
To adjust revenues for accruals			185	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (74,624)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Morris PAC Self-Promotion Events

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Investment income	-	150	150	-
Total revenues	-	150	150	-
Other Financing Sources (Uses):				
Transfers out	(410,000)	(410,000)	(264,160)	145,840
Net change in fund balances	(410,000)	(409,850)	(264,010)	145,840
Fund balances - Beginning	264,010	264,010	264,010	-
Fund balances - Ending	\$ (145,990)	\$ (145,840)	\$ -	\$ 145,840
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (264,010)	
To adjust revenues for accruals			656	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (263,354)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Police Block Grants

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ 2	\$ 2	\$ -
Total revenues	-	2	2	-
Other Financing Sources (Uses):				
Transfers out	(4,338)	(4,338)	(4,164)	174
Net change in fund balances	(4,338)	(4,336)	(4,162)	174
Fund balances - Beginning	4,162	4,162	4,162	-
Fund balances - Ending	\$ (176)	\$ (174)	\$ -	\$ 174
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (4,162)	
To adjust revenues for accruals			10	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (4,152)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Hazmat

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 10,000	\$ 10,000	\$ 3,000	\$ (7,000)
Investment income	256	256	382	126
Total revenues	10,256	10,256	3,382	(6,874)
Expenditures:				
Current:				
Public safety:				
Supplies	10,000	10,000	200	9,800
Total expenditures	10,000	10,000	200	9,800
Net change in fund balances	256	256	3,182	2,926
Fund balances - Beginning	28,102	28,102	28,102	-
Fund balances - Ending	\$ 28,358	\$ 28,358	\$ 31,284	\$ 2,926
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 3,182	
To adjust revenues for accruals			(505)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 2,677	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Indiana River Rescue

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 90,000	\$ 90,000	\$ 125,805	\$ 35,805
Investment income	2,991	2,991	4,767	1,776
Other	-	-	-	-
	92,991	92,991	130,572	37,581
Total revenues				
Expenditures:				
Current:				
Public safety:				
Personnel services	-	-	-	-
Supplies	26,475	73,475	59,778	13,697
Other services and charges	72,884	35,884	30,550	5,334
	99,359	109,359	90,328	19,031
Total expenditures				
Net change in fund balances	(6,368)	(16,368)	40,244	56,612
Fund balances - Beginning	360,311	360,311	360,311	-
Fund balances - Ending	\$ 353,943	\$ 343,943	\$ 400,555	\$ 56,612
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 40,244	
To adjust revenues for accruals			(6,288)	
To adjust expenditures for accruals			2,060	
Net change in fund balance, GAAP basis			\$ 36,016	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Police Grants

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Other Financing Sources (Uses):				
Transfers out	(26,716)	(26,716)	(26,716)	-
Net change in fund balances	(26,716)	(26,716)	(26,716)	-
Fund balances - Beginning	26,716	26,716	26,716	-
Fund balances - Ending	\$ -	\$ -	\$ -	\$ -
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (26,716)	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (26,716)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Regional Police Academy

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Investment income	-	83	83	-
Total revenues	-	83	83	-
Other Financing Sources (Uses):				
Transfers out	(175,000)	(175,000)	(146,411)	28,589
Net change in fund balances	(175,000)	(174,917)	(146,328)	28,589
Fund balances - Beginning	146,328	146,328	146,328	-
Fund balances - Ending	\$ (28,672)	\$ (28,589)	\$ -	\$ 28,589
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (146,328)	
To adjust revenues for accruals			363	
Net change in fund balance, GAAP basis			\$ (145,965)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - COPS MORE Grant

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Investment income	-	30	30	-
Other	-	-	-	-
	-	30	30	-
Total revenues	-	30	30	-
Expenditures:				
Current:				
Public safety:				
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital outlay	20,808	20,808	-	20,808
	20,808	20,808	-	20,808
Total expenditures	20,808	20,808	-	20,808
Other Financing Sources (Uses):				
Transfers out	(125,000)	(125,000)	(24,566)	100,434
Net change in fund balances	(145,808)	(145,778)	(24,536)	121,242
Fund balances - Beginning	45,349	45,349	45,349	-
Fund balances - Ending	<u>\$ (100,459)</u>	<u>\$ (100,429)</u>	<u>\$ 20,813</u>	<u>\$ 121,242</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ (24,536)	
To adjust revenues for accruals			(271)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			<u>\$ (24,807)</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Federal Drug Enforcement

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 25,000	\$ 70,027	\$ 98,333	\$ 28,306
Investment income	697	697	1,002	305
Total revenues	25,697	70,724	99,335	28,611
Expenditures:				
Current:				
Public safety:				
Supplies	6,000	46,000	34,145	11,855
Other services and charges	-	10,000	9,999	1
Capital outlay	22,500	22,500	15,835	6,665
Total expenditures	28,500	78,500	59,979	18,521
Other Financing Sources (Uses):				
Transfers in	-	19,000	19,000	-
Net change in fund balances	(2,803)	11,224	58,356	47,132
Fund balances - Beginning	60,237	60,237	60,237	-
Fund balances - Ending	\$ 57,434	\$ 71,461	\$ 118,593	\$ 47,132
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 58,356	
To adjust revenues for accruals			(9)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 58,347	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Urban Development Action Grant

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 265	\$ 265	\$ 3,762	\$ 3,497
Other	21,996	385,577	385,577	-
Total revenues	22,261	385,842	389,339	3,497
Expenditures:				
Current:				
Economic development:				
Other services and charges	24,000	356,253	18,000	338,253
Total expenditures	24,000	356,253	18,000	338,253
Net change in fund balances	(1,739)	29,589	371,339	341,750
Fund balances - Beginning	27,182	27,182	27,182	-
Fund balances - Ending	\$ 25,443	\$ 56,771	\$ 398,521	\$ 341,750
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 371,339	
To adjust revenues for accruals			(392,840)	
To adjust expenditures for accruals			18,000	
Net change in fund balance, GAAP basis			\$ (3,501)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Leaf Collection and Removal

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 451,610	\$ 451,610	\$ 455,212	\$ 3,602
Investment income	2,244	2,244	4,723	2,479
Total revenues	453,854	453,854	459,935	6,081
Expenditures:				
Current:				
Highways and streets:				
Personnel services	89,496	89,496	38,730	50,766
Supplies	7,250	7,250	6,928	322
Other services and charges	52,962	52,962	89,675	(36,713)
Total expenditures	149,708	149,708	135,333	14,375
Other Financing Sources (Uses):				
Transfers out	(300,000)	(300,000)	(300,000)	-
Net change in fund balances	4,146	40,304	60,760	20,456
Fund balances - Beginning	282,057	282,057	282,057	-
Fund balances - Ending	\$ 286,203	\$ 322,361	\$ 342,817	\$ 20,456
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 60,760	
To adjust revenues for accruals			(5,810)	
To adjust expenditures for accruals			7,932	
Net change in fund balance, GAAP basis			\$ 62,882	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Police K-9 Unit

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ 1	\$ 1	\$ -
Total revenues	-	1	1	-
Other Financing Sources (Uses):				
Transfers out	(2,520)	(2,520)	(2,436)	84
Net change in fund balances	(2,520)	(2,519)	(2,435)	84
Fund balances - Beginning	2,435	2,435	2,435	-
Fund balances - Ending	\$ (85)	\$ (84)	\$ -	\$ 84
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (2,435)	
To adjust revenues for accruals			7	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (2,428)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - City Cemetery
 December 31, 2022

	<u>Budgeted Amounts</u>		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ 273	\$ 273	\$ 399	\$ 126
Total revenues	<u>273</u>	<u>273</u>	<u>399</u>	<u>126</u>
Net change in fund balances	273	273	399	126
Fund balances - Beginning	<u>30,218</u>	<u>30,218</u>	<u>30,218</u>	<u>-</u>
Fund balances - Ending	<u>\$ 30,491</u>	<u>\$ 30,491</u>	<u>\$ 30,617</u>	<u>\$ 126</u>
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 399	
To adjust revenues for accruals			(489)	
To adjust expenditures for accruals			<u>-</u>	
Net change in fund balance, GAAP basis			<u>\$ (90)</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Bowman Cemetery

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 4,328	\$ 4,328	\$ 6,269	\$ 1,941
Total revenues	4,328	4,328	6,269	1,941
Net change in fund balances	4,328	4,328	6,269	1,941
Fund balances - Beginning	475,369	475,369	475,369	-
Fund balances - Ending	\$ 479,697	\$ 479,697	\$ 481,638	\$ 1,941
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 6,269	
To adjust revenues for accruals			(7,678)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (1,409)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Industrial Revolving Fund

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 4,543,626	\$ 4,749,980	\$ 206,354
Investment income	2,000	2,002	50,529	48,527
Other	172,000	259,070	809,701	550,631
Total revenues	174,000	4,804,698	5,610,210	805,512
Expenditures:				
Current:				
Economic development:				
Other services and charges	4,918,709	4,577,669	4,558,357	19,312
Total expenditures	4,918,709	4,577,669	4,558,357	19,312
Net change in fund balances	(4,744,709)	227,029	1,051,853	824,824
Fund balances - Beginning	3,700,843	3,700,843	3,700,843	-
Fund balances - Ending	\$ (1,043,866)	\$ 3,927,872	\$ 4,752,696	\$ 824,824
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 1,051,853	
To adjust revenues for accruals			(377,912)	
To adjust expenditures for accruals			4,290,000	
Net change in fund balance, GAAP basis			\$ 4,963,941	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2017 Park Bond Debt Service

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 1,100,842	\$ 1,100,842	\$ 1,149,510	\$ 48,668
Intergovernmental	48,786	48,786	32,012	(16,774)
Investment income	1,176	1,176	253	(923)
Total revenues	1,150,804	1,150,804	1,181,775	30,971
Expenditures:				
Current:				
Debt service:				
Other services and charges	1,169,368	1,169,368	1,169,365	3
Total expenditures	1,169,368	1,169,368	1,169,365	3
Net change in fund balances	(18,564)	(18,564)	12,410	30,974
Fund balances - Beginning	184,163	184,163	184,163	-
Fund balances - Ending	\$ 165,599	\$ 165,599	\$ 196,573	\$ 30,974
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 12,410	
To adjust revenues for accruals			(3,168)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 9,242	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2003 Redevelopment Bond - Airport Taxable
 December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 9,335	\$ 9,335
Total revenues	-	-	9,335	9,335
Other Financing Sources (Uses):				
Transfers out	-	-	-	-
Net change in fund balances	-	-	9,335	9,335
Fund balances - Beginning	1,040,462	1,040,462	1,040,462	-
Fund balances - Ending	\$ 1,040,462	\$ 1,040,462	\$ 1,049,797	\$ 9,335
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 9,335	
To adjust revenues for accruals			(16,133)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (6,798)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2003 Redevelopment Bond - Palais Royale

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 15,606	\$ 15,606
Total revenues	-	-	15,606	15,606
Other Financing Sources (Uses):				
Transfers out	-	-	-	-
Net change in fund balances	-	-	15,606	15,606
Fund balances - Beginning	1,739,495	1,739,495	1,739,495	-
Fund balances - Ending	\$ 1,739,495	\$ 1,739,495	\$ 1,755,101	\$ 15,606
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 15,606	
To adjust revenues for accruals			(26,971)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (11,365)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2018 Fire Station #9 Bond Debt Service

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Debt service:				
Other services and charges	\$ 344,157	\$ 344,157	\$ 344,156	\$ 1
Total expenditures	344,157	344,157	344,156	1
Other Financing Sources (Uses):				
Transfers in	344,157	344,157	344,156	(1)
Net change in fund balances	-	-	-	-
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ -	\$ -	\$ -	\$ -
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ -	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ -	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2018 TIF Park Bond Debt Service Reserve

December 31, 2022

	<u>Budgeted Amounts</u>		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ 9,357	\$ 9,357	\$ 13,660	\$ 4,303
Total revenues	<u>9,357</u>	<u>9,357</u>	<u>13,660</u>	<u>4,303</u>
Net change in fund balances	9,357	9,357	13,660	4,303
Fund balances - Beginning	<u>1,035,750</u>	<u>1,035,750</u>	<u>1,035,750</u>	<u>-</u>
Fund balances - Ending	<u>\$ 1,045,107</u>	<u>\$ 1,045,107</u>	<u>\$ 1,049,410</u>	<u>\$ 4,303</u>
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 13,660	
To adjust revenues for accruals			(16,730)	
To adjust expenditures for accruals			<u>-</u>	
Net change in fund balance, GAAP basis			<u>\$ (3,070)</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Debt Service Funds - 2019 South Shore Double Tracking Bond Debt Service

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 10	\$ 10	\$ 3	\$ (7)
Total revenues	10	10	3	(7)
Expenditures:				
Current:				
Debt service:				
Other services and charges	1,029,750	1,029,750	1,029,750	-
Total expenditures	1,029,750	1,029,750	1,029,750	-
Other Financing Sources (Uses):				
Transfers in	1,035,000	1,035,000	1,035,000	-
Net change in fund balances	5,260	5,260	5,253	(7)
Fund balances - Beginning	9,443	9,443	9,443	-
Fund balances - Ending	\$ 14,703	\$ 14,703	\$ 14,696	\$ (7)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 5,253	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 5,253	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2020 TIF Library Bond Debt Service Reserve

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 10	\$ 10	\$ 16	\$ 6
Total revenues	10	10	16	6
Other Financing Sources (Uses):				
Transfers out	-	-	(16)	(16)
Net change in fund balances	10	10	-	(10)
Fund balances - Beginning	326,944	326,944	326,944	-
Fund balances - Ending	\$ 326,954	\$ 326,954	\$ 326,944	\$ (10)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ -	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ -	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Debt Service Funds - Century Center Energy Conservation Debt Service

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 221,437	\$ 221,437	\$ 221,437	\$ -
Investment income	2,000	2,000	2,644	644
Other	80,242	80,242	58,178	(22,064)
Total revenues	303,679	303,679	282,259	(21,420)
Expenditures:				
Current:				
Debt service:				
Other services and charges	402,368	402,368	402,367	1
Total expenditures	402,368	402,368	402,367	1
Other Financing Sources (Uses):				
Transfers in	100,688	100,688	100,688	-
Net change in fund balances	1,999	1,999	(19,420)	(21,419)
Fund balances - Beginning	196,702	196,702	196,702	-
Fund balances - Ending	\$ 198,701	\$ 198,701	\$ 177,282	\$ (21,419)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (19,420)	
To adjust revenues for accruals			(1,971)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (21,391)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - Redevelopment Authority Debt Service

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 2,750	\$ 2,750	\$ 2,855	\$ 105
Total revenues	2,750	2,750	2,855	105
Expenditures:				
Current:				
Debt service:				
Other services and charges	2,859,282	3,044,328	3,042,027	2,301
Total expenditures	2,859,282	3,044,328	3,042,027	2,301
Other Financing Sources (Uses):				
Transfers in	2,865,000	3,055,500	3,055,500	-
Net change in fund balances	8,468	13,922	16,328	2,406
Fund balances - Beginning	242,425	242,425	242,425	-
Fund balances - Ending	\$ 250,893	\$ 256,347	\$ 258,753	\$ 2,406
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 16,328	
To adjust revenues for accruals			(4)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 16,324	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - South Bend Building Corporation Debt Service

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 3,000	\$ 3,000	\$ 1,249	\$ (1,751)
Total revenues	3,000	3,000	1,249	(1,751)
Expenditures:				
Current:				
Debt service:				
Other services and charges	2,562,480	2,751,956	2,749,716	2,240
Total expenditures	2,562,480	2,751,956	2,749,716	2,240
Other Financing Sources (Uses):				
Debt proceeds	-	-	-	-
Transfers in	2,575,500	2,766,500	2,736,000	(30,500)
Transfers out	-	-	-	-
Net change in fund balances	16,020	17,544	(12,467)	(30,011)
Fund balances - Beginning	224,375	224,375	224,375	-
Fund balances - Ending	\$ 240,395	\$ 241,919	\$ 211,908	\$ (30,011)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (12,467)	
To adjust revenues for accruals			(2)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (12,469)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2015 Smart Streets Bond Debt Service

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 1,000	\$ 1,000	\$ 91	\$ (909)
Total revenues	1,000	1,000	91	(909)
Expenditures:				
Current:				
Debt service:				
Other services and charges	1,711,694	1,711,694	1,711,344	350
Total expenditures	1,711,694	1,711,694	1,711,344	350
Other Financing Sources (Uses):				
Transfers in	1,715,000	1,715,000	1,715,000	-
Net change in fund balances	4,306	4,306	3,747	(559)
Fund balances - Beginning	1,742,699	1,742,699	1,742,699	-
Fund balances - Ending	\$ 1,747,005	\$ 1,747,005	\$ 1,746,446	\$ (559)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 3,747	
To adjust revenues for accruals			(7)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 3,740	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2015 Park Bond Debt Service

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 1,000	\$ 1,000	\$ 1,217	\$ 217
Total revenues	1,000	1,000	1,217	217
Expenditures:				
Current:				
Debt service:				
Other services and charges	372,557	372,557	372,556	1
Total expenditures	372,557	372,557	372,556	1
Other Financing Sources (Uses):				
Transfers in	374,106	374,106	373,724	(382)
Net change in fund balances	2,549	2,549	2,385	(164)
Fund balances - Beginning	587,763	587,763	587,763	-
Fund balances - Ending	\$ 590,312	\$ 590,312	\$ 590,148	\$ (164)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 2,385	
To adjust revenues for accruals			(5)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 2,380	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2017 Eddy St. Commons Bond Debt Service

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 1,000	\$ 1,000	\$ 1,217	\$ 217
Total revenues	1,000	1,000	1,217	217
Expenditures:				
Current:				
Debt service:				
Other services and charges	372,557	372,557	372,556	1
Total expenditures	372,557	372,557	372,556	1
Other Financing Sources (Uses):				
Transfers in	374,106	374,106	373,724	(382)
Net change in fund balances	2,549	2,549	2,385	(164)
Fund balances - Beginning	587,763	587,763	587,763	-
Fund balances - Ending	\$ 590,312	\$ 590,312	\$ 590,148	\$ (164)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 2,385	
To adjust revenues for accruals			(5)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 2,380	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - Fire Department Capital

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 75,000	\$ -	\$ -	\$ -
Charges for services	1,837,850	1,892,852	1,972,044	79,192
Fines and forfeitures	-	-	47	47
Investment income	9,023	9,023	24,003	14,980
Other	-	19,998	30,836	10,838
	<u>1,921,873</u>	<u>1,921,873</u>	<u>2,026,930</u>	<u>105,057</u>
Expenditures:				
Current:				
Public safety:				
Other services and charges	1,215,216	1,215,216	862,471	352,745
Capital outlay	4,834,466	678,760	671,760	7,000
	<u>6,049,682</u>	<u>1,893,976</u>	<u>1,534,231</u>	<u>359,745</u>
Other Financing Sources (Uses):				
Debt proceeds	2,310,000	2,355,000	1,355,000	(1,000,000)
Transfers out	(748,657)	(748,657)	(748,656)	1
	<u>(2,566,466)</u>	<u>1,634,240</u>	<u>1,103,781</u>	<u>(530,459)</u>
Net change in fund balances				
	(2,566,466)	1,634,240	1,103,781	(530,459)
Fund balances - Beginning	<u>2,758,339</u>	<u>2,758,339</u>	<u>2,758,339</u>	<u>-</u>
Fund balances - Ending	<u>\$ 191,873</u>	<u>\$ 4,392,579</u>	<u>\$ 3,862,120</u>	<u>\$ (530,459)</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 1,103,781	
To adjust revenues for accruals			(34,578)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			<u>\$ 1,069,203</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - Coveleski Stadium Capital

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 25,000	\$ 25,000	\$ 21,182	\$ (3,818)
Investment income	109	109	25	(84)
Total revenues	25,109	25,109	21,207	(3,902)
Expenditures:				
Current:				
Culture and recreation:				
Other services and charges	25,715	25,241	17,784	7,457
Total expenditures	25,715	25,241	17,784	7,457
Net change in fund balances	(606)	(132)	3,423	3,555
Fund balances - Beginning	814	814	814	-
Fund balances - Ending	\$ 208	\$ 682	\$ 4,237	\$ 3,555
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 3,423	
To adjust revenues for accruals			(76)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 3,347	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - Cumulative Capital Development

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 473,780	\$ 473,780	\$ 492,015	\$ 18,235
Intergovernmental	38,648	38,648	19,615	(19,033)
Investment income	1,995	1,995	2,314	319
Total revenues	514,423	514,423	513,944	(479)
Expenditures:				
Current:				
General government:				
Other services and charges	368,741	368,741	367,808	933
Capital outlay	-	-	-	-
Total expenditures	368,741	368,741	367,808	933
Net change in fund balances	1,995	1,995	2,449	454
Fund balances - Beginning	286,746	286,746	286,746	-
Fund balances - Ending	\$ 288,741	\$ 288,741	\$ 289,195	\$ 454
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 2,449	
To adjust revenues for accruals			(4,617)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (2,168)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - Cumulative Capital Improvement

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 214,341	\$ 214,341	\$ 187,765	\$ (26,576)
Investment income	3,825	3,825	6,623	2,798
Other	25,000	25,000	-	(25,000)
Total revenues	243,166	243,166	194,388	(48,778)
Other Financing Sources (Uses):				
Transfers out	(239,341)	(239,341)	(239,341)	-
Net change in fund balances	(246,175)	(245,179)	(291,069)	(45,890)
Fund balances - Beginning	651,096	651,096	651,096	-
Fund balances - Ending	\$ 404,921	\$ 405,917	\$ 360,027	\$ (45,890)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (291,069)	
To adjust revenues for accruals			(5,003)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (296,072)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - Major Moves

December 31, 2022

	<u>Budgeted Amounts</u>		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 32,517	\$ 32,517
Investment income	3,481	6,250	25,372	19,122
Other	493,328	493,328	493,328	-
Total revenues	<u>496,809</u>	<u>499,578</u>	<u>551,217</u>	<u>51,639</u>
Expenditures:				
Current:				
Highways and streets:				
Supplies	350,000	-	-	-
Other services and charges	939,238	669,741	667,156	2,585
Capital outlay	500,000	305,736	196,985	108,751
Total expenditures	<u>1,789,238</u>	<u>975,477</u>	<u>864,141</u>	<u>111,336</u>
Net change in fund balances	(1,292,429)	(475,899)	(312,924)	162,975
Fund balances - Beginning	<u>1,889,193</u>	<u>1,889,193</u>	<u>1,889,193</u>	<u>-</u>
Fund balances - Ending	<u>\$ 596,764</u>	<u>\$ 1,413,294</u>	<u>\$ 1,576,269</u>	<u>\$ 162,975</u>
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (312,924)	
To adjust revenues for accruals			(469,824)	
To adjust expenditures for accruals			<u>(108,732)</u>	
Net change in fund balance, GAAP basis			<u>\$ (891,480)</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Projects Funds - Professional Sports Convention Development Area

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,500,000	\$ 1,500,000	\$ 2,082,741	\$ 582,741
Investment income	-	3,000	13,692	10,692
Other	-	-	-	-
	1,500,000	1,503,000	2,096,433	593,433
Expenditures:				
Current:				
Highways and streets:				
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital outlay	2,304,900	1,129,189	1,121,352	7,837
	2,304,900	1,129,189	1,121,352	7,837
Total expenditures	2,304,900	1,129,189	1,121,352	7,837
Net change in fund balances	(804,900)	373,811	975,081	601,270
Fund balances - Beginning	775,632	775,632	775,632	-
Fund balances - Ending	\$ (29,268)	\$ 1,149,443	\$ 1,750,713	\$ 601,270
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 975,081	
To adjust revenues for accruals			(45,373)	
To adjust expenditures for accruals			651,198	
Net change in fund balance, GAAP basis			\$ 1,580,906	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Projects Funds - Morris Performing Arts Center Capital

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 85,000	\$ -	\$ -	\$ -
Investment income	6,811	6,811	8,138	1,327
Total revenues	591,811	6,811	8,138	1,327
Expenditures:				
Current:				
Culture and recreation:				
Supplies	25,000	25,000	-	25,000
Other services and charges	59,910	419,184	389,274	29,910
Capital outlay	8,031,800	6,904,834	6,810,900	93,934
Total expenditures	8,116,710	7,349,018	7,200,174	148,844
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Net change in fund balances	(7,524,899)	(840,317)	(690,146)	150,171
Fund balances - Beginning	1,912,926	1,912,926	1,912,926	-
Fund balances - Ending	\$ (5,611,973)	\$ 1,072,609	\$ 1,222,780	\$ 150,171
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (690,146)	
To adjust revenues for accruals			4,752	
To adjust expenditures for accruals			(37,523)	
Net change in fund balance, GAAP basis			\$ (722,917)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - Redevelopment General

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - local income tax	\$ 7,000	\$ 556	\$ 556	\$ -
Intergovernmental	-	381,500	374,523	(6,977)
Investment income	24,072	24,072	42,585	18,513
Other	1,000,000	1,000,000	1,000,000	-
	<u>1,031,072</u>	<u>1,406,128</u>	<u>1,417,664</u>	<u>11,536</u>
Total revenues				
Expenditures:				
Current:				
Economic development:				
Other services and charges	289,783	484,917	460,417	24,500
	<u>289,783</u>	<u>484,917</u>	<u>460,417</u>	<u>24,500</u>
Total expenditures				
Other Financing Sources (Uses):				
Transfers in	150,000	150,000	-	(150,000)
Transfers out	-	(381,500)	(381,500)	-
	<u>-</u>	<u>(381,500)</u>	<u>(381,500)</u>	<u>-</u>
Net change in fund balances	891,289	689,711	575,747	(113,964)
Fund balances - Beginning	3,187,994	3,187,994	3,187,994	-
Fund balances - Ending	<u>\$ 4,079,283</u>	<u>\$ 3,877,705</u>	<u>\$ 3,763,741</u>	<u>\$ (113,964)</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 575,747	
To adjust revenues for accruals			(61,311)	
To adjust expenditures for accruals			110,000	
Net change in fund balance, GAAP basis			<u>\$ 624,436</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - TIF - West Washington

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 283,927	\$ 283,927	\$ 308,363	\$ 24,436
Investment income	9,635	9,635	17,165	7,530
Total revenues	293,562	293,562	325,528	31,966
Expenditures:				
Current:				
Economic development:				
Other services and charges	4,456	-	-	-
Capital outlay	106,105	113,808	113,570	238
Total expenditures	110,561	113,808	113,570	238
Net change in fund balances	183,001	179,754	211,958	32,204
Fund balances - Beginning	1,235,031	1,235,031	1,235,031	-
Fund balances - Ending	\$ 1,418,032	\$ 1,414,785	\$ 1,446,989	\$ 32,204
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 211,958	
To adjust revenues for accruals			(23,555)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 188,403	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - TIF - River East Development

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 3,822,890	\$ 3,822,890	\$ 4,209,328	\$ 386,438
Investment income	27,464	27,464	138,520	111,056
Other	-	-	16,850	16,850
Total revenues	3,850,354	3,850,354	4,364,698	514,344
Expenditures:				
Current:				
Economic development:				
Other services and charges	653,945	439,755	428,035	11,720
Capital outlay	5,358,357	1,550,686	1,549,275	1,411
Total expenditures	6,012,302	1,990,441	1,977,310	13,131
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Net change in fund balances	(2,161,948)	1,859,913	2,387,388	527,475
Fund balances - Beginning	9,506,445	9,506,445	9,506,445	-
Fund balances - Ending	\$ 7,344,497	\$ 11,366,358	\$ 11,893,833	\$ 527,475
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 2,387,388	
To adjust revenues for accruals			(212,670)	
To adjust expenditures for accruals			72,910	
Net change in fund balance, GAAP basis			\$ 2,247,628	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - TIF - Southside Development Area No. 1

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 1,815,749	\$ 1,815,749	\$ 2,745,678	\$ 929,929
Investment income	69,286	69,286	190,106	120,820
Total revenues	1,885,035	1,885,035	2,935,784	1,050,749
Expenditures:				
Current:				
Economic development:				
Other services and charges	668,761	176,193	176,193	-
Capital outlay	4,812,403	3,709,072	2,057,679	1,651,393
Total expenditures	5,481,164	3,885,265	2,233,872	1,651,393
Net change in fund balances	(3,596,129)	(2,000,230)	701,912	2,702,142
Fund balances - Beginning	14,473,182	14,473,182	14,473,182	-
Fund balances - Ending	\$ 10,877,053	\$ 12,472,952	\$ 15,175,094	\$ 2,702,142
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 701,912	
To adjust revenues for accruals			(243,651)	
To adjust expenditures for accruals			(117,691)	
Net change in fund balance, GAAP basis			\$ 340,570	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - TIF - Douglas Road

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 166,000	\$ 166,000	\$ 308,581	\$ 142,581
Investment income	3,511	3,511	2,844	(667)
Total revenues	169,511	169,511	311,425	141,914
Expenditures:				
Current:				
Economic development:				
Other services and charges	75,483	1,308	1,308	-
Total expenditures	75,483	1,308	1,308	-
Other Financing Sources (Uses):				
Transfers out	-	(209,147)	(209,147)	-
Net change in fund balances	94,028	(40,944)	100,970	141,914
Fund balances - Beginning	257,579	257,579	257,579	-
Fund balances - Ending	\$ 351,607	\$ 216,635	\$ 358,549	\$ 141,914
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 100,970	
To adjust revenues for accruals			(5,961)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 95,009	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - TIF - River East Residential

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 5,978,380	\$ 5,978,380	\$ 6,268,217	\$ 289,837
Investment income	53,667	53,667	53,684	17
Total revenues	6,032,047	6,032,047	6,321,901	289,854
Expenditures:				
Current:				
Economic development:				
Other services and charges	525,329	525,329	506,328	19,001
Total expenditures	525,329	525,329	506,328	19,001
Other Financing Sources (Uses):				
Transfers out	(4,396,375)	(4,396,375)	(4,396,375)	-
Net change in fund balances	1,110,343	1,110,343	1,419,198	308,855
Fund balances - Beginning	5,429,968	5,429,968	5,429,968	-
Fund balances - Ending	\$ 6,540,311	\$ 6,540,311	\$ 6,849,166	\$ 308,855
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 1,419,198	
To adjust revenues for accruals			(112,620)	
To adjust expenditures for accruals			445,523	
Net change in fund balance, GAAP basis			\$ 1,752,101	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - Certified Technology Park
 December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 101	\$ 101	\$ 147	\$ 46
Total revenues	101	101	147	46
Net change in fund balances	101	101	147	46
Fund balances - Beginning	11,145	11,145	11,145	-
Fund balances - Ending	\$ 11,246	\$ 11,246	\$ 11,292	\$ 46
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 147	
To adjust revenues for accruals			(180)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (33)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Project Funds - Palais Royale Historical Preservation

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 8,000	\$ 8,000	\$ 14,235	\$ 6,235
Investment income	247	320	1,344	1,024
Total revenues	8,247	8,320	15,579	7,259
Expenditures:				
Current:				
Culture and recreation:				
Other services and charges	35,000	35,000	-	35,000
Total expenditures	35,000	35,000	-	35,000
Net change in fund balances	(26,753)	(26,680)	15,579	42,259
Fund balances - Beginning	93,481	93,481	93,481	-
Fund balances - Ending	\$ 66,728	\$ 66,801	\$ 109,060	\$ 42,259
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 15,579	
To adjust revenues for accruals			(1,774)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 13,805	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Project Funds - 2022 Zoo Bond Capital

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	205	205
	-	-	205	205
Total revenues	-	-	205	205
Expenditures:				
Current:				
Culture and recreation:				
Other services and charges	-	318,188	318,188	-
	-	318,188	318,188	-
Total expenditures	-	5,891,801	1,424,173	4,467,628
	-	5,891,801	1,424,173	4,467,628
Net change in fund balances	-	(1)	4,467,832	4,467,833
Fund balances - Beginning	-	-	-	-
	-	-	-	-
Fund balances - Ending	\$ -	\$ (1)	\$ 4,467,832	\$ 4,467,833
	\$ -	\$ (1)	\$ 4,467,832	\$ 4,467,833
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 4,467,832	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			1	
			\$ 4,467,833	
Net change in fund balance, GAAP basis			<u>\$ 4,467,833</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - Airport Urban Enterprise Zone

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 2	\$ 1,502	\$ 5,412	\$ 3,910
Total revenues	2	1,502	5,412	3,910
Net change in fund balances	2	1,502	5,412	3,910
Fund balances - Beginning	410,393	410,393	410,393	-
Fund balances - Ending	\$ 410,395	\$ 411,895	\$ 415,805	\$ 3,910
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 5,412	
To adjust revenues for accruals			(6,628)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (1,216)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - 2017 Park Bond Capital

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ 14,801	\$ 42,685	\$ 27,884
Total revenues	-	14,801	42,685	27,884
Expenditures:				
Current:				
Culture and recreation:				
Other services and charges	6,464	6,464	6,414	50
Capital outlay	4,258,063	2,731,711	2,188,139	543,572
Total expenditures	4,264,527	2,738,175	2,194,553	543,622
Net change in fund balances	(4,264,527)	(2,723,374)	(2,151,868)	571,506
Fund balances - Beginning	4,259,726	4,259,726	4,259,726	-
Fund balances - Ending	\$ (4,801)	\$ 1,536,352	\$ 2,107,858	\$ 571,506
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (2,151,868)	
To adjust revenues for accruals			(37,139)	
To adjust expenditures for accruals			(185,017)	
Net change in fund balance, GAAP basis			\$ (2,374,024)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - 2018 Fire Station #9 Bond Capital

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ 1,250	\$ 4,169	\$ 2,919
Total revenues	-	1,250	4,169	2,919
Net change in fund balances	-	1,250	4,169	2,919
Fund balances - Beginning	316,090	316,090	316,090	-
Fund balances - Ending	\$ 316,090	\$ 317,340	\$ 320,259	\$ 2,919
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 4,169	
To adjust revenues for accruals			(5,106)	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (937)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Projects Funds - 2018 TIF Park Bond Capital

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ 8,000	\$ 31,532	\$ 23,532
Total revenues	-	8,000	31,532	23,532
Expenditures:				
Current:				
Culture and recreation:				
Other services and charges	30,888	30,888	-	30,888
Capital outlay	2,358,136	163,630	156,103	7,527
Total expenditures	2,389,024	194,518	156,103	38,415
Net change in fund balances	(2,389,024)	(186,518)	(124,571)	61,947
Fund balances - Beginning	2,433,236	2,433,236	2,433,236	-
Fund balances - Ending	\$ 44,212	\$ 2,246,718	\$ 2,308,665	\$ 61,947
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (124,571)	
To adjust revenues for accruals			(36,420)	
To adjust expenditures for accruals			51,891	
Net change in fund balance, GAAP basis			\$ (109,100)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - 2021 Infrastructure Bond Capital

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ 12,000	\$ 35,133	\$ 23,133
Total revenues	-	12,000	35,133	23,133
Expenditures:				
Current:				
Highways and streets:				
Capital outlay	3,815,260	1,761,112	1,761,110	2
Total expenditures	3,815,260	1,761,112	1,761,110	2
Net change in fund balances	(3,815,260)	(1,749,112)	(1,725,977)	23,135
Fund balances - Beginning	3,836,482	3,836,482	3,836,482	-
Fund balances - Ending	\$ 21,222	\$ 2,087,370	\$ 2,110,505	\$ 23,135
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (1,725,977)	
To adjust revenues for accruals			(32,920)	
To adjust expenditures for accruals			186,635	
Net change in fund balance, GAAP basis			\$ (1,572,262)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - Equipment Vehicle Leasing

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Other Financing Sources (Uses):				
Transfers out	-	(347,697)	(347,697)	-
Net change in fund balances	-	(347,697)	(347,697)	-
Fund balances - Beginning	347,697	347,697	347,697	-
Fund balances - Ending	\$ 347,697	\$ -	\$ -	\$ -
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (347,697)	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (347,697)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Project Funds - 2017 Eddy St. Commons Bond Capital

December 31, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 25,565	\$ 25,565
Total revenues	-	-	25,565	25,565
Expenditures:				
Current:				
Economic development:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	25,565	25,565
Fund balances - Beginning	25,763	25,763	25,763	-
Fund balances - Ending	\$ 25,763	\$ 25,763	\$ 51,328	\$ 25,565
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 25,565	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 25,565	

NONMAJOR ENTERPRISE FUNDS

Century Center	To account for the operations of the City's convention center.
Consolidated Building	To account for the operation of the consolidated St. Joseph County/ South Bend Building Department.
Parking Garage	To account for the operation and maintenance of the City's parking garages.
Solid Waste	To account for the operations of the Solid Waste department. Revenues come from charging City residents a monthly fee for pick-up and disposal of trash at area landfills and recycling centers
Morris Performing Arts Center	To account for the operation of the Morris Performing Arts Center. Financed by ticket sales (for self-promoted events) and rent from promoters.

December 31, 2022

	Century Center	Consolidated Building	Parking Garage	Solid Waste	Morris Performing Arts Center	Total
Assets						
Current assets:						
Cash and cash equivalents	\$ 945,938	\$ 960,310	\$ 392,721	\$ 135,253	\$ 197,788	\$ 2,632,010
Investments	-	1,114,990	456,567	156,398	229,946	1,957,901
Receivables:						
Accounts	382,178	175	-	933,777	472,157	1,788,287
Allowance for doubtful accounts	-	-	-	(24,999)	-	(24,999)
Interest	2,491	5,612	2,175	800	1,185	12,263
Taxes	637,500	-	-	-	-	637,500
Due from other funds	6,253	-	-	2,315	-	8,568
Inventory	53,524	-	-	-	-	53,524
Prepaid expenses	3,463	-	-	-	-	3,463
Total current assets	<u>2,031,347</u>	<u>2,081,087</u>	<u>851,463</u>	<u>1,203,544</u>	<u>901,076</u>	<u>7,068,517</u>
Noncurrent assets:						
Restricted assets	988,533	3,124	-	1,586,686	1,495	2,579,838
Capital assets:						
Assets not subject to depreciation	713,434	-	1,132,020	-	-	1,845,454
Assets subject to depreciation	<u>13,421,965</u>	<u>31,336</u>	<u>4,277,210</u>	<u>2,345,226</u>	<u>-</u>	<u>20,075,737</u>
Total noncurrent assets	<u>15,123,932</u>	<u>34,460</u>	<u>5,409,230</u>	<u>3,931,912</u>	<u>1,495</u>	<u>24,501,029</u>
Total assets	<u>17,155,279</u>	<u>2,115,547</u>	<u>6,260,693</u>	<u>5,135,456</u>	<u>902,571</u>	<u>31,569,546</u>
Deferred outflows of resources						
Deferred outflows related to pensions	72,200	190,267	-	273,535	-	536,002
Deferred outflows related to OPEB	<u>21,075</u>	<u>55,538</u>	<u>-</u>	<u>79,843</u>	<u>-</u>	<u>156,456</u>
Total deferred outflows of resources	<u>93,275</u>	<u>245,805</u>	<u>-</u>	<u>353,378</u>	<u>-</u>	<u>692,458</u>
Liabilities						
Current liabilities:						
Accounts payable	69,463	3,070	17,510	49,778	41,982	181,803
Due to other funds	2,194	-	6,889	-	1,327	10,410
Performance deposits payable	-	7,000	-	-	-	7,000
Accrued liabilities and other:						
Accrued payroll payable	44,287	25,178	6,280	43,542	12,053	131,340
Accrued interest payable	-	10	-	20,063	-	20,073
Taxes payable	15,847	3,124	-	5,402	722	25,095
Other current payables	110,374	-	-	-	-	110,374
Customer deposits payable	91,763	-	-	-	-	91,763
Unearned revenue	30,000	-	-	-	-	30,000
Compensated absences	20,383	17,727	-	14,294	11,445	63,849
Financed purchase agreements	-	4,673	-	798,741	-	803,414
Total current liabilities	<u>384,311</u>	<u>60,782</u>	<u>30,679</u>	<u>931,820</u>	<u>67,529</u>	<u>1,475,121</u>
Noncurrent liabilities:						
Financed purchase agreements	-	-	-	1,786,946	-	1,786,946
Net pension liability	184,665	486,644	-	699,618	-	1,370,927
Total OPEB liability	<u>88,493</u>	<u>233,204</u>	<u>-</u>	<u>335,263</u>	<u>-</u>	<u>656,960</u>
Total noncurrent liabilities	<u>273,158</u>	<u>719,848</u>	<u>-</u>	<u>2,821,827</u>	<u>-</u>	<u>3,814,833</u>
Total liabilities	<u>657,469</u>	<u>780,630</u>	<u>30,679</u>	<u>3,753,647</u>	<u>67,529</u>	<u>5,289,954</u>
Deferred inflows of resources						
Deferred inflows related to pensions	15,292	40,298	-	57,935	-	113,525
Deferred inflows related to OPEB	<u>43,375</u>	<u>114,306</u>	<u>-</u>	<u>164,331</u>	<u>-</u>	<u>322,012</u>
Total deferred inflows of resources	<u>58,667</u>	<u>154,604</u>	<u>-</u>	<u>222,266</u>	<u>-</u>	<u>435,537</u>
Net position						
Net investment in capital assets	14,135,399	26,663	5,409,230	1,340,206	-	20,911,498
Restricted:						
Capital outlay	986,966	-	-	616	-	987,582
Unrestricted	<u>1,410,053</u>	<u>1,399,455</u>	<u>820,784</u>	<u>172,099</u>	<u>835,042</u>	<u>4,637,433</u>
Total net position	<u>\$ 16,532,418</u>	<u>\$ 1,426,118</u>	<u>\$ 6,230,014</u>	<u>\$ 1,512,921</u>	<u>\$ 835,042</u>	<u>\$ 26,536,513</u>

Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2022

	Century Center	Consolidated Building	Parking Garage	Solid Waste	Morris Performing Arts Center	Total
Operating revenues						
Convention fees	\$ 3,060,358	\$ -	\$ -	\$ -	\$ 1,028,252	\$ 4,088,610
Licenses and permits	-	1,886,287	-	-	-	1,886,287
Parking fees	126,275	-	825,417	-	-	951,692
Solid waste fees	-	-	-	6,909,550	-	6,909,550
Charges to other funds	28,827	-	-	-	29,817	58,644
Other	125,315	7,965	-	63,306	67,311	263,897
Total operating revenues	<u>3,340,775</u>	<u>1,894,252</u>	<u>825,417</u>	<u>6,972,856</u>	<u>1,125,380</u>	<u>14,158,680</u>
Operating expenses						
Personnel services	380,769	1,047,061	-	1,706,536	557,968	3,692,334
Materials and supplies	1,064,660	25,192	60,091	433,612	28,686	1,612,241
Contractual services	698,359	60,487	440,899	3,567,788	375,245	5,142,778
General and administration	1,348,717	665,210	389,441	1,187,501	222,344	3,813,213
Depreciation	1,060,586	28,502	290,880	868,994	-	2,248,962
Total operating expenses	<u>4,553,091</u>	<u>1,826,452</u>	<u>1,181,311</u>	<u>7,764,431</u>	<u>1,184,243</u>	<u>16,509,528</u>
Operating income (loss)	<u>(1,212,316)</u>	<u>67,800</u>	<u>(355,894)</u>	<u>(791,575)</u>	<u>(58,863)</u>	<u>(2,350,848)</u>
Nonoperating revenues (expenses)						
Investment income	6,416	(6,841)	(2,968)	1,693	811	(889)
Hotel/motel tax revenues	1,912,500	-	-	-	-	1,912,500
Interest expense	-	(361)	-	(43,461)	-	(43,822)
(Loss) gain on sale of assets	-	-	3,404	-	-	3,404
Total nonoperating revenues (expenses)	<u>1,918,916</u>	<u>(7,202)</u>	<u>436</u>	<u>(41,768)</u>	<u>811</u>	<u>1,871,193</u>
Income (loss) - Before contributions and transfers	<u>706,600</u>	<u>60,598</u>	<u>(355,458)</u>	<u>(833,343)</u>	<u>(58,052)</u>	<u>(479,655)</u>
Capital contributions - Other capital contributions	-	-	-	7,410	-	7,410
Transfers in	-	-	-	1,245,351	939,012	2,184,363
Transfers out	<u>(100,688)</u>	<u>-</u>	<u>-</u>	<u>(981,664)</u>	<u>-</u>	<u>(1,082,352)</u>
Change in net position	605,912	60,598	(355,458)	(562,246)	880,960	629,766
Net position - Beginning of year	<u>15,926,506</u>	<u>1,365,520</u>	<u>6,585,472</u>	<u>2,075,167</u>	<u>(45,918)</u>	<u>25,906,747</u>
Net position - End of year	<u>\$ 16,532,418</u>	<u>\$ 1,426,118</u>	<u>\$ 6,230,014</u>	<u>\$ 1,512,921</u>	<u>\$ 835,042</u>	<u>\$ 26,536,513</u>

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2022

	Century Center	Consolidated Building	Parking Garage	Solid Waste	Morris Performing Arts Center	Total
Cash flows from operating activities						
Receipts from customers and users	\$ 2,797,752	\$ 1,902,995	\$ 825,417	\$ 7,099,979	\$ 623,406	\$ 13,249,549
Receipts from interfund services and reimbursements	-	-	-	(99)	-	(99)
Payments to suppliers	(1,689,571)	(89,180)	(503,096)	(4,054,614)	(378,270)	(6,714,731)
Payments to employees	(1,540,379)	(1,140,375)	(279,876)	(1,768,697)	(567,334)	(5,296,661)
Internal activity - payments to other funds	(241,183)	(665,210)	(97,069)	(1,187,501)	(222,103)	(2,413,066)
Internal activity - payments from other funds	28,827	-	-	-	29,817	58,644
Net cash provided by (used in) operating activities	(644,554)	8,230	(54,624)	89,068	(514,484)	(1,116,364)
Cash flows from noncapital financing activities						
Transfers from other funds	-	-	-	1,245,351	939,012	2,184,363
Transfers to other funds	(100,688)	-	-	(981,664)	-	(1,082,352)
Hotel/motel tax	1,912,500	-	-	-	-	1,912,500
Net cash (used in) provided by noncapital financing activities	1,811,812	-	-	263,687	939,012	3,014,511
Cash flows from capital and related financing activities						
Proceeds from capital debt issued for future capital purchase	-	-	-	1,559,726	-	1,559,726
Purchase of capital assets	(419,058)	-	-	(758,273)	-	(1,177,331)
Principal paid on capital debt	-	(23,593)	-	(950,448)	-	(974,041)
Interest paid on capital debt	-	(526)	-	(31,216)	-	(31,742)
Net cash (used in) provided by capital and related financing activities	(419,058)	(24,119)	3,404	(172,801)	-	(612,574)
Cash flows from investing activities						
Interest received on investments	3,933	(11,257)	(4,628)	1,415	(373)	(10,910)
Proceeds from sale and maturities of investment securities	-	113,792	72,804	373,552	(229,946)	330,202
Net cash provided by (used in) investing activities	3,933	102,535	68,176	374,967	(230,319)	319,292
Net (decrease) increase in cash and cash equivalents	752,133	86,646	16,956	554,921	194,209	1,604,865
Cash and cash equivalents - beginning of year	1,182,338	876,788	375,765	1,167,018	5,074	3,606,983
Cash and cash equivalents - end of year	\$ 1,934,471	\$ 963,434	\$ 392,721	\$ 1,721,939	\$ 199,283	\$ 5,211,848
Classification of cash and cash equivalents						
Cash and investments	\$ 945,938	\$ 2,075,300	\$ 849,288	\$ 291,651	\$ 427,734	\$ 4,589,911
Restricted cash and investments	988,533	3,124	-	1,586,686	1,495	2,579,838
Less amounts classified as investments	-	(1,114,990)	(456,567)	(156,398)	(229,946)	(1,957,901)
Total cash and cash equivalents	\$ 1,934,471	\$ 963,434	\$ 392,721	\$ 1,721,939	\$ 199,283	\$ 5,211,848
Reconciliation of operating income (loss) to net cash from operating activities						
Operating income (loss)	(1,212,316)	67,800	(355,894)	(791,575)	(58,863)	(2,350,848)
Adjustments to reconcile operating income (loss) to net cash from operating activities:						
Depreciation and amortization	1,060,586	28,502	290,880	868,994	-	2,248,962
Changes in assets and liabilities:						
Receivables	(511,737)	-	-	60,948	(472,157)	(922,946)
Due from other funds	-	-	-	(99)	-	(99)
Inventory	(19,120)	-	-	-	-	(19,120)
Prepaid expenses and other assets	(3,463)	-	-	-	-	(3,463)
Increase (decrease) in liabilities:						
Accounts payable	17,578	2,213	(2,106)	(45,703)	30,014	1,996
Taxes payable	6,635	(554)	-	25	(1,392)	4,714
Due to other funds	43	-	6,216	-	241	6,500
Accrued payroll payable	6,408	(5,438)	6,280	(1,217)	(5,532)	501
Compensated absences payable	1,872	(1,673)	-	1,162	(3,834)	(2,473)
Customer deposits	(17,189)	-	-	-	-	(17,189)
Other current payables	71,818	(5,156)	-	(7,537)	(2,961)	56,164
Increase (decrease) in deferred outflows of resources:						
Pension items	(6,927)	(40,607)	-	(82,845)	-	(130,379)
OPEB items	5,715	5,887	-	(1,578)	-	10,024
Increase (decrease) in net pension liabilities	103,647	300,884	-	462,931	-	867,462
Increase (decrease) in OPEB liability	(51,172)	(87,023)	-	(72,757)	-	(210,952)
Increase (decrease) in deferred inflows of resources:						
Pension items	(111,990)	(251,537)	-	(313,910)	-	(677,437)
OPEB items	(8,689)	(5,068)	-	12,229	-	(1,528)
Total adjustments	574,015	(59,570)	301,270	880,643	(455,621)	1,240,737
Net cash provided by (used in) operating activities	\$ (638,301)	\$ 8,230	\$ (54,624)	\$ 89,068	\$ (514,484)	\$ (1,110,111)
Noncash investing, capital, and financing activities						
Capital assets acquired through lease	\$ -	\$ -	\$ -	\$ 758,270	\$ -	\$ 758,270
Capital assets disposed (at cost)	-	-	(43,249)	-	-	(43,249)
Work in progress completed transferred to capital assets	-	-	-	-	-	-
Accumulated depreciation on disposals of capital assets	-	-	43,249	-	-	43,249

INTERNAL SERVICE FUNDS

Liability Insurance Premium Reserve	To account for expenses related to maintaining the City's self-funded liability insurance including administrative costs, claims and premiums. Funding is provided by assessments to certain other City funds.
Self-Funded Employee Benefits	To account for employer and employee contributions for a health plan, and for the payment of healthcare claims for members of the City's plan.
Central Services	To account for expenses related to fuel, vehicle repairs and various supplies provided to City departments on a cost-reimbursement basis.
Police Take Home Vehicle	To account for expenses associated with claims arising from use of program vehicles occurring while officers are not on duty. Funding is provided by officers participating in the program.
Innovation/ Information Technology/ 311 Call Center	To account for expenses associated with the 311 Call Center and Department of Innovation & Technology. The Call Center is a customer service support center where residents and business can receive personal assistance with City-related questions and non-emergency services. The IT Department provides technical services to the various departments within the City. Funding is provided by the departments which benefit from the departments.
Unemployment Compensation Insurance	To account for payment of unemployment claims to the Indiana Department of Workforce Development. Financing is provided by allocating costs to user departments to cover the estimated costs of claims.
Parental Leave	To account for expenses related to the City's Parental Leave Program which provides additional paid time off for employees for the child or adoption of a child. Financing is provided by allocating costs to user departments to cover the estimated costs of the program.

	Liability Insurance Premium Reserve	Self-Funded Employee Benefits	Central Services	Police Take Home Vehicle	Innovation & Technology 311 Call Center	Unemployment Compensation Insurance	Parental Leave	Total
Assets								
Current assets:								
Cash and cash equivalents	\$ 2,612,682	\$ 4,857,850	\$ 144,559	\$ 340,364	\$ 2,112,480	\$ 35,320	\$ 186,182	\$ 10,289,437
Investments	3,041,861	5,654,443	161,460	396,275	2,445,033	41,122	216,765	11,956,959
Receivables:								
Accounts	-	2,408	42,688	-	-	-	-	45,096
Interest	11,348	27,038	1,028	1,895	7,648	197	1,037	50,191
Inventory	-	-	1,365,533	-	-	-	-	1,365,533
Prepaid expenses	480,109	10,980	-	-	1,105,585	34,975	-	1,631,649
Total current assets	6,146,000	10,552,719	1,715,268	738,534	5,670,746	111,614	403,984	25,338,865
Noncurrent assets:								
Restricted assets	-	-	8,223	-	76,161	-	-	84,384
Capital assets:								
Assets not subject to depreciation	1,282,165	-	-	-	-	-	-	1,282,165
Assets subject to depreciation	-	-	866,276	-	-	-	-	866,276
Total noncurrent assets	1,282,165	-	874,499	-	76,161	-	-	2,232,825
Total assets	7,428,165	10,552,719	2,589,767	738,534	5,746,907	111,614	403,984	27,571,690
Deferred outflows of resources								
Deferred outflows related to pensions	-	-	400,760	-	468,802	-	-	869,562
Deferred outflows related to OPEB	-	-	116,980	-	136,841	-	-	253,821
Total deferred outflows of resources	-	-	517,740	-	605,643	-	-	1,123,383
Liabilities								
Current liabilities:								
Accounts payable	607,140	964,201	219,735	-	141,880	-	-	1,932,956
Due to other funds	-	-	1,020	-	-	-	-	1,020
Accrued liabilities and other:								
Accrued payroll payable	-	-	66,283	-	67,020	-	-	133,303
Accrued interest payable	-	-	47	-	24,836	-	-	24,883
Taxes payable	-	-	8,223	-	8,314	-	-	16,537
Other current payables	-	-	-	-	-	-	-	-
Compensated absences	-	-	34,112	-	72,479	-	-	106,591
Claims payable	3,512,330	1,073,788	-	-	-	-	-	4,586,118
Financed purchase agreements	-	-	8,254	-	684,816	-	-	693,070
Total current liabilities	4,119,470	2,037,989	337,674	-	999,345	-	-	7,494,478
Noncurrent liabilities:								
Financed purchase agreements	-	-	4,198	-	855,932	-	-	860,130
Net pension liability	-	-	1,025,021	-	1,199,052	-	-	2,224,073
Total OPEB liability	-	-	491,199	-	574,596	-	-	1,065,795
Total noncurrent liabilities	-	-	1,520,418	-	2,629,580	-	-	4,149,998
Total liabilities	4,119,470	2,037,989	1,858,092	-	3,628,925	-	-	11,644,476
Deferred inflows of resources								
Deferred inflows related to pensions	-	-	84,881	-	99,292	-	-	184,173
Deferred inflows related to OPEB	-	-	240,763	-	281,641	-	-	522,404
Total deferred inflows of resources	-	-	325,644	-	380,933	-	-	706,577
Net position								
Net investment in capital assets	1,282,165	-	853,824	-	-	-	-	2,135,989
Unrestricted	2,026,530	8,514,730	69,947	738,534	2,342,692	111,614	403,984	14,208,031
Total net position	\$ 3,308,695	\$ 8,514,730	\$ 923,771	\$ 738,534	\$ 2,342,692	\$ 111,614	\$ 403,984	\$ 16,344,020

Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds

For the Year Ended December 31, 2022

	Liability Insurance Premium Reserve	Self-Funded Employee Benefits	Central Services	Police Take Home Vehicle	Innovation & Technology 311 Call Center	Unemployment Compensation Insurance	Parental Leave	Total
Operating revenues								
Employee/employer contributions	\$ 3,365,000	\$ 16,151,649	\$ -	\$ 44,220	\$ 9,620,204	\$ 77,230	\$ 260,138	\$ 29,518,441
Charges for sales and services	-	-	9,163,424	-	-	-	-	9,163,424
Charges to other funds	-	-	160,000	-	-	-	-	160,000
Other	741,339	868,171	89,680	-	318,831	-	-	2,018,021
Total operating revenues	<u>4,106,339</u>	<u>17,019,820</u>	<u>9,413,104</u>	<u>44,220</u>	<u>9,939,035</u>	<u>77,230</u>	<u>260,138</u>	<u>40,859,886</u>
Operating expenses								
Personnel services	27,183	88,185	2,240,761	-	2,436,207	-	79,873	4,872,209
Materials and supplies	-	54,385	5,949,092	-	706,723	-	-	6,710,200
Contractual services	1,841,489	1,405,893	241,167	-	4,783,730	-	-	8,272,279
Insurance claims and premiums	2,262,433	16,640,128	-	-	-	24,444	-	18,927,005
General and administration	-	-	757,176	-	653	-	-	757,829
Depreciation	-	-	115,564	-	-	-	-	115,564
Total operating expenses	<u>4,131,105</u>	<u>18,188,591</u>	<u>9,303,760</u>	<u>-</u>	<u>7,927,313</u>	<u>24,444</u>	<u>79,873</u>	<u>39,655,086</u>
Operating income (loss)	<u>(24,766)</u>	<u>(1,168,771)</u>	<u>109,344</u>	<u>44,220</u>	<u>2,011,722</u>	<u>52,786</u>	<u>180,265</u>	<u>1,204,800</u>
Nonoperating revenues (expenses)								
Investment income	(16,314)	(25,554)	2,610	(2,497)	(26,534)	(591)	(2,428)	(71,308)
Interest expense	-	-	(392)	-	(66,832)	-	-	(67,224)
(Loss) gain on sale of assets	-	-	25,852	-	-	-	-	25,852
Total nonoperating revenues (expenses)	<u>(16,314)</u>	<u>(25,554)</u>	<u>28,070</u>	<u>(2,497)</u>	<u>(93,366)</u>	<u>(591)</u>	<u>(2,428)</u>	<u>(112,680)</u>
Income (loss) - Before contributions and transfers	<u>(41,080)</u>	<u>(1,194,325)</u>	<u>137,414</u>	<u>41,723</u>	<u>1,918,356</u>	<u>52,195</u>	<u>177,837</u>	<u>1,092,120</u>
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Change in net position	<u>(41,080)</u>	<u>(1,194,325)</u>	<u>137,414</u>	<u>41,723</u>	<u>1,918,356</u>	<u>52,195</u>	<u>177,837</u>	<u>1,092,120</u>
Net position - Beginning of year	<u>3,349,775</u>	<u>9,709,055</u>	<u>786,357</u>	<u>696,811</u>	<u>424,336</u>	<u>59,419</u>	<u>226,147</u>	<u>15,251,900</u>
Net position - End of year	<u>\$ 3,308,695</u>	<u>\$ 8,514,730</u>	<u>\$ 923,771</u>	<u>\$ 738,534</u>	<u>\$ 2,342,692</u>	<u>\$ 111,614</u>	<u>\$ 403,984</u>	<u>\$ 16,344,020</u>

	Liability Insurance Premium Reserve	Self-Funded Employee Benefits	Central Services	Police Take Home Vehicle	Innovation/ Technology/ 311 Call Center	Unemployment Compensation Insurance	Parental Leave	Total
Cash flows from operating activities								
Receipts from customers and users	\$ 756,116	\$ 865,763	\$ 572,373	\$ 44,220	\$ 319,384	\$ -	\$ -	\$ 2,557,856
Receipts from interfund services and reimbursements	3,365,000	16,151,649	8,883,854	-	9,623,847	77,230	260,138	38,361,718
Payments to suppliers	(3,244,272)	(17,212,147)	(6,605,413)	1	(5,531,138)	-	-	(32,592,969)
Payments to employees	-	-	(2,479,742)	-	(2,680,801)	-	(79,873)	(5,240,416)
Internal activity - payments to other funds	-	-	(757,091)	-	(653)	-	-	(757,744)
Net cash provided by (used in) operating activities	876,844	(194,735)	(386,019)	44,221	1,730,639	77,230	180,265	2,328,445
Cash flows from capital and related financing activities								
Proceeds from capital debt issued for future capital purchase	-	-	-	-	418,146	-	-	418,146
Proceeds from sales of capital assets	-	-	25,852	-	-	-	-	25,852
Purchase of capital assets	(1,282,165)	-	-	-	-	-	-	(1,282,165)
Principal paid on capital debt	-	-	(8,069)	-	(936,155)	-	-	(944,224)
Interest paid on capital debt	-	-	(422)	-	(65,014)	-	-	(65,436)
Net cash (used in) provided by capital and related financing activities	(1,282,165)	-	17,361	-	(583,023)	-	-	(1,847,827)
Cash flows from investing activities								
Interest received on investments	(24,186)	(46,448)	1,960	(3,995)	(32,217)	(788)	(3,336)	(109,010)
Proceeds from sale and maturities of investment securities	524,889	651,620	223,616	12,116	(430,496)	(41,122)	(84,223)	856,400
Net cash provided by (used in) investing activities	500,703	605,172	225,576	8,121	(462,713)	(41,910)	(87,559)	747,390
Net (decrease) increase in cash and cash equivalents	95,382	410,437	(143,082)	52,342	684,903	35,320	92,706	1,228,008
Cash and cash equivalents - beginning of year	2,517,301	4,447,413	295,864	288,022	1,503,739	-	93,476	9,145,815
Cash and cash equivalents - end of year	\$ 2,612,683	\$ 4,857,850	\$ 152,782	\$ 340,364	\$ 2,188,642	\$ 35,320	\$ 186,182	\$ 10,373,823
Classification of cash and cash equivalents								
Cash and investments	\$ 5,854,544	\$ 10,512,293	\$ 306,019	\$ 736,639	\$ 4,557,514	\$ 76,442	\$ 402,947	\$ 22,246,398
Restricted cash and investments	-	-	8,223	-	76,161	-	-	84,384
Less amounts classified as investments	(3,041,861)	(5,654,443)	(161,460)	(396,275)	(2,445,033)	(41,122)	(216,765)	(11,956,959)
Total cash and cash equivalents	\$ 2,612,683	\$ 4,857,850	\$ 152,782	\$ 340,364	\$ 2,188,642	\$ 35,320	\$ 186,182	\$ 10,373,823
Reconciliation of operating income (loss) to net cash from operating activities								
Operating income (loss)	(24,766)	(1,168,771)	109,344	44,220	2,011,722	52,786	180,265	1,204,800
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation and amortization	-	-	115,564	-	-	-	-	115,564
Changes in assets and liabilities:								
Receivables	14,777	(2,408)	81,583	-	552	-	-	94,504
Due from other funds	-	-	-	-	-	-	-	-
Inventory	-	-	(422,666)	-	-	-	-	(422,666)
Prepaid expenses and other assets	(24,604)	(3,660)	1,500	-	(59,638)	24,444	-	(61,958)
Accounts payable	550,729	755,700	16,551	1	31,566	-	-	1,354,547
Taxes payable	-	-	410	-	(400)	-	-	10
Due to other funds	-	-	85	-	-	-	-	85
Accrued payroll payable	-	-	1,250	-	(5,511)	-	-	(4,261)
Compensated absences payable	-	-	6,921	-	(6,047)	-	-	874
Other current payables	-	-	(10,951)	-	(12,214)	-	-	(23,165)
Estimate of unfilled claims	360,708	224,404	-	-	-	-	-	585,112
Increase (decrease) in deferred outflows of resources:								
Pension items	-	-	(59,579)	-	(91,887)	-	-	(151,466)
OPEB items	-	-	23,051	-	17,856	-	-	40,907
Increase (decrease) in net pension liabilities	-	-	601,542	-	731,220	-	-	1,332,762
Increase (decrease) in OPEB liability	-	-	(238,827)	-	(231,889)	-	-	(470,716)
Increase (decrease) in deferred inflows of resources:								
Pension items	-	-	(580,421)	-	(635,690)	-	-	(1,216,111)
OPEB items	-	-	(31,376)	-	(19,001)	-	-	(50,377)
Total adjustments	901,610	974,036	(495,363)	1	(281,083)	24,444	-	1,123,645
Net cash provided by (used in) operating activities	\$ 876,844	\$ (194,735)	\$ (386,019)	\$ 44,221	\$ 1,730,639	\$ 77,230	\$ 180,265	\$ 2,328,445
Noncash investing, capital, and financing activities								
Capital assets disposed (at cost)	\$ -	\$ -	\$ (34,169)	\$ -	\$ (30,652)	\$ -	\$ -	\$ (64,822)
Capital assets transferred from/to another und (cost)	-	-	(10,800)	-	-	-	-	(10,800)
Accumulated depreciation on disposals of capital assets	-	-	17,616	-	30,652	-	-	48,268
Accumulated depreciation on transfers of capital assets	-	-	10,800	-	-	-	-	10,800

FIDUCIARY FUNDS

Pension Trust Funds

1925 Police Pension

To account for the provision of retirement and disability benefits to police officers hired prior to May 1, 1977. Financing is provided by mandatory contributions by active members, and state pension relief distributions.

1937 Firefighters' Pension

To account for the provision of retirement and disability benefits to firefighters hired prior to May 1, 1977. Financing is provided by mandatory contributions by active members and state pension relief distributions.

Custodial Funds

Police Distributions Payable

To account for monies collected by the South Bend Police Department from asset seizures and other sources. Proceeds may be used to pay other governmental agencies for monies collected on their behalf or for related expenses.

Morris / Palais Box Office

To account for Morris Performing Arts Center and Palais Royale event advance deposits. Customer deposits are used for event-related activity, and any deposit remaining after event expenses is returned to the customer.

	Pension Trust Funds			Custodial Funds		
	1925 Police Pension	1937 Firefighters' Pension	Total Pension Trust Funds	Morris / Palais Box Office	Police Distribution Payable	Total Custodial Funds
Assets						
Cash and cash equivalents	\$ 279,608	\$ 163,305	\$ 442,913	\$ 1,622,911	\$ 1,048,916	\$ 2,671,827
Investments:						
U.S. Treasuries	45,904	26,811	72,715	-	-	-
U.S. Government Agency Securities	279,034	162,971	442,005	-	-	-
Tax-Exempt Municipal Bonds	600	350	950	-	-	-
Receivables - Interest	1,555	908	2,463	-	-	-
Total assets	<u>606,701</u>	<u>354,345</u>	<u>961,046</u>	<u>1,622,911</u>	<u>1,048,916</u>	<u>2,671,827</u>
Liabilities						
Accounts payable	89	83	172	9,617	-	9,617
Customer deposits payable	-	-	-	1,613,294	-	1,613,294
Police distribution payable	-	-	-	-	1,048,916	1,048,916
Total liabilities	<u>89</u>	<u>83</u>	<u>172</u>	<u>1,622,911</u>	<u>1,048,916</u>	<u>2,671,827</u>
Net position restricted for pensions	<u>\$ 606,612</u>	<u>\$ 354,262</u>	<u>\$ 960,874</u>			

Statement of Changes in Fiduciary Net Position
Fiduciary Funds

For the Year Ended December 31, 2022

	Pension Trust Funds			Custodial Funds		
	1925 Police Pension	1937 Firefighters' Pension	Total Pension Trust Funds	Morris / Palais Box Office	Police Distribution Payable	Total Custodial Funds
Additions						
Investment income (loss) - Interest and dividends	\$ (417)	\$ 611	\$ 194	\$ -	\$ -	\$ -
Police asset seizures	-	-	-	-	89,995	89,995
Contributions:						
On behalf	6,010,721	4,061,778	10,072,499	-	-	-
Other	1,527	5,728	7,255	-	-	-
Net contributions	6,012,248	4,067,506	10,079,754	-	-	-
Customer deposits	-	-	-	3,358,388	-	3,358,388
Total additions	6,011,831	4,068,117	10,079,948	3,358,388	89,995	3,448,383
Deductions						
Benefit payments	5,950,596	4,112,727	10,063,323	-	-	-
Police distributions	-	-	-	-	682,482	682,482
Police distributions payable	-	-	-	-	(592,487)	(592,487)
Customer deposits distributed	-	-	-	2,538,806	-	2,538,806
Customer deposits payable	-	-	-	819,582	-	819,582
Administrative expenses	14,152	20,262	34,414	-	-	-
Total deductions	5,964,748	4,132,989	10,097,737	3,358,388	89,995	3,448,383
Net increase (decrease) in net position held in trust	47,083	(64,872)	(17,789)	-	-	-
Net position - Beginning of year	559,529	419,134	978,663	-	-	-
Net position - End of year	\$ 606,612	\$ 354,262	\$ 960,874	\$ -	\$ -	\$ -

Statistical Section

This part of the annual comprehensive financial report presents detailed information as context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

The statistical section is organized into the following main categories:

Financial trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt capacity

These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and economic information

These schedules help the reader understand the environment within which the government's financial activities take place.

Operating information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Net Position by Component

Last Ten Fiscal Years

	2013	2014 (1)	2015 (1)	2016	2017	2018	2019 (2)	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 192,190,446	\$ 168,275,521	\$ 157,604,691	\$ 161,341,318	\$ 155,912,682	\$ 143,282,487	\$ 133,763,392	\$ 128,432,152	\$ 133,711,581	\$ 138,388,784
Restricted	7,990,172	8,723,878	9,137,552	8,669,117	9,245,531	11,639,254	11,332,302	11,810,879	30,180,859	10,969,003
Unrestricted	<u>86,413,227</u>	<u>(18,581,970)</u>	<u>(25,882,348)</u>	<u>(7,327,797)</u>	<u>(16,751,916)</u>	<u>3,673,134</u>	<u>10,845,011</u>	<u>31,481,927</u>	<u>51,283,016</u>	<u>152,234,215</u>
Total net position	<u>\$ 286,593,845</u>	<u>\$ 158,417,429</u>	<u>\$ 140,859,895</u>	<u>\$ 162,682,638</u>	<u>\$ 148,406,297</u>	<u>\$ 158,594,875</u>	<u>\$ 155,940,705</u>	<u>\$ 171,724,958</u>	<u>\$ 215,175,456</u>	<u>\$ 301,592,002</u>
Business-type activities										
Net investment in capital assets	\$ 114,506,252	\$ 136,685,811	\$ 141,998,384	\$ 145,288,974	\$ 145,585,038	\$ 147,069,159	\$ 151,699,680	\$ 158,425,568	\$ 165,916,250	\$ 171,543,157
Restricted	48,267,664	26,587,012	28,397,290	31,963,852	29,623,015	33,936,695	34,701,170	42,169,068	42,713,237	50,422,677
Unrestricted	<u>7,906,258</u>	<u>22,426,017</u>	<u>24,415,739</u>	<u>25,357,665</u>	<u>28,103,338</u>	<u>30,785,421</u>	<u>19,018,588</u>	<u>12,248,916</u>	<u>20,263,612</u>	<u>19,143,447</u>
Total net position	<u>\$ 170,680,174</u>	<u>\$ 185,698,840</u>	<u>\$ 194,811,413</u>	<u>\$ 202,610,491</u>	<u>\$ 203,311,391</u>	<u>\$ 211,791,275</u>	<u>\$ 205,419,438</u>	<u>\$ 212,843,552</u>	<u>\$ 228,893,099</u>	<u>\$ 241,109,281</u>
Primary government										
Net investment in capital assets	\$ 306,696,698	\$ 304,961,332	\$ 299,603,075	\$ 306,630,292	\$ 301,497,720	\$ 290,531,646	\$ 285,463,072	\$ 286,857,720	\$ 299,627,831	\$ 309,931,941
Restricted	56,257,836	35,310,890	37,534,842	40,632,969	\$ 38,868,546	45,575,949	46,033,472	53,979,947	72,894,096	61,391,680
Unrestricted	<u>94,319,485</u>	<u>3,844,047</u>	<u>(1,466,609)</u>	<u>18,029,868</u>	<u>11,351,422</u>	<u>34,458,555</u>	<u>29,863,599</u>	<u>43,730,843</u>	<u>71,546,628</u>	<u>171,377,662</u>
Total net position	<u>\$ 457,274,019</u>	<u>\$ 344,116,269</u>	<u>\$ 335,671,308</u>	<u>\$ 365,293,129</u>	<u>\$ 351,717,688</u>	<u>\$ 370,566,150</u>	<u>\$ 361,360,143</u>	<u>\$ 384,568,510</u>	<u>\$ 444,068,555</u>	<u>\$ 542,701,283</u>

Net position is defined as the difference between total assets and deferred outflows of resources less total liabilities and deferred inflows of resources and can generally be thought of as the net worth of the City of South Bend.

(1) The City implemented the reporting of net pension liability through GASB 68 during 2015. 2014 was restated.

(2) 2019 Net position for governmental and business-type is restated. See Note 20 for information regarding the prior period adjustments.

Source: City of South Bend Annual Comprehensive Financial Reports

Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ (13,200,898)	\$ (19,013,453)	\$ (21,572,776)	\$ (15,618,817)	\$ (16,750,853)	\$ (12,654,430)	\$ (10,915,147)	\$ (15,594,628)	\$ (13,099,391)	\$ (21,881,174)
Public safety	(76,023,819)	(68,783,155)	(56,528,448)	(55,029,909)	(71,656,865)	(69,209,163)	(92,017,691)	(71,038,475)	(66,584,412)	(56,739,974)
Highways and streets	(20,915,815)	(13,031,500)	(20,045,444)	(13,550,535)	(21,716,658)	(17,223,378)	(27,114,327)	(30,954,585)	(29,402,967)	(24,745,703)
Community and economic development	(10,069,690)	(19,780,791)	(40,727,612)	(28,436,368)	(26,326,989)	(33,801,755)	(44,698,518)	(33,591,809)	(18,151,702)	(25,843,717)
Culture and recreation	(26,846,471)	(16,802,311)	(20,300,768)	(17,156,094)	(19,332,902)	(26,076,331)	(24,641,558)	(18,219,658)	(20,298,172)	(20,604,274)
Interest on long-term debt	(5,961,124)	(2,497,849)	(5,135,146)	(4,727,630)	(4,538,530)	(5,718,172)	(5,746,755)	(5,928,006)	(5,517,287)	(5,627,814)
Total governmental activities expenses	<u>(153,017,817)</u>	<u>(139,909,059)</u>	<u>(164,310,194)</u>	<u>(134,519,353)</u>	<u>(160,322,797)</u>	<u>(164,683,229)</u>	<u>(205,133,996)</u>	<u>(175,327,161)</u>	<u>(153,053,931)</u>	<u>(155,442,656)</u>
Business-type activities:										
Water utility	(15,221,865)	(13,020,610)	(13,609,378)	(14,900,039)	(14,902,682)	(14,788,847)	(16,268,059)	(15,426,501)	(14,387,728)	(15,760,389)
Wastewater utility	(26,390,790)	(25,521,753)	(25,737,867)	(26,420,526)	(32,548,087)	(25,744,139)	(32,482,382)	(30,400,218)	(29,248,157)	(30,960,152)
Century center	(4,330,656)	(4,747,838)	(4,854,747)	(5,364,472)	(5,121,336)	(5,287,797)	(5,469,673)	(3,513,761)	(3,826,100)	(4,553,091)
Consolidated building (1)	(1,131,815)	(3,242,320)	(3,552,347)	(3,240,172)	(3,704,963)	(4,136,837)	(4,329,275)	(1,500,424)	(1,346,344)	(1,826,813)
Parking garage	(1,285,056)	(1,660,596)	(2,139,182)	(909,857)	(1,177,363)	(459,536)	(1,178,641)	(1,262,908)	(966,418)	(1,181,311)
Solid waste	(5,091,588)	(5,811,526)	(5,243,972)	(5,794,913)	(5,169,128)	(5,467,986)	(5,481,420)	(6,169,271)	(6,133,675)	(7,807,892)
Blackthorn golf course	(1,497,513)	(1,874,962)	(165,977)	-	-	-	-	-	-	-
Emergency medical services (2)	-	-	(6,596,206)	(7,437,349)	(8,617,050)	(8,987,340)	(7,864,987)	(91,057)	(2,017)	-
Morris performing arts center	-	-	-	-	-	-	-	-	(45,918)	(1,184,243)
Total business-type activities expenses	<u>(54,949,283)</u>	<u>(55,879,605)</u>	<u>(61,899,676)</u>	<u>(64,067,328)</u>	<u>(71,240,609)</u>	<u>(64,872,482)</u>	<u>(73,074,437)</u>	<u>(58,364,140)</u>	<u>(55,956,357)</u>	<u>(63,273,891)</u>
Total primary government expenses	<u>(207,967,100)</u>	<u>(195,788,664)</u>	<u>(226,209,870)</u>	<u>(198,586,681)</u>	<u>(231,563,406)</u>	<u>(229,555,711)</u>	<u>(278,208,433)</u>	<u>(233,691,301)</u>	<u>(209,010,288)</u>	<u>(218,716,547)</u>
Program revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,939,865	\$ 1,451,438	\$ 1,188,531	\$ 1,622,788	\$ 1,118,328	\$ 718,155	\$ 452,796	\$ 635,786	\$ 619,851	\$ 607,155
Public safety	5,210,272	4,992,228	529,386	975,712	648,136	702,977	521,835	5,940,878	6,322,288	6,764,488
Highways and streets	451,363	728,343	676,429	707,547	976,095	-	244,790	690,372	416,847	308,415
Community and economic development	444,839	485,938	408,654	481,293	1,489,942	698,252	199,405	1,391,715	1,973,800	1,876,212
Culture and recreation	5,112,019	3,815,920	3,726,359	4,383,977	4,308,699	4,356,659	4,240,087	3,180,546	3,791,726	3,671,567
Operating grants and contributions	21,466,622	3,203,805	2,813,481	2,644,272	11,828,681	26,248,738	14,701,908	20,139,125	20,180,108	21,370,099
Capital grants and contributions	1,867,213	-	-	-	1,000,000	4,100,000	3,605,801	949,034	3,742,319	1,000,000
Total governmental activities program revenues	<u>36,492,193</u>	<u>14,677,672</u>	<u>9,342,840</u>	<u>10,815,589</u>	<u>21,369,881</u>	<u>36,824,781</u>	<u>23,966,622</u>	<u>32,927,456</u>	<u>37,046,939</u>	<u>35,597,936</u>
Business-type activities:										
Charges for services:										
Water utility	15,102,462	14,373,176	14,204,285	15,091,372	15,290,203	17,183,460	20,440,181	21,536,290	21,486,628	20,856,662
Wastewater utility	32,474,743	34,009,117	36,638,804	39,061,562	38,794,212	39,931,429	41,324,779	39,653,436	41,517,462	42,707,606
Century center	3,463,813	2,227,171	4,202,564	4,796,676	3,055,793	3,258,017	3,268,026	1,047,253	1,465,145	3,340,775
Consolidated building	967,667	1,387,571	2,037,950	1,764,100	1,902,493	2,044,582	2,043,272	1,302,594	1,518,911	1,894,252
Parking garage	968,868	1,017,218	968,417	996,197	1,264,706	1,323,524	1,004,401	885,672	951,227	828,821
Solid waste	5,399,044	5,295,712	5,364,871	5,839,143	5,420,711	5,471,364	5,465,311	5,754,646	6,118,743	6,972,856
Blackthorn golf course	1,530,402	1,548,341	109,949	-	-	-	-	-	-	-
Emergency medical services	-	-	6,470,446	7,921,172	7,308,243	6,727,643	5,720,434	797	-	-
Morris performing arts center	-	-	-	-	-	-	-	-	-	1,125,380
Operating grants and contributions	-	-	-	-	-	278,112	-	-	-	-
Capital grants and contributions	697,916	95,834	4,683,424	649,609	1,170,970	-	1,710,762	2,142,194	743,450	7,410
Total business-type activities program revenues	<u>60,604,915</u>	<u>59,954,140</u>	<u>74,680,710</u>	<u>76,119,831</u>	<u>74,207,331</u>	<u>76,218,131</u>	<u>80,977,166</u>	<u>72,322,882</u>	<u>73,801,566</u>	<u>77,733,762</u>
Total primary government program revenues	<u>97,097,108</u>	<u>74,631,812</u>	<u>84,023,550</u>	<u>86,935,420</u>	<u>95,577,212</u>	<u>113,042,912</u>	<u>104,943,788</u>	<u>105,250,338</u>	<u>110,848,505</u>	<u>113,331,698</u>
Net (expenses)/revenues										
Governmental activities	(116,525,624)	(125,231,387)	(154,967,354)	(123,703,764)	(138,952,916)	(127,858,448)	(181,167,374)	(142,399,705)	(116,006,992)	(119,844,720)
Business-type activities	5,655,632	4,074,535	12,781,034	12,052,503	2,966,722	11,345,649	7,902,729	13,958,742	17,845,209	14,459,871
Total primary government net (expenses)/revenues	<u>(110,869,992)</u>	<u>(121,156,852)</u>	<u>(142,186,320)</u>	<u>(111,651,261)</u>	<u>(135,986,194)</u>	<u>(116,512,799)</u>	<u>(173,264,645)</u>	<u>(128,440,963)</u>	<u>(98,161,783)</u>	<u>(105,384,849)</u>

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General revenues and other changes in net position										
Governmental activities:										
Taxes:										
Property taxes	\$ 72,018,650	\$ 69,221,468	\$ 72,032,049	\$ 76,331,581	\$ 78,266,107	\$ 80,155,902	\$ 82,470,667	\$ 80,188,143	\$ 87,866,397	\$ 88,670,960
Income taxes	21,916,677	23,822,661	23,879,047	30,789,397	28,179,750	32,911,525	34,643,723	36,897,937	35,736,715	31,464,822
Hotel/motel taxes	-	-	492,000	396,000	394,000	616,437	630,000	602,937	604,437	795,960
Community revitalization district taxes	244,623	-	-	-	-	-	-	-	-	-
State-shared revenue	6,543,920	29,061,942	25,623,373	26,124,184	17,113,289	4,819,125	13,050,283	12,242,415	13,357,839	61,869,953
Unrestricted investment income (loss)	762,270	951,901	1,322,674	1,458,787	1,687,888	3,304,646	5,136,772	2,152,868	(52,191)	(999,162)
Other miscellaneous income	14,285,314	6,747,199	11,214,442	6,745,542	8,731,916	10,523,004	17,646,068	17,917,905	19,002,228	20,501,061
Gain (loss) on sale of capital assets	-	-	-	-	-	-	-	80,339	104,819	21,455
Transfers	4,525,187	(683,049)	2,846,415	3,681,016	4,123,183	5,229,661	2,768,851	8,101,414	2,837,246	3,936,217
Total governmental activities	<u>120,296,641</u>	<u>129,122,122</u>	<u>137,410,000</u>	<u>145,526,507</u>	<u>138,496,133</u>	<u>137,560,300</u>	<u>156,346,364</u>	<u>158,183,958</u>	<u>159,457,490</u>	<u>206,261,266</u>
Business-type activities:										
Unrestricted Investment earnings	138,362	128,168	358,918	570,982	578,773	1,088,896	1,784,206	639,006	4,084	(219,972)
Hotel/motel taxes (3)	-	1,313,450	-	-	1,275,000	1,275,000	1,275,000	956,250	1,037,500	1,912,500
Other	-	188,214	-	-	3,588	-	-	(28,470)	-	-
Gain (loss) on sale of capital assets	-	-	-	(1,143,391)	-	-	-	-	-	-
Transfers	(4,525,187)	683,049	(2,846,415)	(3,681,016)	(4,123,183)	(5,229,661)	(2,768,851)	(8,101,414)	(2,837,246)	(3,936,217)
Total business-type activities	<u>(4,386,825)</u>	<u>2,312,881</u>	<u>(2,487,497)</u>	<u>(4,253,425)</u>	<u>(2,265,822)</u>	<u>(2,865,765)</u>	<u>290,355</u>	<u>(6,534,628)</u>	<u>(1,795,662)</u>	<u>(2,243,689)</u>
Total primary government	<u>115,909,816</u>	<u>131,435,003</u>	<u>134,922,503</u>	<u>141,273,082</u>	<u>136,230,311</u>	<u>134,694,535</u>	<u>156,636,719</u>	<u>151,649,330</u>	<u>157,661,828</u>	<u>204,017,577</u>
Special items (Governmental activities):										
Well field contamination settlement	-	-	-	-	-	-	-	-	-	-
Disposal of operations	-	-	(1,180,964)	-	-	-	-	-	-	-
Change in net position										
Governmental activities	3,771,017	3,890,735	(17,557,354)	21,822,743	(456,783)	9,701,852	(24,821,010)	15,784,253	43,450,498	86,416,546
Business-type activities	1,268,807	6,387,416	10,293,537	7,799,078	700,900	8,479,884	8,193,084	7,424,114	16,049,547	12,216,182
Total primary government	<u>\$ 5,039,824</u>	<u>\$ 10,278,151</u>	<u>\$ (7,263,817)</u>	<u>\$ 29,621,821</u>	<u>\$ 244,117</u>	<u>\$ 18,181,736</u>	<u>\$ (16,627,926)</u>	<u>\$ 23,208,367</u>	<u>\$ 59,500,045</u>	<u>\$ 98,632,728</u>

Changes in net assets is defined as the incremental difference between total assets and total liabilities as a result of operations during the fiscal year.

(1) In 2014, Code Enforcement and Animal Care & Control were consolidated with the Building Department to build efficiencies. Prior to 2014, these expenses were included in the general government activities. In 2019, Code Enforcement and Animal Care & Control were moved into a governmental fund and reclassified as general governmental activities again.

(2) In 2015, Emergency Medical Services was reclassified to an enterprise fund. In 2019, EMS activities were reclassified from business-type to public safety governmental activities.

(3) Hotel/motel taxes for the Century Center were mistakenly included in program revenues from 2011-2013 and 2015-2016, but are now represented as general revenues.

Source: City of South Bend Annual Comprehensive Financial Reports (excludes prior period adjustments)

Fund Balances - Governmental Funds

Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund:										
Nonspendable	656,848	558,304	491,665	494,730	447,003	425,680	-	-	-	513,253
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	516,506	-	466,088	1,380,036	1,242,770	820,914	820,834	-	-	-
Unassigned	<u>26,495,559</u>	<u>27,029,101</u>	<u>29,664,303</u>	<u>32,077,856</u>	<u>33,776,487</u>	<u>37,383,206</u>	<u>42,478,766</u>	<u>51,026,016</u>	<u>63,401,631</u>	<u>112,933,830</u>
Total general fund	<u>27,668,913</u>	<u>27,587,405</u>	<u>30,622,056</u>	<u>33,952,622</u>	<u>35,466,260</u>	<u>38,629,800</u>	<u>43,299,600</u>	<u>51,026,016</u>	<u>63,401,631</u>	<u>113,447,083</u>
All other governmental funds:										
Nonspendable	22,828,476	20,537,450	27,042,236	23,566,267	21,927,221	22,322	15,686	11,359,804	10,903,713	1,129,310
Restricted	95,387,879	100,501,274	113,004,506	101,826,640	125,302,667	152,809,121	119,218,398	109,268,103	125,396,563	152,085,918
Committed	20,697,026	12,962,745	2,238,475	2,698,694	2,392,685	3,209,500	4,495,457	6,177,133	8,053,213	8,297,587
Assigned	35,455,190	35,147,874	32,138,059	31,998,790	32,769,201	38,707,987	42,474,803	47,008,958	42,663,195	23,739,112
Unassigned	<u>(4,852,169)</u>	<u>(5,700,829)</u>	<u>(4,218,596)</u>	<u>(2,301,793)</u>	<u>(626,846)</u>	<u>-</u>	<u>(57,852)</u>	<u>-</u>	<u>(26,633)</u>	<u>(196,539)</u>
Total all other governmental funds	<u>169,516,402</u>	<u>163,448,514</u>	<u>170,204,680</u>	<u>157,788,598</u>	<u>181,764,928</u>	<u>194,748,930</u>	<u>166,146,492</u>	<u>173,813,998</u>	<u>186,990,051</u>	<u>185,055,388</u>
Total of all governmental funds	<u>\$ 197,185,315</u>	<u>\$ 191,035,919</u>	<u>\$ 200,826,736</u>	<u>\$ 191,741,220</u>	<u>\$ 217,231,188</u>	<u>\$ 233,378,730</u>	<u>\$ 209,446,092</u>	<u>\$ 224,840,014</u>	<u>\$ 250,391,682</u>	<u>\$ 298,502,471</u>

Source: City of South Bend Annual Comprehensive Financial Reports

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

	For the Year Ended December 31									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 94,829,947	\$ 93,632,183	\$ 96,033,296	\$ 107,861,553	\$ 106,746,367	\$ 113,683,864	\$ 117,943,632	\$ 117,689,017	\$ 124,207,549	\$ 120,931,742
Licenses, fees and permits	177,019	141,565	151,923	224,677	231,260	245,956	284,048	311,100	303,837	350,561
Intergovernmental	29,227,759	30,663,505	30,216,059	27,959,813	29,634,896	35,167,863	31,987,992	33,326,540	36,241,803	82,567,947
Charges for services	12,320,498	10,628,976	5,794,168	7,062,108	7,020,575	5,735,251	5,658,913	11,286,157	13,165,015	13,109,188
Fines and forfeitures	660,841	563,999	454,327	756,781	562,466	494,836	1,124,570	647,214	613,971	593,118
Investment income (loss)	762,270	955,376	1,253,242	1,624,527	1,687,888	3,304,646	5,136,772	2,152,868	(52,191)	(999,162)
Other revenues	13,174,140	7,904,187	8,816,811	7,179,959	9,703,304	10,523,004	16,237,450	16,959,591	18,963,129	19,557,382
Total revenues	151,152,474	144,489,791	142,719,826	152,669,418	155,586,756	169,155,420	178,373,377	182,372,487	193,443,113	236,110,776
Expenditures										
Current:										
General government	7,154,965	8,022,688	8,420,278	16,311,633	14,221,015	12,763,226	11,714,095	14,890,828	14,088,456	23,212,153
Public safety	64,041,549	66,927,250	61,889,405	64,350,281	72,010,182	75,530,051	74,695,638	77,145,197	80,411,282	82,671,364
Highways and streets	9,769,942	10,441,957	12,787,641	11,294,768	13,600,140	16,906,126	19,636,991	18,741,789	15,999,114	19,032,317
Community and economic development	13,956,025	13,948,089	12,855,704	13,070,606	20,622,330	22,179,273	20,706,436	12,593,759	12,791,198	14,239,039
Culture and recreation	8,068,458	7,309,130	11,068,013	20,894,153	15,904,306	16,597,764	26,106,656	15,993,587	16,644,748	17,263,972
Capital outlay	30,748,663	29,407,934	46,553,570	27,056,295	17,035,543	23,240,519	43,200,250	31,186,219	19,643,464	32,047,181
Debt service:										
Principal	13,008,105	12,882,830	13,319,392	13,055,327	16,634,195	13,134,725	14,124,590	14,569,010	16,121,723	16,158,332
Interest on long-term debt	6,113,043	5,360,219	5,392,298	4,943,021	4,514,526	5,682,429	6,002,448	6,018,810	5,873,228	5,646,097
Bond issuance costs	-	-	372,432	-	-	165,885	293,022	301,761	258,996	677,462
Total expenditures	152,860,750	154,300,097	172,658,733	170,976,084	174,542,237	186,199,998	216,480,126	191,440,960	181,832,209	210,947,917
Excess of revenues (under) over expenditures	(1,708,276)	(9,810,306)	(29,938,907)	(18,306,666)	(18,955,481)	(17,044,578)	(38,106,749)	(9,068,473)	11,610,904	25,162,859
Other financing sources (uses)										
Issuance of debt	7,801,455	8,436,905	69,426,593	4,999,053	40,727,816	26,101,096	8,788,457	10,093,069	10,543,000	18,592,507
Premium on debt	21,576	171,851	1,919,787	-	6,478	479,608	1,462,841	120,059	1,250,022	283,690
Proceeds from refunding	3,990,000	-	-	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	(4,376,769)	(3,482,205)	(35,698,815)	-	-	-	-	-	-	-
Transfers in	26,365,239	18,478,925	31,498,681	19,541,050	29,141,285	28,197,288	27,479,435	34,125,738	42,663,275	30,610,209
Transfers out	(21,840,052)	(16,522,289)	(28,652,266)	(15,860,034)	(25,018,102)	(22,528,488)	(24,110,584)	(26,024,654)	(39,826,029)	(26,673,992)
Other	-	28,476	1,235,744	541,081	(412,028)	942,616	67,236	167,423	131,330	135,516
Total other financing sources (uses)	11,961,449	7,111,663	39,729,724	9,221,150	44,445,449	33,192,120	13,687,385	18,481,635	14,761,598	22,947,930
Net change in fund balances	\$ 10,253,173	\$ (2,698,643)	\$ 9,790,817	\$ (9,085,516)	\$ 25,489,968	\$ 16,147,542	\$ (24,419,364)	\$ 9,413,162	\$ 26,372,502	\$ 48,110,789
<i>Excludes prior period adjustments</i>										
Debt service as a percentage of noncapital expenditures (1)	14.07%	12.77%	12.21%	11.27%	14.60%	11.00%	10.89%	13.72%	13.14%	10.34%

(1) Formula = Debt service payments (principal and interest) / (Total Governmental Fund expenditures – Governmental Fund capital outlay per reconciliation)

Source: City of South Bend Annual Comprehensive Financial Reports (excludes prior period adjustments)

Last Ten Years
(Amounts in 000's)

Year	Banks		Savings and Loans		Credit Unions		Total Deposits	Percent Increase/ (Decrease)
	Branches	Deposits	Branches	Deposits	Branches	Deposits		
2013	37	3,730,018	-	-	n/a	2,854,527	5,937,100	
2014	39	2,548,101	-	-	n/a	2,911,596	6,584,545	10.91%
2015	40	2,454,129	1	25,077	n/a	3,089,732	5,459,697	-17.08%
2016	39	2,607,360	1	25,077	n/a	3,262,413	5,568,938	2.00%
2017	35	2,853,276	-	-	n/a	3,451,457	5,894,850	5.85%
2018	36	3,179,336	-	-	n/a	3,719,934	6,304,733	6.95%
2019	45	4,789,990	-	-	n/a	4,137,490	8,927,480	41.60%
2020	34	3,336,459	-	-	n/a	5,047,305	8,383,764	-6.09%
2021	34	3,133,766	-	-	n/a	5,628,842	8,762,608	4.52%
2022	33	3,415,861	-	-	n/a	\$ 5,361,837	8,777,698	0.17%

Banks				Credit Unions			
1st Source Bank	\$	2,272,184	66.53%	Teacher's Credit Union	\$	3,921,969	73.15%
Lake City Bank		241,799	7.08%	Notre Dame Federal Credit Union		810,231	15.11%
Jpmorgan Chase Bank, National Assoc.		176,482	5.17%	Community Wide Credit Union		453,191	8.45%
Fifth Third Bank, National Association		161,132	4.72%	AAA Federal Credit Union		64,429	1.20%
Keybank National Association		137,363	4.02%	Policemen's Federal Credit Union		66,971	1.25%
PNC Bank, National Association		120,761	3.54%	South Bend Firefighters' Credit Union		35,910	0.67%
Others		306,140	8.94%	Others		9,136	0.17%
Total	\$	3,415,861	100.00%	Total	\$	5,361,837	100.00%

n/a - information is not available

Bank of America closed operations in South Bend prior to June 30, 2014 reducing total bank deposits.

Sources:

Federal Deposit Insurance Corporation Website (www.fdic.gov). Research and Analysis: Summary of Deposits, Deposits Market Share Report, Indiana, St. Joseph County, South Bend, Run Report. (Industry Analysis, Bank Data & Statistics, Reporting Tools, Deposits Market Shares Report)

National Credit Union Association Website (www.ncua.gov). Custom Query, Search Fields, State = Indiana, Total Shares Greater than 1, City = South Bend or Notre Dame. Check data for CU name and total amount of shares and deposits.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and other major revenue sources.

Property Taxes Levies and Collections

Last Ten Fiscal Years

Tax Year/ Collection Year	Certified Tax Levy (1)	Circuit Breaker Tax Credit (2)	Post-Circuit Breaker Tax Levy	Taxes Collected (3)	Collected as a Percent of Gross Levy	Collected as a Percent of Net Levy	Outstanding Delinquent Taxes (4)	Outstanding Delinquent Taxes as a Percent of Net Levy
2012/2013	72,696,497	27,863,156	46,790,933	43,943,006	60.45%	93.91%	11,146,473	23.82%
2013/2014	73,981,565	27,051,751	44,833,341	44,540,371	60.20%	99.35%	8,745,941	19.51%
2014/2015	76,533,090	31,636,141	44,896,949	45,265,669	59.15%	100.82%	8,200,000	18.26%
2015/2016	78,503,658	30,864,405	47,639,253	47,766,833	60.85%	100.27%	7,468,597	15.68%
2016/2017	81,487,640	32,421,068	49,066,572	49,080,526	60.23%	100.03%	12,106,873	24.67%
2017/2018	85,426,389	33,910,221	51,516,168	51,498,854	60.28%	99.97%	11,343,797	22.02%
2018/2019	88,747,340	35,874,959	52,872,381	55,470,558	62.50%	104.91%	10,648,543	20.14%
2019/2020	91,764,231	39,908,278	51,855,953	51,748,694	56.39%	99.79%	9,286,878	17.91%
2020/2021	94,929,278	41,202,439	53,726,839	55,516,953	58.48%	103.33%	8,765,528	16.31%
2021/2022	99,710,814	44,460,442	55,250,372	56,378,190	56.54%	102.04%	8,017,401	14.51%

Data provided for General Fund, Parks & Recreation, Cumulative Capital Development, and Park Bond; excludes College Football Hall of Fame and Tax Increment Financing Funds.

Total collections may exceed 100% of adjusted tax levy as prior year collections are not broken out separately by the St. Joseph County Auditor.

Sources:

- (1) Department of Local Government Finance Certified Budget Orders (<https://www.in.gov/dlgef/county-specific-information/st-joseph/>)
- (2) St. Joseph County Circuit Breaker Report (<https://www.in.gov/dlgef/county-specific-information/st-joseph/>)
- (3) Baker Tilly Municipal Advisors - Annual Information for Continuing Disclosure Compliance
- (4) Indiana Gateway Abstract Reports: Total Taxes Summary Report (https://gateway.ifionline.org/report_builder/)

Delinquent taxes are not broken out by individual taxing unit. A calculation of South Bend's share of delinquent taxes has been made based on proportionate tax rates by dividing South Bend's total direct tax rate by the total tax rate for Portage Township and then by multiplying it by the amount of delinquent taxes reported for Portage Township.

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years
(Rate per \$100 of Net Assessed Value)

Tax Year/ Collection Year	City Direct Rates					Overlapping Rates (1)					Total Portage Township	
	General Fund	Parks/ Recreation	Park Bond	Cumulative Capital Development	Total Direct	St. Joseph County	Schools Districts	Township	Library	Other (2)		Total Overlapping
2012/2013	2.5678	0.5102	-	0.0328	3.0239	0.6731	1.3493	0.0453	0.3227	0.1971	2.5875	5.6114
2013/2014	2.7977	0.5608	-	0.0328	3.1108	0.7058	1.3577	0.0505	0.3309	0.1849	2.6298	5.7406
2014/2015	2.8313	0.5676	-	0.0325	3.4314	0.6866	1.2940	0.0500	0.3207	0.2125	2.5638	5.9952
2015/2016	2.8703	0.5754	-	0.0321	3.4778	0.6974	1.2682	0.0512	0.3549	0.2224	2.5941	6.0719
2016/2017	2.8382	0.6473	-	0.0313	3.5168	0.6950	1.2049	0.5300	0.3372	0.1822	2.9493	6.4661
2017/2018	2.8267	0.6651	0.0293	0.0303	3.5514	0.6908	1.1685	0.5389	0.3309	0.1907	2.9198	6.4712
2018/2019	2.8140	0.6621	0.0461	0.0300	3.5522	0.6640	1.1312	0.0522	0.3278	0.1518	2.3270	5.8792
2019/2020	2.6687	0.6279	0.0405	0.0285	3.3656	0.6783	1.0414	0.0502	0.3196	0.1548	2.2443	5.6099
2020/2021	2.6562	0.6249	0.0387	0.0285	3.3483	0.6741	1.4505	0.0149	0.3177	0.1558	2.6130	5.9613
2021/2022	2.6125	0.6146	0.0372	0.0282	3.2925	0.6574	1.4195	-	0.3013	0.1530	2.5312	5.8237

(1) Information provided for Portage Township in the City of South Bend. Property tax rates applied to net assessed valuation. Property tax billings are also subject to "circuit breaker" property tax caps on gross assessed valuation of 1% (homestead residential property), 2% (other residential/rental property), and 3% (nonresidential real and personal property). Therefore, an increase in stated property tax rates may not result in higher property taxes paid by taxpayers who have reached the cap.

(2) Includes South Bend Transpo and South Bend Regional Airport. In years up to and including 2017/2018, also included South Bend Redevelopment Commission Debt, which was exempt from circuit breaker tax caps.

Source: Department of Local Government Finance Certified Budget Orders (<https://www.in.gov/dlgr/county-specific-information/st-joseph/>)

Detail of Net Assessed Valuation
Assessment For the Year 2021 Payable in 2022

	South Bend Centre Twp	South Bend Clay Twp	South Bend German Twp	South Bend Penn Twp	South Bend Warren Twp	South Bend Portage Twp	Totals	Percent
Gross value of land	\$ 149,755,300	\$ 31,697,500	\$ 94,634,500	\$ 19,388,900	\$ 988,300	\$ 508,106,780	\$ 804,571,280	
Value of improvements	619,105,900	140,543,800	519,573,100	116,307,800	21,700,300	3,526,729,500	4,943,960,400	
Total value of real estate	<u>768,861,200</u>	<u>172,241,300</u>	<u>614,207,600</u>	<u>135,696,700</u>	<u>22,688,600</u>	<u>4,034,836,280</u>	<u>5,748,531,680</u>	
Less: Mortgage, veterans, blind, age 65 & other exemptions	(293,643,030)	(41,487,526)	(114,465,164)	(39,954,323)	-	(1,253,462,397)	(1,743,012,440)	
Investment deductions	-	-	-	-	-	(1,548,773)	(1,548,773)	
Tax-exempt property	(49,271,205)	(9,687,936)	(26,619,100)	(12,661,400)	-	(363,484,776)	(461,724,417)	
Tax increment financing (1)	(71,087,842)	(10,113,752)	(267,539,701)	-	(22,688,600)	(654,094,424)	(1,025,524,319)	
Tax abatements	(2,209,234)	-	(55,083,816)	(1,647,360)	-	(55,469,321)	(114,409,731)	
Net value of real estate	<u>352,649,889</u>	<u>110,952,086</u>	<u>150,499,819</u>	<u>81,433,617</u>	<u>-</u>	<u>1,706,776,589</u>	<u>2,402,312,000</u>	78.43%
Gross personal property assessments	38,907,670	11,473,240	188,423,890	4,349,670	9,813,330	392,169,480	645,137,280	
Less: Investment deductions	(44,540)	-	(4,865,120)	-	-	(19,176,786)	(24,086,446)	
Tax-exempt property	(1,888,535)	(132,230)	(1,701,591)	(2,808,670)	-	(92,960,147)	(99,491,173)	
Net value of personal property	<u>36,974,595</u>	<u>11,341,010</u>	<u>181,857,179</u>	<u>1,541,000</u>	<u>9,813,330</u>	<u>280,032,547</u>	<u>521,559,661</u>	17.03%
Net value of utilities	<u>22,386,810</u>	<u>8,533,310</u>	<u>28,930,990</u>	<u>1,149,460</u>	<u>128,930</u>	<u>78,001,750</u>	<u>139,131,250</u>	4.54%
Total net assessed valuation	<u>\$ 412,011,294</u>	<u>\$ 130,826,406</u>	<u>\$ 361,287,988</u>	<u>\$ 84,124,077</u>	<u>\$ 9,942,260</u>	<u>\$ 2,064,810,886</u>	<u>\$ 3,063,002,911</u>	100.00%
Percentage of Total	13.45%	4.27%	11.80%	2.75%	0.32%	67.41%	100.00%	

Summary:	Personal		Total	Percent
	Real Property	Property/Utilities		
Total value	\$ 5,748,531,680	\$ 784,268,530	\$ 6,532,800,210	100.00%
Exemptions & deductions	(1,744,561,213)	(24,086,446)	(1,768,647,659)	-27.07%
Tax exempt property	(461,724,417)	(99,491,173)	(561,215,590)	-8.59%
Tax increment financing (1)	(1,025,524,319)	-	(1,025,524,319)	-15.70%
Tax abatements	(114,409,731)	-	(114,409,731)	-1.75%
Total net assessed valuation	<u>\$ 2,402,312,000</u>	<u>\$ 660,690,911</u>	<u>\$ 3,063,002,911</u>	46.89%
Percentage of Total	78.43%	21.57%	100.00%	

(1) Tax Increment Financing data from Indiana Department of Local Government Finance Gateway County Abstract Reports

Source: St. Joseph County Auditor's Office

Assessed Value and Actual Value of Taxable Property

Last Ten Fiscal Years

Tax Year/ Collection Year	Gross Assessed Values				Less:	Total Net	(2)	% Taxable
	Real Property	Personal Property	Utilities Property	Total Value	Non-Taxed Property (1)	Taxable Value	City Tax Rate	
2012/2013	4,452,887,970	537,500,490	100,832,450	5,091,220,910	(2,720,133,213)	2,371,087,697	3.0239	46.57%
2013/2014	4,199,757,500	552,872,520	90,252,180	4,842,882,200	(2,633,155,528)	2,209,726,672	3.1108	45.63%
2014/2015	4,192,804,920	557,759,982	86,924,710	4,837,489,612	(2,577,220,294)	2,260,269,318	3.4314	46.72%
2015/2016	4,199,285,400	603,870,040	83,786,930	4,886,942,370	(2,609,772,627)	2,277,169,743	3.4778	46.60%
2016/2017	4,317,332,400	638,702,010	105,036,200	5,061,070,610	(2,733,570,369)	2,327,500,241	3.5168	45.99%
2017/2018	4,450,601,385	651,845,663	93,615,540	5,196,062,588	(2,779,605,371)	2,416,457,217	3.5514	46.51%
2018/2019	4,899,699,000	634,665,170	105,339,300	5,639,703,470	(3,068,693,472)	2,571,009,998	3.5522	45.59%
2019/2020	5,114,244,500	646,921,594	121,834,780	5,883,000,874	(3,112,064,193)	2,770,936,681	3.3656	47.10%
2020/2021	5,393,811,140	645,296,200	133,481,040	6,172,588,380	(3,285,738,559)	2,886,849,821	3.3483	46.77%
2021/2022	5,748,531,680	645,137,280	139,131,250	6,532,800,210	(3,469,797,299)	3,063,002,911	3.2925	46.89%

(1) Non-taxed property includes tax exempt property, tax increment financing property, tax abatements, and adjustments for deductions and exemptions.

(2) City tax rate excludes Redevelopment Commission (Hall of Fame) tax rate.

Source: St. Joseph County Auditor's Office

Net Assessed Value of Taxable Property

Last Ten Fiscal Years

Tax Year/ Collection Year	Real Estate Net Assessed Value	Personal Net Assessed Value	Utilities Net Assessed Value	Total Net Assessed Value	Percent Change
2012/2013	1,858,213,181	412,042,066	100,832,450	2,371,087,697	
2013/2014	1,687,672,152	431,802,340	90,252,180	2,209,726,672	-6.81%
2014/2015	1,753,122,893	420,221,715	86,924,710	2,260,269,318	2.29%
2015/2016	1,737,036,616	456,346,197	83,786,930	2,277,169,743	0.75%
2016/2017	1,758,787,301	463,676,740	105,036,200	2,327,500,241	2.21%
2017/2018	1,831,929,345	490,912,332	93,615,540	2,416,457,217	3.82%
2018/2019	1,969,190,797	496,479,901	105,339,300	2,571,009,998	6.40%
2019/2020	2,134,421,914	514,679,987	121,834,780	2,770,936,681	7.78%
2020/2021	2,235,284,708	518,084,073	133,481,040	2,886,849,821	4.18%
2021/2022	2,402,312,000	521,559,661	139,131,250	3,063,002,911	6.10%

Source: St. Joseph County Auditor's Office

Assessed Value of Taxable Property

Last Ten Fiscal Years

Tax Year/ Collection Year	Total Gross Valuation	Deductions (1)	Tax Exempt Property	Tax Increment Financing	Tax Abatements	Net Assessed Valuation
2012/2013	5,091,220,910	(1,397,134,910)	(488,961,977)	(761,349,489)	(72,686,837)	2,371,087,697
2013/2014	4,842,882,200	(1,344,702,776)	(512,692,590)	(713,448,152)	(62,312,010)	2,209,726,672
2014/2015	4,837,489,612	(1,292,923,103)	(510,555,188)	(707,010,507)	(66,731,496)	2,260,269,318
2015/2016	4,886,942,370	(1,305,921,190)	(521,555,123)	(718,066,149)	(64,230,165)	2,277,169,743
2016/2017	5,061,070,610	(1,334,844,637)	(559,770,989)	(743,657,399)	(95,297,344)	2,327,500,241
2017/2018	5,196,062,588	(1,427,692,210)	(553,655,834)	(747,216,585)	(51,040,742)	2,416,457,217
2018/2019	5,639,703,470	(1,455,171,383)	(740,085,791)	(806,734,955)	(66,701,343)	2,571,009,998
2019/2020	5,883,000,874	(1,580,254,616)	(564,471,187)	(876,115,204)	(91,223,186)	2,770,936,681
2020/2021	6,172,588,380	(1,649,281,358)	(567,817,363)	(975,281,036)	(93,358,802)	2,886,849,821
2021/2022	6,532,800,210	(1,768,647,659)	(561,215,590)	(1,025,524,319)	(114,409,731)	3,063,002,911

(1) Includes homestead standard deduction, supplemental standard deduction, mortgage deduction, blind/disabled deduction, investment deduction, veteran's deduction, over 65 years old deduction, and geothermal deduction. In 2009, a new 35% supplemental standard deduction was provided as a part of "circuit breaker" property tax reform legislation.

Deductions	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Homestead Standard Deduction	\$ 842,461,563	\$ 852,193,020	\$ 904,481,400	\$ 932,918,401	\$ 964,256,713
Supplemental Standard Deduction	435,967,478	480,027,204	560,654,768	603,002,529	694,705,463
Mortgage Deduction	40,183,948	39,031,742	38,098,290	37,448,388	38,690,362
Age 65 and Over Deduction	23,373,704	22,474,117	22,391,995	23,772,326	24,376,360
Veteran's Deduction	12,815,878	13,046,591	13,847,494	14,026,257	14,674,994
Blind & Disabled	5,567,847	5,353,196	5,982,136	5,939,885	5,802,048
Energy Systems Deduction	421,500	472,100	474,200	468,400	482,000
Heritage Barn Deduction	23,900	24,500	24,500	24,500	24,500
Fertilizer/Pesticide Deduction	-	-	-	-	-
Investment Deduction	66,876,392	42,548,913	34,299,833	31,680,672	25,635,219
Total	\$ 1,427,692,210	\$ 1,455,171,383	\$ 1,580,254,616	\$ 1,649,281,358	\$ 1,768,647,659

Source: St. Joseph County Auditor's Office

Property Tax Collections - Cash Basis

Last Ten Fiscal Years

Fund Name	Fund Number	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual
General Fund	101	\$ 36,251,397	\$ 36,708,989	\$ 37,349,387	\$ 39,362,139	\$ 39,568,076	\$ 40,719,333	\$ 42,705,987	\$ 40,660,123	\$ 43,659,873	\$ 45,635,698
Excess Levy	103	-	3,648	-	-	-	-	-	-	-	-
Parks & Recreation	201	7,207,060	7,365,388	7,487,554	7,902,995	9,033,731	9,591,899	10,048,047	9,566,845	10,271,000	10,742,492
Park Bond (2017 Parks Bond Debt Service)	312	-	-	-	-	-	703,118	1,166,972	1,087,915	1,116,956	1,149,510
College Football Hall of Fame Debt Service	313	1,268,179	497,768	906,263	1,361,512	820,071	426,604	-	-	-	-
River West TIF District (1)	324	13,340,354	14,284,734	16,293,240	18,159,311	17,259,902	18,662,835	18,555,308	16,814,400	18,120,969	16,811,078
Cumulative Capital Development	406	463,331	430,786	428,727	440,887	436,823	436,677	455,002	433,812	469,124	492,015
South Bend Central Development Area TIF (1)	420	2,590,808	4,309,727	-	-	-	-	-	-	-	-
West Washington Street TIF District	422	493,608	580,987	402,911	453,503	378,994	332,220	261,830	237,261	348,856	308,363
Central Medical Service Area TIF District (1)	426	1,221,676	851,211	-	-	-	-	-	-	-	-
River East (Northeast) TIF District	429	841,627	1,568,240	2,421,308	2,348,608	2,630,887	3,062,820	2,722,642	2,997,091	4,328,968	4,209,328
Southside Development Area TIF District	430	2,404,416	2,379,212	2,205,822	2,401,252	2,365,692	2,166,637	1,755,231	3,081,721	2,981,728	2,745,678
Erskine Village TIF District	432	1,311,129	9,175	19,183	-	-	-	-	-	-	-
Douglas Road TIF District	435	323,939	321,895	270,758	345,262	379,255	-	-	-	269,923	308,581
River East (Northeast) Residential TIF	436	2,262,765	2,725,909	3,129,681	3,932,947	4,262,917	4,686,651	4,933,558	5,308,975	6,299,000	6,268,217
Airport Urban Enterprise	454	-	-	-	-	-	-	-	-	-	-
Total		\$ 69,980,289	\$ 72,037,669	\$ 70,914,834	\$ 76,708,415	\$ 77,136,348	\$ 80,788,794	\$ 82,604,579	\$ 80,188,143	\$ 87,866,397	\$ 88,670,960

(1) Name changed in 2015 from TIF Airport to River West TIF due to consolidation of Central Development Area and Central Medical TIFs.

Source: City of South Bend Accounting Records

Selected Benchmark Local Governments

Local Unit	Total Credits (1)	2020 Population (2)	Per Capita Credits
South Bend Civil City	\$ 44,460,442	103,453	\$ 430
Anderson Civil City	14,148,233	54,788	258
East Chicago Civil City	13,382,308	26,370	507
Elkhart Civil City	11,290,461	53,923	209
Evansville Civil City	19,388,221	117,298	165
Fort Wayne Civil City	18,000,789	263,886	68
Gary Civil City	49,857,667	69,093	722
Goshen Civil City	3,786,745	34,517	110
Hammond Civil City	16,478,215	77,879	212
Jeffersonville Civil City	4,860,450	49,447	98
Kokomo Civil City	15,169,630	59,604	255
Lafayette Civil City	3,316,725	70,783	47
LaPorte Civil City	3,722,347	22,471	166
Mishawka Civil City	9,324,847	51,063	183
Muncie Civil City	21,101,669	65,194	324
Noblesville Civil City	5,924,529	69,604	85
St. Joseph County	13,747,112	272,912	50
South Bend School Corporation	15,063,114	103,453	146
Terre Haute Civil City	15,439,307	58,389	264

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local governmental units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Sources:

(1) Department of Local Governmental Finance 2021 Estimated Property Tax Cap Impact Report (<https://www.in.gov/dlgf/county-specific-information/>)

(2) U.S. Census Bureau, 2020 Census information (<http://factfinder.census.gov/>).

Principal Property Taxpayers - Current and Nine Years Ago

December 31, 2022

Taxpayer	Type of Business	2022/pay 2023 Net Assessed Value (1)	Rank	Percent of Total	2012/pay 2013 Net Assessed Value (2)	Rank	Percent of Total
University of Notre Dame	Higher education	\$ 110,955,034	1	3.11%	\$ -		0.00%
Indiana Michigan Power Company	Electric utility	83,247,060	2	2.33%	39,134,140	4	1.64%
Air Wisconsin Airlines LLC	Regional airline	66,174,810	3	1.85%	-		0.00%
Honeywell International, Inc/ Bendix Corp.	Mfg. auto and aircraft parts	36,626,530	4	1.03%	39,426,100	3	1.66%
Steel Warehouse Co., Inc./Bendix Corp.	Steel processing	35,992,510	5	1.01%	22,906,280	7	0.96%
Edward Rose of Indiana	Apartments complexes	35,556,580	6	1.00%	39,884,910	2	1.68%
HRSE DMG South Bend Eddy Street LLC / South Bend Clinic LLP	Healthcare Clinic	28,517,880	7	0.80%	19,117,270	10	0.80%
JVE Investments LLC/ The Tire Rack, Inc.	Tire sales	24,851,820	8	0.70%	-		0.00%
Commerce Center Development LLC	Office Building	23,953,990	9	0.67%	-		0.00%
Indiana Bell Telephone Co. Inc./AT&T Services, Inc.	Telecommunications utility	18,547,480	10	0.52%	19,253,810	9	0.81%
Memorial Health Systems, Inc. (Beacon)	Healthcare	-		0.00%	86,784,850	1	3.65%
KSK Scottsdale Mall	Retail stores	-		0.00%	33,871,100	5	1.42%
Park Jefferson Realty, LLC	Real estate	-		0.00%	23,801,100	6	1.00%
Walmart	Retail stores	-		0.00%	20,318,320	8	0.85%
Total Net Assessed Value - Ten Largest Taxpayers		\$ 464,423,694		13.01%	\$ 344,497,880		14.47%
Total Net Assessed Value (3)		\$ 3,569,735,877		100.00%	\$ 2,380,874,608		100.00%

Sources:

- (1) Baker Tilly Municipal Advisors - Annual Information for Continuing Disclosure Compliance
- (2) Annual Comprehensive Financial Report
- (3) St. Joseph County Auditor

Local Income Tax Revenue
Economic Development Component

Last Ten Years

Distribution Year	Economic Development Tax Rate (1)	Total County Distributions	Rate of Growth	South Bend Distribution	Rate of Growth	South Bend as a Percent of Total	Actual City Collections During Year
2013	0.40%	20,611,415		8,177,352		39.67%	8,177,352
2014	0.40%	22,063,091	7.04%	8,796,821	7.58%	39.87%	8,796,821
2015	0.40%	23,081,049	4.61%	9,031,709	2.67%	39.13%	9,031,709
2016	0.40%	23,733,626	2.83%	9,594,602	6.23%	40.43%	9,594,602
2017	0.40%	26,149,949	10.18%	10,433,361	8.74%	39.90%	10,433,361
2018 (3)	0.40%	26,745,547	2.28%	10,720,959	2.76%	40.09%	11,885,489
2019 (4)	0.40%	28,586,914	6.88%	11,597,226	8.17%	40.57%	12,474,651
2020 (5)	0.40%	28,744,062	0.55%	12,123,599	4.54%	42.18%	13,405,714
2021 (6)	0.40%	30,245,517	5.22%	12,597,307	3.91%	41.65%	13,006,489
2022 (7)	0.40%	29,091,734	-3.81%	12,065,405	-4.22%	41.47%	12,704,389
Total		\$ 259,052,904		\$ 105,138,341		40.59%	\$ 109,510,577

(1) This tax was first enacted as of July 1, 1995 at the rate of 0.1% of City residents' adjusted gross income. The rate was increased to 0.2% effective July 1, 1997. The Economic Development tax rate for 2010 and subsequent years was increased by City of South Bend Common Council and the Saint Joseph County Common Council.

(3) The City's 2018 Economic Development distribution included \$1,164,530 of supplemental, one-time distributions.

(4) The City's 2019 Economic Development distribution included \$877,425 of supplemental, one-time distributions.

(5) The City's 2020 Economic Development distribution included \$1,282,115 of supplemental, one-time distributions.

(6) The City's 2021 Economic Development distribution included \$409,182 of supplemental, one-time distributions.

(7) The City's 2022 Economic Development distribution included \$638,984 of supplemental, one-time distributions.

Sources:

State of Indiana Department of Local Government Finance Local Income Tax Distribution Reports

City of South Bend Accounting Records (Local Income Tax-Economic Development Fund #408)

Local Income Tax Revenue
Certified Shares Component

Last Ten Years

Distribution Year	Certified Shares Tax Rate (1)	Total County Distributions	Rate of Growth	South Bend Distribution	Rate of Growth	South Bend as a Percent of Total	Actual City Collections During Year
2013	0.60%	22,923,958		7,846,939		34.23%	7,711,609
2014	0.60%	25,275,541	10.26%	8,645,811	10.18%	34.21%	8,483,839
2015	0.60%	26,435,155	4.59%	8,859,912	2.48%	33.52%	8,754,940
2016	0.60%	27,898,910	5.54%	9,454,023	6.71%	33.89%	9,275,956
2017	0.60%	31,321,416	12.27%	10,459,265	10.63%	33.39%	10,267,404
2018	(2) 0.60%	31,947,819	2.00%	12,188,922	16.54%	38.15%	12,213,073
2019	(3) 0.60%	35,539,674	11.24%	12,148,294	-0.33%	34.18%	12,879,847
2020	(4) 0.60%	35,901,334	1.02%	12,440,774	2.41%	34.65%	13,764,809
2021	(5) 0.60%	37,776,651	5.22%	12,912,855	3.79%	34.18%	13,334,937
2022	(6) 0.60%	26,153,469		8,933,585	-30.82%	34.16%	9,591,298
Total		\$ 301,173,927		\$ 103,890,380		34.50%	\$ 106,277,711

(1) This tax was first enacted as of July 1, 1997 at the rate of 0.2% of City residents' adjusted gross income. The Certified Shares rate increased 0.1% each year until it reached 0.6% as of July 1, 2001. The above collections/distribution amounts are net of the additional homestead credits that accompanied the passage of this income tax.

(2) The City's 2018 Certified Shares distribution included \$1,407,558 of supplemental, one-time distributions.

(3) The City's 2019 Certified Shares distribution included \$731,553 of supplemental, one-time distributions.

(4) The City's 2020 Certified Shares distribution included \$1,324,035 of supplemental, one-time distributions.

(5) The City's 2021 Certified Shares distribution included \$422,082 of supplemental, one-time distributions.

(6) The City's 2022 Certified Shares distribution included \$657,713 of supplemental, one-time distributions.

Sources:

State of Indiana Department of Local Government Finance Local Income Tax Distribution Reports
City of South Bend Accounting Records (Local Income Tax-Certified Shares Fund #404)

Local Income Tax Revenue
Public Safety Component

Last Ten Years

Distribution Year	Public Safety Tax Rate (1)	Total County Distributions	Rate of Growth	South Bend Distribution	Rate of Growth	South Bend as a Percent of Total	Actual City Collections During Year
2013	0.25%	12,457,864		5,892,356		47.30%	5,892,386
2014	0.25%	13,476,753	8.18%	6,380,029	8.28%	47.34%	6,380,029
2015	0.25%	13,734,382	1.91%	6,466,190	1.35%	47.08%	6,466,190
2016	0.25%	14,237,777	3.67%	6,791,160	5.03%	47.70%	6,791,160
2017	0.25%	15,673,247	10.08%	7,467,618	9.96%	47.65%	7,467,618
2018 (3)	0.25%	15,986,699	2.00%	8,487,336	13.66%	53.09%	8,487,336
2019 (4)	0.25%	17,784,064	11.24%	8,560,555	0.86%	48.14%	9,205,130
2020 (5)	0.25%	17,965,039	1.02%	8,766,330	2.40%	48.80%	9,703,297
2021 (6)	0.25%	18,903,448	5.22%	9,094,317	3.74%	48.11%	9,391,746
2022 (7)	0.25%	18,182,334	-3.81%	8,705,124	-4.28%	47.88%	9,168,579
Total		\$ 158,401,607		\$ 76,611,015		48.37%	\$ 78,953,471

(1) This tax was effective in October 2009 at the rate of 0.25% of City residents' adjusted gross income. The measure is being used to support the Public Safety operations consisting of the Police Department and the Fire Department, to keep the staffing levels at their full complement.

(2) The City's 2012 Public Safety distribution included \$549,267, the amount the State of Indiana underpaid the City in 2011.

(3) The City's 2018 Public Safety distribution included \$105,782 of supplemental, one-time distributions.

(4) The City's 2019 Public Safety distribution included \$644,575 of supplemental, one-time distributions.

(5) The City's 2020 Public Safety distribution included \$936,967 of supplemental, one-time distributions.

(6) The City's 2021 Public Safety distribution included \$297,429 of supplemental, one-time distributions.

(7) The City's 2022 Public Safety distribution included \$463,455 of supplemental, one-time distributions.

Sources:

*State of Indiana Department of Local Government Finance Local Income Tax Distribution Reports
City of South Bend Accounting Records (Local Income Tax-Public Safety Fund #249)*

Total Local Income Tax Certified Shares Distributions by Taxing Unit

Last Ten Years

Unit of Government	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total County Certified Distribution	\$ 29,898,874	\$ 32,344,207	\$ 32,962,518	\$ 34,170,664	\$ 37,640,869	\$ 38,393,656	\$ 42,710,208	\$ 43,144,837	\$ 45,398,521	\$ 43,666,693
Less: Homestead Credit (1)	(6,974,918)	(7,068,666)	(6,527,363)	(6,271,754)	(6,319,453)	(6,445,837)	(7,170,534)	(7,243,503)	(7,621,870)	(17,513,224)
Total Distributive Shares	\$ 22,536,457	\$ 22,923,956	\$ 26,435,155	\$ 27,898,910	\$ 31,321,416	\$ 31,947,819	\$ 35,539,674	\$ 35,901,334	\$ 37,776,651	\$ 26,153,469
Distributive Shares / Total County Distribution	75.38%	76.67%	80.20%	81.65%	83.21%	83.21%	83.21%	83.21%	83.21%	59.89%
Amount										
St. Joseph County	\$ 8,460,192	\$ 9,314,201	\$ 9,611,416	\$ 9,983,016	\$ 10,908,099	\$ 11,290,728	\$ 12,351,986	\$ 12,279,480	\$ 12,941,856	\$ 8,922,886
Townships	954,332	1,069,408	1,541,211	1,695,662	2,396,851	1,978,069	3,506,429	2,175,833	2,443,619	1,614,656
City of South Bend - Civil City	7,711,609	8,483,839	8,754,940	9,275,956	10,267,284	10,781,364	12,148,294	12,440,774	12,912,855	8,933,585
City of South Bend - Redevelopmer	135,330	161,972	104,972	178,067	191,981	124,929	70,356	8,775	1,099	92
Other Cities & Towns	3,137,086	3,378,481	3,508,422	3,683,131	4,118,009	4,317,405	4,868,878	4,982,004	5,229,085	3,730,865
Libraries	1,849,933	2,126,185	2,144,046	2,279,241	2,541,672	2,569,360	2,889,567	2,927,273	3,006,149	2,071,253
Special Districts	675,474	741,455	770,148	803,837	897,520	885,964	1,054,424	1,087,195	1,241,988	880,132
Total	\$ 22,536,457	\$ 22,923,956	\$ 26,435,155	\$ 27,898,910	\$ 31,321,416	\$ 31,947,819	\$ 36,889,934	\$ 35,901,334	\$ 37,776,651	\$ 26,153,469
Percentage of Distribution										
St. Joseph County	36.91%	40.63%	36.36%	35.78%	34.83%	35.34%	33.48%	34.20%	34.26%	34.12%
Townships	4.16%	4.67%	5.83%	6.08%	7.65%	6.19%	9.51%	6.06%	6.47%	6.17%
City of South Bend - Civil City	33.64%	37.01%	33.12%	33.25%	32.78%	33.75%	32.93%	34.65%	34.18%	34.16%
City of South Bend - Redevelopmer	0.59%	0.71%	0.40%	0.64%	0.61%	0.39%	0.19%	0.02%	0.00%	0.00%
Other Cities & Towns	13.68%	14.74%	13.27%	13.20%	13.15%	13.51%	13.20%	13.88%	13.84%	14.27%
Libraries	8.07%	9.27%	8.11%	8.17%	8.11%	8.04%	7.83%	8.15%	7.96%	7.92%
Special Districts	2.95%	3.23%	2.91%	2.88%	2.87%	2.77%	2.86%	3.03%	3.29%	3.37%
Total	100.00%	110.26%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

(1) A portion of the certified shares income tax is used for property tax relief through homestead credits for residential property owners.

Source: State of Indiana Department of Local Government Finance Local Income Tax Distribution Reports

Ten Largest Water Customers

December 31, 2022

Customer Name	2022 Revenue	Percentage of Total Water Operating Revenue	Usage CCF*
SOUTH BEND COMMUNITY SCHOOLS	\$ 382,465	1.48%	106,236
MEMORIAL HOSPITAL	308,754	1.83%	104,932
INDIANA UNIVERSITY SOUTH BEND	200,738	0.96%	45,878
H & A PROSPER LLC	58,545	0.28%	41,095
ARAMARK UNIFORM SERVICES INC	112,041	0.54%	39,781
MIMG CLXV INDIAN SPRINGS LLC	100,860	0.48%	39,601
CASTLE POINT APTS PROPERTY LLC	57,648	0.28%	33,912
DEV 1881 EAST IRELAND RD., LLC	106,409	0.51%	31,110
ALLIED SIGNAL AEROSPACE COMPANY	113,792	0.55%	31,059
BOC GASES	44,756	0.21%	28,579
Total of Ten Largest Water Customers	\$ 1,103,544	7.13%	
Total for Operating Revenue for Water Works	\$ 20,849,578	100.00%	

* Hundreds of Cubic Feet

Source: City of South Bend Water Utility

Ten Largest Sewage Works Customers

December 31, 2022

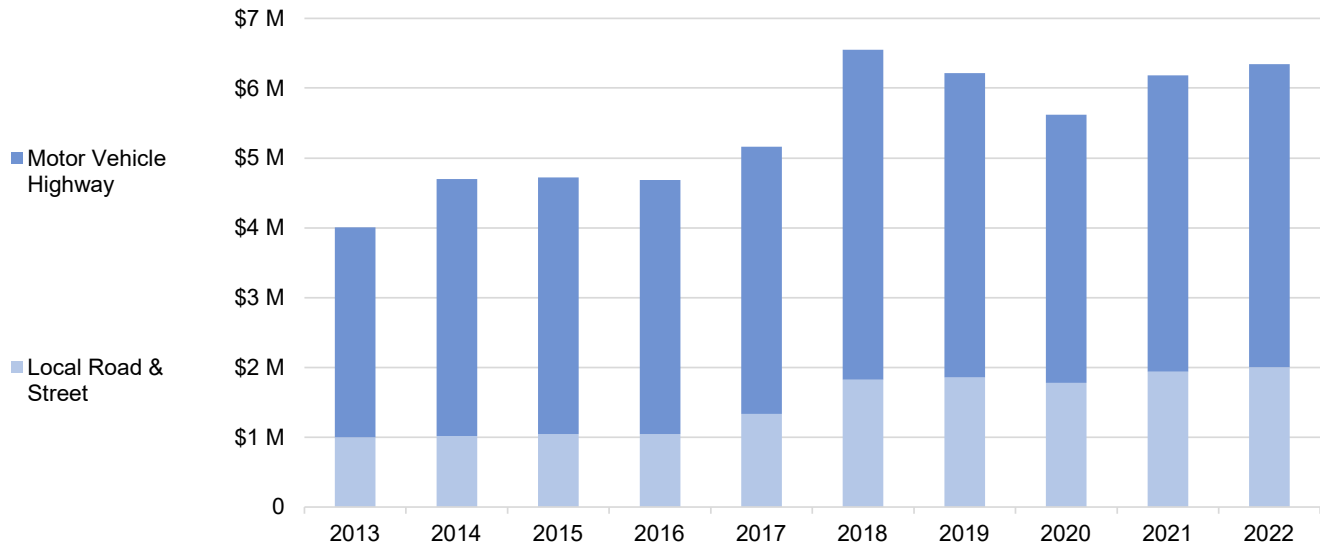
Customer Name	Metered Revenue	Heavy Demand Surcharge	2022 Revenue	Percentage of Total Wastewater Revenue	Usage CCF*
Cleveland-Cliffs Tek Inc	\$ 2,612,903	\$ -	\$ 2,612,903	6.12%	786,682
Notre Dame - Facilities Building	1,052,665	-	1,052,665	2.47%	415,242
South Bend Ethanol	663,328	-	663,328	1.55%	227,167
Five Star Sheets	67,885	-	67,885	0.16%	152,493
Town of New Carlisle	248,260	-	248,260	0.58%	82,751
Memorial Hospital of South Bend	224,770	-	224,770	0.53%	76,976
Aramark Uniform Services	116,161	-	116,161	0.27%	39,781
H & A Prosper, LLC	107,529	-	107,529	0.25%	36,825
Sisters of the Holy Cross	116,457	-	116,457	0.27%	35,017
Castle Point Apartments Property, LLC	112,927	-	112,927	0.26%	33,912
Total of Ten Largest Sewer Customers	\$ 5,322,885	\$ -	\$ 5,322,885	12.47%	
Total Operating Revenue for Wastewater	\$ 41,531,697		\$ 42,680,236		

*Hundreds of Cubic Feet

Source: City of South Bend Sewage Works Utility

Gasoline Tax Collections - Cash Basis

Last Ten Fiscal Years



Year	Local Road & Street Fund	Motor Vehicle Highway Fund	Total Gasoline Tax	% Change
2013	1,001,871	3,006,122	4,007,993	
2014	1,017,383	3,682,329	4,699,712	17.26%
2015	1,045,516	3,679,371	4,724,887	0.54%
2016	1,046,446	3,640,561	4,687,007	-0.80%
2017	1,334,565	3,829,167	5,163,732	10.17%
2018	1,827,580	4,717,972	6,545,552	26.76%
2019	1,858,579	4,352,316	6,210,894	-5.11%
2020	1,781,618	3,838,489	5,620,107	-9.51%
2021	1,939,498	4,242,239	6,181,737	9.99%
2022	2,003,475	4,339,494	6,342,969	2.61%

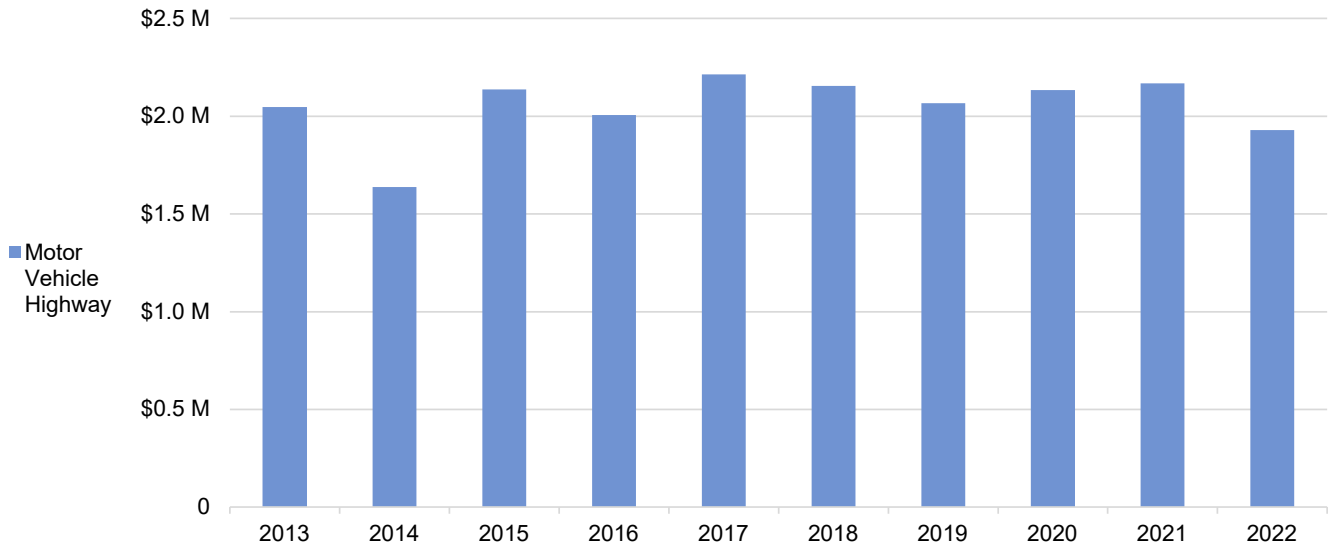
Distributions of gas tax revenue are made monthly by the Indiana Department of Revenue to the Local Road and Street (LR&S) and Motor Vehicle Highway (MVH) funds for use in construction and maintenance of streets and highways. Distributions are based on a complex formula developed by the State of Indiana. The formula takes into account population, road and street mileage and other factors.

Due to an improvement in the economy and temporary increase in state funding for two years, total gas tax increased in 2014. Gas tax remained fairly consistent until 2017, the Indiana General Assembly passed legislation to increase the gas tax. However, after raising the tax, the State revised its distribution formula to keep more funds at the state-level, resulting in a decrease in distributions to local governments starting in 2019. Gas tax revenue continued to decline in 2020 because travel and transportation decreased due to the COVID-19 pandemic.

Source: City of South Bend Accounting Records

Wheel and Excise Surtax Collections - Cash Basis

Last Ten Fiscal Years



Year	Motor Vehicle Highway Fund	% Change
2013	2,045,213	
2014	1,637,707	-19.92%
2015 (1)	2,135,441	30.39%
2016	2,006,547	-6.04%
2017	2,211,731	10.23%
2018	2,152,758	-2.67%
2019	2,065,786	-4.04%
2020	2,131,825	3.20%
2021	2,166,019	1.60%
2022	1,929,591	-10.92%

Effective January 1, 2004, St. Joseph County enacted a wheel tax and annual license excise surtax as allowed by Indiana State law to provide additional funding for road maintenance and repair. Indiana State law allows an annual wheel tax of \$5-40 per vehicle and an annual license excise surtax of 2-10%. St. Joseph County has enacted a \$25 County Excise surtax. The tax applies to all passenger cars, trucks less than 11,000 pounds, buses, tractors and motorcycles registered in the County. (Other rates apply to recreational vehicles, semitrailers and trucks exceeding 11,000 pounds.)

During 2004-2007, the City of South Bend deposited the wheel tax and excise surtax in the Local Roads & Streets Fund. Starting in 2008, the Indiana State Board of Accounts (SBOA) required that the taxes be deposited into the Motor Vehicle Highway Fund. Starting in 2019, the SBOA required that the tax revenue be split 50/50 between the Motor Vehicle Highway Fund and a new MVH Restricted Fund.

The tax is collected by the Indiana Bureau of Motor Vehicles, remitted to the County and distributed monthly to the local units based on population and road miles.

(1) Increase in the 2015 wheel tax due to 13 months of taxes being collected during the year (September 2014 - September 2015). Prior year tax collections were several months behind.

Source: City of South Bend Accounting Records

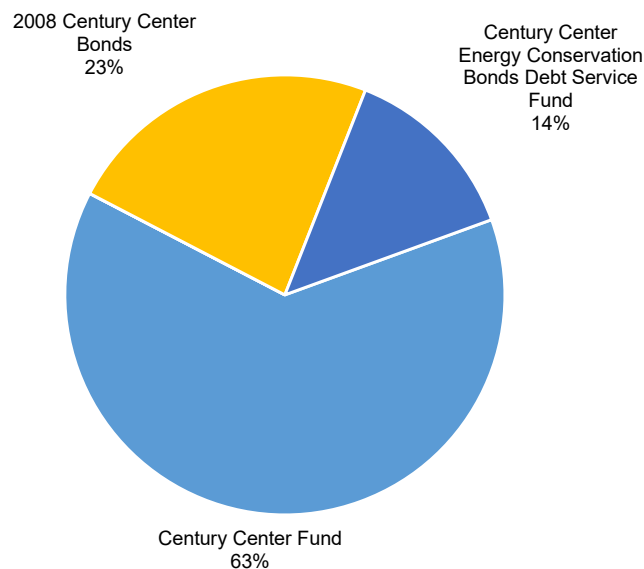
Year	-----Paid to City of South Bend-----					Subtotal: Paid to City of South Bend	---Direct Payments---		Total Hotel/ Motel Tax	Percent Change
	Century Center Fund	Professional Sports Develop. Fund	Cumulative Capital Impr. Fund	2008 Century Center Bonds	Century Center Energy Conserv. Debt Service		Other Century Center Projects			
2013	1,313,436	-	150,000	398,500	-	1,861,936	-	1,861,936		
2014	1,313,450	-	150,000	400,000	-	1,863,450	457,739	2,321,189	24.67%	
2015	1,313,450	-	150,000	492,000	-	1,955,450	976,855	2,932,305	26.33%	
2016	1,313,450	-	150,000	396,000	-	1,859,450	713,601	2,573,051	-12.25%	
2017	1,275,000	-	150,000	394,000	-	1,819,000	546,965	2,365,965	-8.05%	
2018	1,275,000	-	-	395,000	221,437	1,891,437	687,192	2,578,629	8.99%	
2019	1,275,000	-	-	395,000	235,000	1,905,000	1,292,506	3,197,506	24.00%	
2020	956,250	-	-	381,500	221,437	1,559,187	1,220,953	2,780,140	-13.05%	
2021	1,037,500	-	-	383,000	221,437	1,641,937	538,692	2,180,629	-21.56%	
2022	1,275,000	-	-	200,000	221,437	1,696,437	219,962	1,916,399	-12.12%	

Source: City of South Bend Accounting Records and St. Joseph County Auditor's Office

The hotel/motel tax was enacted in 1973. A tax rate of 6% had been in effect since 1994. In July 2021, the rate was increased to 8%, with 1% going towards developing a youth sports complex in Mishawaka, 0.5% going towards the repayment of bonds issued in 2022 to fund capital improvement projects at Potawatomi Zoo, and 0.5% going towards the repayment of bonds issued in 2022 to fund capital improvements to the Morris Performing Arts Center. The tax is accounted for in a fund of the St. Joseph County government and is administered by the 11 member St. Joseph County Board of Managers for Hotel-Motel Tax. Appointments to the Board of Managers are made by the Mayors of South Bend and Mishawaka and the St. Joseph County Commissioners.

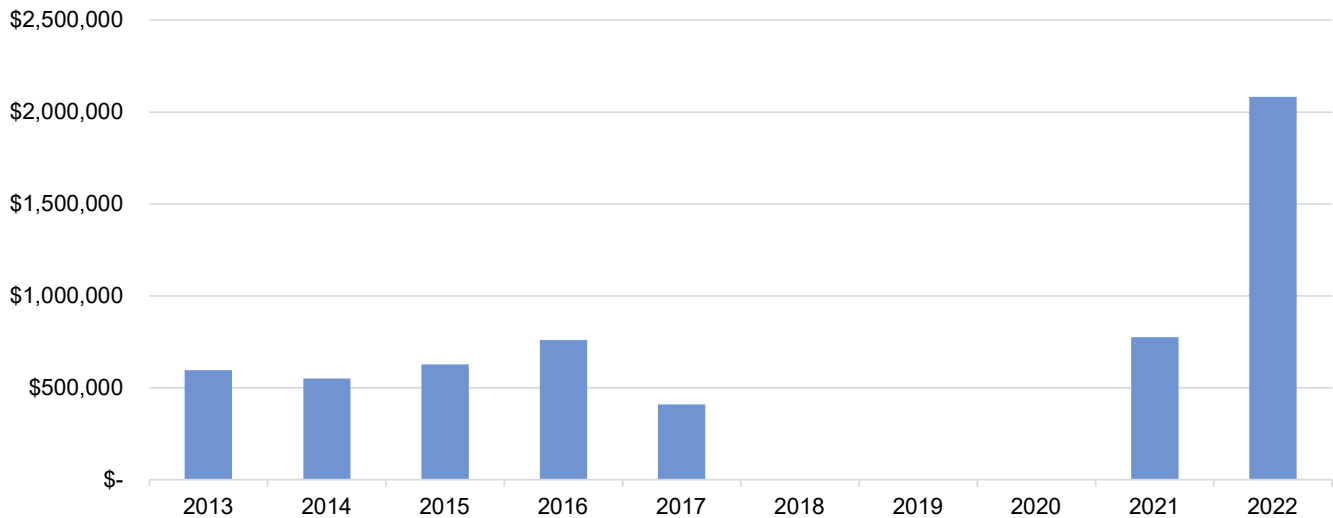
Proceeds from the hotel/motel tax fund are budgeted and distributed annually to important economic development and tourism projects in the County. South Bend receives distributions for the operations, maintenance, and debt service of Century Center (convention center). Distributions to the Cumulative Capital Improvement fund were used for the repayment of the 1994 Century Center Bonds. Distributions to the River West Tax Increment Financing fund (starting in 2015, SCBDA General fund prior) are used for the repayment of the 2008 Century Center Bonds. Distributions to the Century Center Debt Service fund are used for repayment of the 2015 Energy Conservation Bonds which were issued by the City for the energy improvements made at the Century Center in 2015.

The hotel/motel tax fund also supports other activities not included in the City of South Bend's financial statements such as the South Bend/Mishawaka Convention and Visitors Bureau. The total distribution of hotel/motel tax to all organizations was \$3,975,190 during 2022. The cash balance in the County Hotel/Motel Tax Fund was \$6,242,205 at December 31, 2022.



Professional Sports Convention Development Area (PSCDA) Tax - Cash Basis

Last Ten Fiscal Years



Year	Total PSCDA Tax	% Change
2013	597,111	
2014	551,252	-7.68%
2015	628,261	13.97%
2016	760,390	21.03%
2017	409,659	-46.13%
2018	-	-100.00%
2019	-	0.00%
2020	-	0.00%
2021	775,414	100.00%
2022	2,082,741	168.60%

The Professional Sports Convention Development Area (PSCDA) tax is a combination of Indiana state income tax withholding, local income tax withholding, and sales tax withholding from businesses and employees in the designated area. The PSCDA tax revenue shall be used for capital improvements or financing of capital improvements for any facility that is owned by the City and is used as one of the following: a professional sports franchise for practice or competitive sporting events, a facility used principally for convention or tourism related events, a museum, a facility used for public attractions of national significance, a performing arts venue (IC 36-7-31.38-8 (a)(2)). There are currently four professional sports development areas in the State--South Bend, Indianapolis/Marion County, Evansville, and Ft. Wayne.

The PSCDA taxes are collected by the Indiana Department of Revenue and are remitted on a monthly basis to St. Joseph County which remits the taxes to the City of South Bend.

The PSCDA was originally established in 1997 to fund debt service and improvements at the College Football Hall of Fame. The City received PSCDA tax revenue for the original area from January 1998 through December 2017. The original PSCDA included the College Football Hall of Fame, Century Center, Four Winds Field at Stanley Coveleski Stadium, Morris Performing Arts Center, Palais Royale Ballroom, and the Studebaker National Museum.

In 2021, the PSCDA was reinstated in downtown South Bend. The revised PSCDA expanded the tax area, adding the Aloft Hotel, the Courtyard by Marriott South Bend, Downtown, the Doubletree Hotel, Howard Park including its Community Center and the Howard Park Public House, and the campus of Indiana University South Bend. The maximum amount of covered taxes that may be captured in the PSCDA is \$2 million per year per IC 36-7-31.8-10(e). The allocation provisions shall expire July 1, 2041.

Source: City of South Bend Accounting Records

Cable Television Franchise Fee Collections - Cash Basis

Last Ten Years

Year	Comcast	AT&T	Total Franchise Fees	% Change
2013	736,071	191,529	884,207	
2014	717,156	238,309	927,600	4.91%
2015	723,676	281,873	955,465	3.00%
2016	749,565	256,611	1,005,549	5.24%
2017	771,128	156,394	1,006,176	0.06%
2018	714,471	226,562	941,033	-6.47%
2019	707,836	132,332	840,169	-10.72%
2020	678,238	255,861	934,099	11.18%
2021	670,761	105,016	775,777	-16.95%
2022	707,080	63,341	770,421	-0.69%

Pursuant to Indiana State law, the City of South Bend receives video franchise fees in the amount of 5% of gross revenue for cable operations in the City. The payments are made to the City on a quarterly basis. The franchise agreement with Comcast was effective October 19, 1998 and the franchise agreement with AT&T was effective January 1, 2009.

The video franchise fee revenue is deposited in the General Fund and is used for general operating costs. A portion of the proceeds (\$43,000) are spent on support of the local public access channel.

Under Indiana State law, the City is required to submit an Annual Franchise Fee Report (State Form 55122) summarizing franchise fee revenue received during the year and the purpose for which the revenue was expended. The report must be file with the Indiana Utility Regulatory Commission by March 1st of the following year.

Source: City of South Bend Accounting Records

Debt Capacity

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Computation of Legal Debt Margin

December 31, 2022

Civil City

Net Assessed Valuation (2021 pay 2022) of Taxable Property in South Bend	\$ 3,063,002,911
Debt limit: 2% of one third thereof	20,420,019
Less Bonds subject to limitation:	
Economic Development Income Tax Bonds of 2015 (Parks Bond)	(4,080,000)
Economic Development Income Tax Bonds, Series 2018 (Zoo Bond)	(2,810,000)
General Obligation Bonds, Series 2018 (Fire Station #9)	<u>(4,190,000)</u>
Issuance Margin	<u>\$ 9,340,019</u>
Percentage of Debt to Debt Limit	54.26%

Park District

Net Assessed Valuation (2021 pay 2022) of Taxable Property in South Bend	\$ 3,063,002,911
Debt limit: 2% of one third thereof	20,420,019
Less Bonds subject to limitation:	
Park District Bonds, Series 2017 (A-K)	<u>(10,515,000)</u>
Issuance Margin	<u>\$ 9,905,019</u>
Percentage of Debt to Debt Limit	51.49%

Redevelopment District

Net Assessed Valuation (2021 pay 2022) of Taxable Property in South Bend	\$ 3,063,002,911
Debt limit: 2% of one third thereof	20,420,019
Less Bonds subject to limitation:	
Redevelopment District Bonds, Series 2018 (TIF Parks Bond)	<u>(8,865,000)</u>
Issuance Margin	<u>\$ 11,555,019</u>
Percentage of Debt to Debt Limit	43.41%

A 2% debt limit is established by the Constitution of the State of Indiana. This limit is established for general obligation bonds, Economic Development Income Tax revenue bonds, tax revenue notes and other types of indebtedness. This limitation does not include revenue bonds payable from governmental funds (excluding Economic Development Income Tax bonds) shown in the general long term debt account group. Indiana law allows the creation of separate municipal corporations to provide vital governmental functions. Each of these municipal corporations (including the Redevelopment Authority and Redevelopment Commission) has its own 2% debt limit, even if they have the same or similar boundaries.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Civil City										
Debt Limit (1)	\$ 15,579,379	\$ 14,731,511	\$ 15,068,462	\$ 15,181,132	\$ 16,109,715	\$ 16,036,190	\$ 16,655,845	\$ 18,176,894	\$ 19,245,665	\$ 20,420,019
Total Net Debt Applicable To Limit	6,335,000	4,970,000	7,270,000	5,835,000	5,190,000	13,390,000	12,900,000	12,315,000	11,710,000	11,080,000
Debt Margin	9,244,379	9,761,511	7,798,462	9,346,132	10,919,715	2,646,190	3,755,845	5,861,894	7,535,665	9,340,019
Percentage of Debt Limit	40.66%	33.74%	48.25%	38.44%	32.22%	83.50%	77.45%	67.75%	60.84%	54.26%
Park District										
Debt Limit (1)	\$ 15,579,379	\$ 14,731,511	\$ 15,068,462	\$ 15,181,132	\$ 16,109,715	\$ 16,036,190	\$ 16,655,845	\$ 18,176,894	\$ 19,245,665	\$ 20,420,019
Total Net Debt Applicable To Limit	-	-	-	-	14,075,000	13,725,000	12,955,000	12,170,000	11,345,000	10,515,000
Debt Margin	15,579,379	14,731,511	15,068,462	15,181,132	2,034,715	2,311,190	3,700,845	6,006,894	7,900,665	9,905,019
Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	87.37%	85.59%	77.78%	66.95%	58.95%	51.49%
Redevelopment District										
Debt Limit (1)	\$ 15,579,379	\$ 14,731,511	\$ 15,068,462	\$ 15,181,132	\$ 16,109,715	\$ 16,036,190	\$ 16,655,845	\$ 18,176,894	\$ 19,245,665	\$ 20,420,019
Total Net Debt Applicable To Limit	3,405,000	3,010,000	2,615,000	2,210,000	1,795,000	12,955,000	11,855,000	10,725,000	9,570,000	8,865,000
Debt Margin	12,174,379	11,721,511	12,453,462	12,971,132	14,314,715	3,081,190	4,800,845	7,451,894	9,675,665	11,555,019
Percentage of Debt Limit	21.86%	20.43%	17.35%	14.56%	11.14%	80.79%	71.18%	59.00%	49.73%	43.41%

(1) A 2% of net assessed value debt limit has been established by the Constitution of the State of Indiana for certain type of debt including general obligation bonds, Economic Development Income Tax bonds and tax revenue notes. This limitation does not apply to revenue bonds payable from governmental or proprietary funds.

Last Ten Fiscal Years

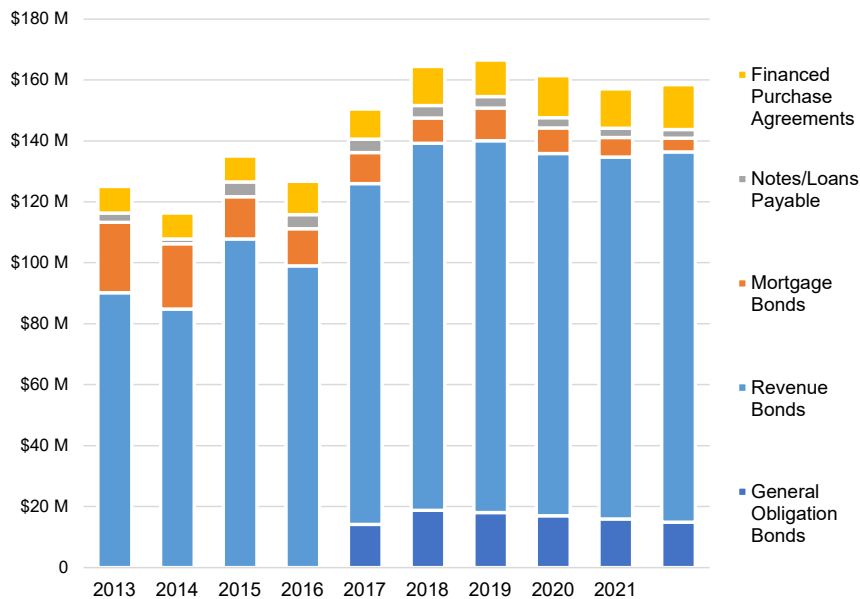
Fiscal Year	Governmental Activities					Business-Type Activities					Total Primary Government	Estimated Population (1)	Debt Per Capita	South Bend Estimated Personal Income (2)	South Bend Debt Percent of Income
	General Obligation Bonds	Revenue Bonds	Mortgage Bonds	Notes/Loans Payable	Financed Purchase Agreements	Revenue Bonds	Mortgage Bonds	Notes/Loans Payable	Financed Purchase Agreements						
2013	\$ -	\$ 90,172,826	\$ 23,079,781	\$ 3,030,554	\$ 8,777,238	\$ 118,121,963	\$ 546,973	\$ 4,121,010	\$ 3,831,933	\$ 251,682,278	101,168	\$ 2,488	3,371,120,096	7.47%	
2014	-	84,862,512	21,331,548	1,617,491	8,481,375	111,209,874	480,604	3,794,664	3,307,802	235,085,870	101,168	2,324	3,371,120,096	6.97%	
2015	-	107,815,890	13,904,973	4,831,752	8,491,407	102,871,921	5,851,565	3,458,899	4,411,042	251,637,449	101,168	2,487	3,371,120,096	7.46%	
2016	-	99,040,132	12,091,550	4,647,381	10,929,075	95,477,047	5,556,865	2,582,205	6,585,123	236,909,378	101,168	2,342	3,371,120,096	7.03%	
2017	14,081,478	111,887,531	10,224,972	4,437,115	9,795,612	87,219,814	5,255,484	2,398,821	7,456,169	252,756,996	101,168	2,498	3,492,622,864	7.24%	
2018	18,737,645	120,483,913	8,300,854	4,108,822	12,832,195	80,178,104	4,951,979	2,231,783	7,994,705	259,820,000	101,168	2,568	3,492,622,864	7.44%	
2019	18,010,537	122,084,649	10,659,268	3,761,150	11,959,268	71,235,075	120,368	2,016,089	4,763,272	244,609,677	101,168	2,418	3,492,622,864	7.00%	
2020	17,005,155	118,820,313	8,389,572	3,405,904	13,712,755	64,329,826	40,771	1,816,433	3,113,163	230,633,892	103,453	2,229	3,571,507,919	6.46%	
2021	15,950,563	118,765,880	6,345,096	3,079,026	12,889,298	58,574,841	-	220,712	2,394,205	218,219,621	103,453	2,109	3,571,507,919	6.11%	
2022	14,886,850	121,492,119	4,568,552	2,781,851	14,679,571	50,638,747	-	196,030	2,590,360	211,834,080	103,453	2,048	3,571,507,919	5.93%	
Percent of total debt	7.03%	57.35%	2.16%	1.31%	6.93%	23.90%	0.00%	0.09%	1.22%	100.00%					

Sources: City of South Bend Annual Comprehensive Financial Reports

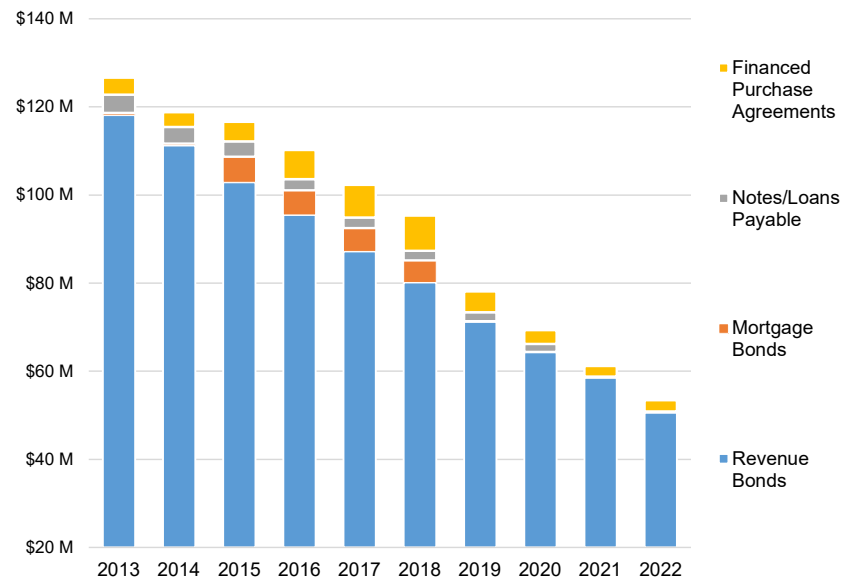
(1) U.S. Census Bureau, 2010 & 2020 Census information

(2) City of South Bend estimated personal income is computed as estimated City population x City of South Bend Median Household Income from U.S. Census Bureau, 2012 - 2016 American Community Survey 5-Year Estimates (<http://factfinder.census.gov>)

Governmental Activities Debt



Business-Type Activities Debt



Computation of Direct and Overlapping Debt

December 31, 2022

	Gross Debt	Percentage Applicable to South Bend	Amount Applicable to South Bend	Debt Per Capita	Ratio of Debt/ Net Assessed Value	Ratio of Debt/ Personal Income
Direct Debt:						
City of South Bend (1)						
General Obligation Bonds	\$ 14,886,850	100.00%	\$ 14,886,850			
Revenue Bonds - Governmental Activities	121,492,119	100.00%	121,492,119			
Mortgage Bonds - Governmental Activities	4,568,552	100.00%	4,568,552			
Notes Payable - Governmental Activities	2,781,851	100.00%	2,781,851			
Financed purchase agreements - Governmental	14,679,571	100.00%	<u>14,679,571</u>			
Total Direct Debt and Lease Obligation Debt			<u>158,408,943</u>	<u>\$ 1,531</u>	5.17%	3.59%
Overlapping Debt (2)						
Tax Supported Debt:						
St. Joseph County	\$ 53,746,698	28.97%	\$ 15,570,418			
South Bend Community School Corporation	75,611,417	53.39%	40,368,936			
Penn-Harris-Madison School Corporation	80,422,799	2.55%	2,050,781			
Mishawaka-Penn-Harris Public Library	4,583,289	2.09%	95,791			
St. Joseph County Public Library	-	50.00%	-			
St. Joseph County Airport Authority	6,741,924	28.97%	<u>1,953,135</u>			
Total Tax Supported Debt			<u>60,039,061</u>			
Total Overlapping Debt			<u>\$ 60,039,061</u>	<u>\$ 580</u>	1.96%	1.36%
Total Direct Debt and Lease Obligation Debt and Overlapping and Underlying Direct Debt and Lease Obligations			<u>\$ 218,448,004</u>	<u>\$ 2,112</u>	7.13%	4.95%

Ratio Factors

Net Assessed Valuation (2021 payable 2022)	\$ 3,063,002,911
Population - 2020 Census (3)	103,453
South Bend Median Household Income 2020 (4)	\$ 42,657
Estimated South Bend Total Personal Income (3 x 4)	\$ 4,412,994,621

Sources:

- (1) City of South Bend Annual Comprehensive Financial Report
- (2) Overlapping debt percentages are based on the net assessed value of South Bend properties in proportion to the total net assessed value. Provided by Baker Tilly Municipal Advisors - Annual Information for Continuing Disclosure Compliance
- (3) U.S. Census Bureau, 2020 Census information
- (4) U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates (<http://factfinder.census.gov/>)

**Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt
to Total Governmental Fund Expenditures**

Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service	Total Governmental Fund Expenditures	Ratio of Debt Service To Governmental Fund Expenditures
2013	\$ -	\$ -	\$ -	\$ 152,889,475	0.00%
2014	-	-	-	154,300,097	0.00%
2015	-	-	-	172,658,733	0.00%
2016	-	-	-	170,976,084	0.00%
2017	-	-	-	174,542,237	0.00%
2018	425,000	288,967	713,967	186,199,998	0.38%
2019	940,000	562,846	1,502,846	216,480,126	0.69%
2020	980,000	534,196	1,514,196	191,440,960	0.79%
2021	1,030,000	504,496	1,534,496	181,832,209	0.84%
2022	1,040,000	473,521	1,513,521	210,947,917	0.72%

Source: City of South Bend Annual Comprehensive Financial Reports

Ratio of Net General Obligation Bonded Debt to
Net Assessed Valuation and Net Bonded Debt Per Capita

Last Ten Fiscal Years

Tax Year/ Collection Year	Population (1)	Net Assessed Value	Gross General Obligation Bonded Debt	Debt Service Monies Available	Net General Obligation Bonded Debt	Percent of Net G.O. Bonded Debt To Net Assessed Value	Net G.O. Bonded Debt Per Capita
2012/2013	101,168	\$ 2,371,087,697	\$ -	\$ -	\$ -	0.00%	\$ -
2013/2014	101,168	2,209,726,672	-	-	-	0.00%	-
2014/2015	101,168	2,260,269,318	-	-	-	0.00%	-
2015/2016	101,168	2,277,169,743	-	-	-	0.00%	-
2016/2017	101,168	2,327,500,241	14,081,478	-	14,081,478	0.61%	139
2017/2018	101,168	2,416,457,221	18,737,645	-	18,737,645	0.78%	185
2018/2019	101,168	2,770,936,681	18,010,537	-	18,010,537	0.65%	178
2019/2020	103,453	2,726,534,082	17,005,155	-	17,005,155	0.62%	164
2020/2021	103,453	2,886,849,821	15,950,563	-	15,950,563	0.55%	154
2021/2022	103,453	3,063,002,911	14,886,850	-	14,886,850	0.49%	144

(1) U.S. Census Bureau, 2010 & 2020 Census information

Source: City of South Bend Annual Comprehensive Financial Reports

St. Joseph County Hotel/Motel Tax Board
Pledged Revenue Coverage

Last Ten Fiscal Years

Year	Unrestricted Hotel/Motel Tax Revenues	Annual Debt Service Payments (1)				Total Annual Debt Service	Excess Funds	Debt Coverage
		2013 Century Center Refunding Bonds	2015 Century Center Energy Conservation Bonds	2022 Morris Performing Arts Center Revenue Bonds	2022 Potawatomi Zoo Economic Develop. Revenue Bonds			
2013	3,852,302	-	-	-	-	3,852,302	n/a	
2014	4,179,467	344,308	-	-	344,308	3,835,159	1213.87%	
2015	4,749,836	392,688	-	-	392,688	4,357,149	1209.57%	
2016	4,930,183	387,613	236,132	-	623,744	4,306,439	790.42%	
2017	5,239,133	385,813	191,297	-	577,109	4,662,024	907.82%	
2018	5,679,728	386,713	305,736	-	692,449	4,987,279	820.24%	
2019	5,766,555	390,413	415,423	-	805,836	4,960,719	715.60%	
2020	3,454,156	388,556	411,096	-	799,653	2,654,503	431.96%	
2021	5,818,371	390,713	406,711	-	797,423	5,020,948	729.65%	
2022	8,816,030	386,425	402,367	185,046	189,476	1,163,314	757.84%	

(1) Debt service includes principal and interest payments

Sources:

St. Joseph County Hotel/Motel Tax Board financial reports
City of South Bend Accounting Records

Schedule of Revenue Bond Coverage
Water Utility Bonds

Last Ten Years

Year	Gross Operating Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Debt Coverage
				Principal (3)	Interest	Total	
2013	\$ 13,783,701	\$ 10,665,913	\$ 3,117,788	\$ 1,241,768	\$ 809,673	\$ 2,051,441	151.98%
2014	14,373,176	10,105,709	4,267,467	1,251,588	769,025	2,020,613	211.20%
2015	14,204,285	10,651,321	3,552,964	1,319,285	732,394	2,051,679	173.17%
2016	15,091,372	12,081,699	3,009,673	977,113	623,226	1,600,339	188.06%
2017	15,283,325	11,421,026	3,862,299	1,606,652	623,909	2,230,561	173.15%
2018	16,767,283	11,766,084	5,001,199	394,873	319,700	714,573	699.89%
2019	20,787,828	13,420,538	7,367,290	2,800,735	925,031	3,725,767	197.74%
2020	21,536,290	13,194,357	8,341,933	1,058,099	442,037	1,500,136	556.08%
2021	21,475,588	14,060,542	7,415,046	1,390,548	424,213	1,814,761	408.60%
2022	20,849,578	13,731,572	7,118,006	1,449,987	392,422	1,842,409	386.34%

(1) Operating revenues used to make debt service payments is obtained primarily through monthly user charges to water customers.

(2) Operating expenses exclude depreciation.

(3) Bonds were refunded in 2019. The principal repayment is not included in the principal total for 2019.

Sources:

City of South Bend Annual Comprehensive Financial Reports

City of South Bend Accounting Records

Schedule of Revenue Bond Coverage
Wastewater Utility Bonds

Last Ten Years

Year	Gross Operating Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Debt Coverage
				Principal (3)	Interest	Total	
2013	\$ 31,926,078	\$ 11,526,554	\$ 20,399,524	\$ 5,080,425	\$ 3,354,156	\$ 8,434,581	241.86%
2014	34,009,117	14,313,967	19,695,150	6,320,626	3,376,045	9,696,671	203.11%
2015	36,635,501	13,557,598	23,077,903	4,691,336	3,419,351	8,110,687	284.54%
2016	39,061,562	16,920,370	22,141,192	7,522,453	2,342,132	9,864,586	224.45%
2017	38,794,212	22,942,677	15,851,535	7,666,400	2,197,813	9,864,213	160.70%
2018	39,931,429	16,218,116	23,713,313	7,892,085	2,052,348	9,944,433	238.46%
2019	42,455,078	22,828,605	19,626,473	6,652,079	1,873,664	8,525,743	230.20%
2020	39,653,436	20,625,437	19,027,999	5,791,557	1,501,575	7,293,132	260.90%
2021	41,492,806	27,594,387	13,898,419	5,440,004	1,625,439	7,065,443	196.71%
2022	42,680,236	22,353,082	20,327,154	6,463,482	1,210,699	7,674,182	264.88%

(1) Operating revenues used to make debt service payments is obtained primarily through monthly user charges to sewer customers.

(2) Operating expenses exclude depreciation.

(3) Bonds were refunded in 2015 and 2021. The principal repayments are not included in the principal total for these years.

Sources:

City of South Bend Annual Comprehensive Financial Reports

City of South Bend Accounting Records

Annual Wastewater Flow Data	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Capacity (MGD) *	48	48	48	48	48	48	48	48	48	48
Average Daily Flow (MGD)	30.69	32.00	30.20	43.87	35.80	38.47	37.73	31.87	29.20	27.18
Peak Flow (MGD)	62.50	68.50	57.70	67.80	62.40	71.00	71.20	71.70	55.70	55.00
Annual Flow (MG)	11,203	11,677	11,023	16,014	13,067	14,042	13,077	11,630	10,657	9,920

Number of Customers - South Bend Municipal Sewage Works

Year	Total Number of Customers
2013	39,322
2014	39,461
2015	39,763
2016	40,073
2017	40,543
2018	40,679
2019	40,547
2020	41,154
2021	41,645
2022	42,328

Source: City of South Bend Utilities

* Short-term peak design capacity is 77 millions of gallons per day (MGD), actual long-term sustainable capacity is 48 MGD.

Statement of City-Owned Utility Debt

December 31, 2022

South Bend Municipal Water Utility

Water Works State Revolving Fund (SRF) Loan of 2009	\$	196,030
Water Works Revenue Bonds of 2012		4,685,000
Water Works Refunding Revenue Bonds of 2016		1,220,000
Amended Water Works Revenue Bonds of 2009, Series B		<u>2,690,000</u>
Total Water Utility Debt		<u>8,791,030</u>

South Bend Municipal Wastewater Utility

Sewage Works Revenue Bonds of 2012	\$	14,205,000
Sewage Works Refunding Revenue Bonds of 2013A		1,420,000
Sewage Works Refunding Revenue Bonds of 2015		8,885,000
Sewage Works Refunding Revenue Bonds of 2020		3,885,000
Sewage Works Refunding Revenue Bonds of 2021		<u>11,175,000</u>
Total Sewage Utility Debt		<u>39,570,000</u>

Total Utility Debt **\$ 48,361,030**

Source: City of South Bend Accounting Records

Estimated Debt Service Coverage Calculation
Water Utility

December 31, 2022

Operating Revenues	\$	20,849,578
Less: Operation and Maintenance Expenses (Net of Depreciation)		<u>(13,731,572)</u>
Net Revenues Available for Debt Service		7,118,006
Estimated Combined Maximum Annual Debt Service		<u>1,842,409</u>
Coverage - \$	\$	<u>5,275,597</u>
Coverage - %		386.34%

Estimated Debt Service Coverage Calculation
Wastewater Utility

December 31, 2022

Operating Revenues	\$	42,680,236
Less: Operation and Maintenance Expenses (Net of Depreciation)		<u>(22,353,082)</u>
Net Revenues Available for Debt Service		20,327,154
Estimated Combined Annual Debt Service		<u>7,674,182</u>
Coverage - \$	\$	<u>12,652,972</u>
Coverage - %		264.88%

Projected Local Income Tax Revenues
 Certified Shares Component

**0.6% Certified Shares Tax Rate
 Levy is used to Distribute**

Year of Collection	St. Joseph County Projected Distribution	City of South Bend's Estimated Portion of Projected Distribution	Projected Amount Available For Debt Service
2023	\$ 29,519,454	34.43%	\$ 10,164,012
2024	30,109,843	34.43%	10,367,292
2025	30,712,040	34.43%	10,574,638
2026	31,326,281	34.43%	10,786,131
2027	31,952,806	34.43%	11,001,853
2028	32,591,862	34.43%	11,221,891
2029	33,243,700	34.43%	11,446,328
2030	33,908,574	34.43%	11,675,255
2031	34,586,745	34.43%	11,908,760
2032	35,278,480	34.43%	12,146,935
		Total	\$ 111,293,096

Estimated 2% increase to distributions due to improving economic conditions.

Source: Department of Local Government Finance (DLGF)

Projected Local Income Tax Revenues Economic Development Component

**0.4% Economic Development Tax Rate
Levy is used to Distribute**

Year of Collection	St. Joseph County Projected Distribution	City of South Bend's Estimated Portion of Projected Distribution	Projected Amount Available For Debt Service
2023	\$ 32,835,878	41.84%	\$ 13,736,992
2024	33,492,596	41.84%	16,896,469
2025	34,162,447	41.84%	14,291,966
2026	34,845,696	41.84%	14,577,806
2027	35,542,610	41.84%	14,869,362
2028	36,253,463	41.84%	15,166,749
2029	36,978,532	41.84%	15,470,084
2030	37,718,102	41.84%	15,779,486
2031	38,472,464	41.84%	16,095,076
2032	39,241,914	41.84%	16,416,977
		Total	\$ 153,300,967

Estimated 2% increase to distributions due to improving economic conditions.

Source: Department of Local Government Finance (DLGF)

Projected Local Income Tax Revenues
Public Safety Component

0.25% Public Safety Tax Rate

Year of Collection	St. Joseph County Projected Distribution	City of South Bend's Estimated Portion of Projected Distribution	Projected Amount Available For Debt Service
2023	\$ 20,522,424	48.02%	\$ 9,855,778
2024	20,932,872	48.02%	11,988,584
2025	21,351,530	48.02%	10,253,951
2026	21,778,561	48.02%	10,459,030
2027	22,214,132	48.02%	10,668,211
2028	22,658,414	48.02%	10,881,575
2029	23,111,583	48.02%	11,099,207
2030	23,573,814	48.02%	11,321,191
2031	24,045,291	48.02%	11,547,615
2032	24,526,196	48.02%	11,778,567
		Total	\$ 109,853,710

Estimated 2% increase to distributions due to improving economic conditions.

Source: Department of Local Government Finance (DLGF)

Statement of Estimated Cash Flow and Debt Service Coverage
Local Income Tax - Certified Shares Component

Year	City of South Bend Projected Certified Shares Local Income Tax Revenues	Total Debt Payments	Estimated Excess Funds	Estimated Coverage
2023	\$ 10,164,012	\$ -	\$ 10,164,012	n/a
2024	10,367,292	-	10,367,292	n/a
2025	10,574,638	-	10,574,638	n/a
2026	10,786,131	-	10,786,131	n/a
2027	11,001,853	-	11,001,853	n/a
2028	11,221,891	-	11,221,891	n/a
2029	11,446,328	-	11,446,328	n/a
2030	11,675,255	-	11,675,255	n/a
2031	11,908,760	-	11,908,760	n/a
2032	12,146,935	-	12,146,935	n/a
2033	12,389,874	-	12,389,874	n/a
2034	12,637,671	-	12,637,671	n/a
2035	12,890,425	-	12,890,425	n/a
2036	13,148,233	-	13,148,233	n/a
2037	13,411,198	-	13,411,198	n/a
2038	13,679,422	-	13,679,422	n/a
2039	13,953,010	-	13,953,010	n/a
Total	\$ 203,402,929	\$ -	\$ 203,402,929	

Source: City of South Bend Accounting Records

Statement of Estimated Cash Flow and Debt Service Coverage
Local Income Tax - Economic Development Component

Year	City of South Bend Projected Economic Develop. Local Income Tax Revenues	2015 EDIT Revenue Bonds (Park Projects)	2018 EDIT Revenue Bonds (Potawatomi Zoo Project)	South Bend Building Corporation 2021 Lease Rental Revenue Bonds (Infrastructure Projects)	Total Debt Payments (1)	Estimated Excess Funds	Estimated Coverage
2023	\$ 13,736,992	375,581	334,500	646,200	\$ 1,356,281	\$ 12,380,711	1012.84%
2024	16,896,469	368,381	326,500	640,300	1,335,181	15,561,288	1265.48%
2025	14,291,966	381,031	318,000	643,900	1,342,931	12,949,035	1064.24%
2026	14,577,806	373,231	327,750	646,700	1,347,681	13,230,125	1081.70%
2027	14,869,362	375,356	321,750	643,700	1,340,806	13,528,556	1108.99%
2028	15,166,749	377,181	325,375	640,200	1,342,756	13,823,993	1129.52%
2029	15,470,084	383,616	318,250	641,000	1,342,866	14,127,219	1152.02%
2030	15,779,486	384,038	320,750	641,000	1,345,788	14,433,698	1172.51%
2031	16,095,076	388,463	322,625	640,200	1,351,288	14,743,788	1191.09%
2032	16,416,977	387,175	318,750	639,975	1,345,900	15,071,077	1219.78%
2033	16,745,317	389,813	324,250	643,175	1,357,238	15,388,079	1233.78%
2034	17,080,223	391,781	158,875	645,775	1,196,431	15,883,792	1427.60%
2035	17,421,827	593,094	-	647,775	1,240,869	16,180,959	1404.00%
2036	17,770,264	-	-	644,175	644,175	17,126,089	2758.61%
2037	18,125,669	-	-	-	-	18,125,669	n/a
2038	18,488,183	-	-	-	-	18,488,183	n/a
2039	18,857,946	-	-	-	-	18,857,946	n/a
Total	\$ 277,790,396	\$ 5,168,741	\$ 3,717,375	\$ 9,004,075	\$ 17,890,191	\$ 259,900,205	

(1) Debt payments include principal and interest.

Source: City of South Bend Accounting Records

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Year	City of	Percent	South Bend	Percent	South Bend	Percent	South Bend	Percent	City of	City of	Percent
	South Bend	Increase/ (Decrease)	Metropolitan	Increase/ (Decrease)	Metro Area	Increase/ (Decrease)	Metro Area	Increase/ (Decrease)	South Bend	South Bend	Increase/ (Decrease)
	Population (1)		Area		Total Personal		Per Capita		Median Age (4)	Public School	
			Median Family		Income (3)		Income (3)			Enrollment (5)	
			Income (2)		(Millions)						
2013	101,168		40,873		12,196		38,265		33.3	19,680	
2014	101,168	0.00%	34,656	-15.21%	12,887	5.67%	40,342	5.43%	33.9	19,308	-1.89%
2015	101,168	0.00%	34,656	0.00%	13,560	5.22%	42,362	5.01%	34.0	18,680	-3.25%
2016	101,168	0.00%	34,523	-0.38%	14,074	3.79%	43,880	3.58%	34.9	18,110	-3.05%
2017	101,168	0.00%	35,758	3.58%	14,074	0.00%	43,880	0.00%	34.9	17,697	-2.28%
2018	101,168	0.00%	35,758	0.00%	14,700	4.45%	45,681	4.10%	33.4	17,225	-2.67%
2019	101,168	0.00%	32,511	-9.08%	15,232	3.62%	47,244	3.42%	32.8	16,725	-2.90%
2020	103,453	2.26%	41,599	27.95%	23,392	53.57%	41,599	-11.95%	34.7	15,906	-4.90%
2021	103,453	0.00%	42,657	2.54%	24,969	6.74%	42,657	2.54%	33.7	16,297	2.46%
2022	104,523	1.03%	46,002	7.84%	28,408	13.77%	50,248	17.80%	36.7	16,297	0.00%

Sources:

- (1) U.S. Census Bureau, 2010 & 2020 Census information (<http://factfinder.census.gov/>)
- (2) U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates (<http://factfinder.census.gov/>)
- (3) Bureau of Local Economic Analysis, South Bend-Mishawaka, IN_MI Metropolitan Area Profile (<https://www.bea.gov/>).

Personal income includes net earnings by place of residence; dividends, interest, and rent; and personal current transfer receipts received by the residents of South Bend-Mishawaka.

- (4) U.S. Census Bureau, Profile of General Demographic Characteristics (<http://factfinder.census.gov/>)
- (5) Indiana Department of Education, South Bend School Corporation Total Enrollment (<http://compass.doe.in.gov/>)
- (6) Website Updated - now.data.census.gov/

Metropolitan statistical area (MSA)- An area consisting of a core county or counties in which lies an urban area having a population of at least 50,000, plus adjacent counties having a high degree of social and economic integration with the core counties as measured through commuting ties.

Demographic Statistics (Continued)

Last Ten Years

Year	South Bend Metropolitan Area Labor Force (1)	Percent Increase/ (Decrease)	South Bend Metropolitan Area Unemployment (1)	Percent Increase/ (Decrease)	South Bend Metropolitan Unemployment Rate (1)
2013	151,509	n/a	11,234	n/a	7.41%
2014	153,112	1.06%	9,044	-19.49%	5.91%
2015	156,971	2.52%	7,291	-19.38%	4.64%
2016	159,085	1.35%	6,694	-8.19%	4.21%
2017	159,240	0.10%	5,689	-15.01%	3.57%
2018	161,816	1.62%	5,937	4.36%	3.67%
2019	162,013	0.12%	5,609	-5.52%	3.46%
2020	158,137	-2.39%	8,829	57.41%	5.58%
2021	157,854	-0.18%	5,110	-42.12%	3.24%
2022	155,679	-1.38%	5,555	8.71%	3.57%

Source:

(1) Bureau of Labor Statistics, Local Area Unemployment Statistics: South Bend-Mishawaka IN-MI Metropolitan Statistical Area (<https://www.bls.gov/lau/metrossa.htm>) - December of each year

Metropolitan statistical area (MSA)- An area consisting of a core county or counties in which lies an urban area having a population of at least 50,000, plus adjacent counties having a high degree of social and economic integration with the core counties as measured through commuting ties.

Employment By Type and Industry

Last Ten Years

Description	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total employment	165,809	165,629	168,314	171,852	175,721	176,231	178,811	165,424	166,945	171,164
By Type:										
Wage and salary employment	136,390	136,105	138,475	141,683	144,810	145,127	146,253	137,774	136,613	137,352
Proprietors employment	29,419	29,524	29,839	30,169	30,911	31,104	32,558	27,650	30,332	33,812
Farm proprietors employment	1,305	1,310	1,303	1,295	1,292	1,277	1,210	571	1,200	1,190
Nonfarm proprietors employment	28,114	28,214	28,536	28,874	29,619	29,827	31,348	27,079	29,132	32,622
By Industry:										
Farm employment	1,685	1,692	1,686	1,690	1,674	1,633	1,620	720	1,562	1,530
Nonfarm employment	164,124	163,937	166,628	170,162	174,047	174,598	177,191	164,704	165,383	169,634
Private nonfarm employment	146,807	147,148	150,006	153,455	157,232	157,803	160,477	150,203	148,949	153,688
Forestry, fishing, and related activities	301	287	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Mining, quarrying, and oil and gas extraction	154	173	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Utilities	(D)	(D)	(D)	(D)	(D)	(D)	(D)	255	(D)	(D)
Construction	6,631	6,811	6,827	7,341	7,736	8,216	8,308	7,626	8,243	8,614
Manufacturing	17,655	17,139	17,523	18,098	18,444	18,670	18,422	15,309	16,287	16,159
Wholesale trade	7,097	6,870	7,265	7,477	7,678	7,064	6,978	6,959	6,991	7,128
Retail trade	17,665	17,612	17,735	17,912	18,186	17,968	17,794	16,689	16,801	17,237
Transportation and warehousing	(D)	(D)	(D)	(D)	(D)	(D)	(D)	5,749	(D)	(D)
Information	2,114	2,265	2,266	2,147	2,053	1,993	2,001	1,790	1,676	1,773
Finance and insurance	6,796	6,212	6,055	6,143	6,188	6,668	6,435	6,199	6,320	6,985
Real estate and rental and leasing	5,986	6,064	6,271	6,225	6,502	6,423	6,621	5,901	(D)	6,816
Professional, scientific, and technical services	6,981 E	7,411	7,419	7,805	(D)	8,149	8,412	7,986	8,499	8,724
Management of companies and enterprises	1,513 E	2,194	2,331	2,390	(D)	2,801	2,761	2,751	(D)	2,803
Administrative and support and waste managen	7,912	7,785	8,142	8,169	8,657	8,442	8,432	8,065	(D)	8,213
Educational services	14,121	(D)	(D)	(D)	15,284	(D)	15,575	16,127	(D)	(D)
Health care and social assistance	21,870	(D)	(D)	(D)	23,679	(D)	23,654	23,249	(D)	(D)
Arts, entertainment, and recreation	2,767	2,809	2,749	2,742	2,852	3,132	4,118	3,727	3,191	3,685
Accommodation and food services	11,816	12,189	12,348	12,811	13,248	13,200	13,880	12,329	11,221	11,970
Other services (except government and governi	10,038	9,939	10,316	10,385	10,569	10,512	10,516	9,256	9,613	9,797
Government and government enterprises	17,317	16,789	16,622	16,707	16,815	16,795	16,714	14,501	16,434	15,946
Federal civilian	1,071	1,010	962	944	952	972	953	875	986	918
Military	1,006	990	1,002	1,023	1,005	972	932	855	932	883
State and local	15,240	14,789	14,658	14,740	14,858	14,851	14,829	12,771	14,516	14,145
State government	3,483	3,272	3,096	3,077	3,109	3,128	2,822	2,877	3,153	2,950
Local government	11,757	11,517	11,562	11,663	11,749	11,723	(D)	9,894	11,363	11,195

Source: Bureau of Local Economic Analysis (<https://www.bea.gov/>)

1 - The estimates of employment for 2001-2006 are based on the 2002 North American Industry Classification System (NAICS). The estimates for 2007-2010 are based on the 2007 NAICS. The estimates for 2011-2016 are based on the 2012 NAICS. The estimates for 2017 forward are based on the 2017 NAICS.

2 - Excludes limited partners.

E The estimate shown here constitutes the major portion of the true estimate.

(D) Not shown to avoid disclosure of confidential information, but the estimates for this item are included in the totals.

Metropolitan statistical area (MSA)- An area consisting of a core county or counties in which lies an urban area having a population of at least 50,000, plus adjacent counties having a high degree of social and economic integration with the core counties as measured through commuting ties.

Comparison of Growth Rates in Personal Income St. Joseph County, the State of Indiana, and U.S.

Last Ten Years

Calendar Year	Personal Income			Annual Percentage Increase		
	St. Joseph County (\$ in thousands)	Indiana (\$ in millions)	U.S. (\$ in billions)	St. Joseph Co.	Indiana	U.S.
2012	\$ 10,333,621	\$ 258,136	\$ 13,998	n/a	n/a	n/a
2013	10,502,619	261,702	14,194	1.64%	1.38%	1.40%
2014	11,090,206	272,245	14,977	5.59%	4.03%	5.52%
2015	11,782,838	282,821	15,685	6.25%	3.88%	4.73%
2016	11,803,625	290,604	16,097	0.18%	2.75%	2.62%
2017	12,375,498	301,644	16,850	4.84%	3.80%	4.68%
2018	12,929,747	316,782	17,706	4.48%	5.02%	5.08%
2019	13,107,730	329,682	18,424	1.38%	4.07%	4.06%
2020	13,883,877	350,760	19,628	5.92%	6.39%	6.53%
2021	15,277,028	384,520	21,057	10.03%	9.62%	7.28%
Average Annual Growth - Most Recent 5 Years				5.33%	5.78%	5.53%
Average Annual Growth - Most Recent 10 Years				4.48%	4.55%	4.66%

Source: Bureau of Local Economic Analysis (<https://www.bea.gov/>)

Note -- All dollar estimates are in current dollars (not adjusted for inflation). Statistics presented in thousands of dollars do not indicate more precision than statistics presented in millions of dollars.

Employer	Type of Business	2021			2011		
		Number of Employees	Percent of Total	Rank	Number of Employees	Percent of Total	Rank
Beacon Health System (Memorial)	Health Care	7,000	4.43%	1	3,000	2.25%	3
University of Notre Dame	Higher Education	6,447	4.08%	2	5,213	3.91%	1
South Bend Community School Corp	Public Schools	2,773	1.75%	3	3,298	2.47%	2
St. Joseph County	Government	1,397	0.88%	4	1,049	0.79%	10
City of South Bend	Government	1,290	0.82%	5	1,133	0.85%	9
Four Winds Casino	Casino and restaurants	1,250	0.79%	6	-	0.00%	
Indiana University South Bend	Higher Education	1,166	0.74%	7	1,445	1.08%	6
Honeywell International	Aerospace Manufacturing	700	0.44%	8	-	0.00%	
Walmart	Department stores	700	0.44%	9	-	0.00%	
Ivy Tech Community College	Higher Education	654	0.41%	10	-	0.00%	
Saint Joseph Health System	Health Care	-	0.00%		2,221	1.66%	4
The Diocese of Fort Wayne/South Bend	Parochial Schools	-	0.00%		1,456	1.09%	5
AM General Corporation	Manufacturing/Assembly	-	0.00%		1,349	1.01%	7
1st Source Bank	Bank/Financial	-	0.00%		1,223	0.92%	8
Total Number of Employees		<u>23,377</u>	<u>14.78%</u>		<u>21,387</u>	<u>16.03%</u>	
Total Employees - South Bend Metropolitan Area Labor Force (1)		<u>158,137</u>	<u>100.00%</u>		<u>133,433</u>	<u>100.00%</u>	

Sources:

Employers' websites and the Indiana Department of Workforce Development. Note: Number of employees data not available for 2021.

(1) Bureau of Labor Statistics, Local Area Unemployment Statistics: South Bend-Mishawaka IN-MI Metropolitan Statistical Area (<https://www.bls.gov/data/>)

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Operating Indicators by Function/Program

Last Ten Fiscal Years

Function/ Program	As of December 31,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Physical arrests	2,959	2,608	2,483	2,342	2,229	2,664	2,028	1,785	1,875	1,792
Parking violations	1,019	299	691	480	919	548	293	662	649	410
Traffic violations	2,180	1,487	4,327	6,437	4,701	2,580	2,038	1,802	923	1,044
Fire:										
Emergency responses	15,865	15,902	15,340	15,886	16,829	22,659	22,166	21,958	18,003	24,096
Fires extinguished	220	227	213	236	339	278	393	360	290	380
Inspections	2,273	3,133	3,778	2,148	2,522	3,525	24	634	1,450	1,180
Refuse collection:										
Refuse collected (tons per day) (1)	122	128	149	139	142	142	148	170	162	147
Other public works:										
Street resurfacing (miles)	21	22	17	20	19	21	21	21	19	19
Potholes repaired (tonnage)	691	826	526	462	363	476	878	365	317	440
Parks and recreation:										
Athletic field permits issued	93	120	113	427	142	103	428	428	347	502
Fitness Center Admissions	63,671	67,428	64,547	67,294	73,405	68,306	71,262	65,432	84,748	98,315
Water:										
New billable housing starts	242	141	108	189	214	119	149	107	159	129
Water mains breaks	80	134	99	53	45	67	86	48	89	85
Average daily consumption (thousands of gallons)	15,300	11,000	14,500	14,640	14,358	14,640	14,400	14,866	11,294	10,868
Wastewater:										
Average daily sewage treatment (thousands of gallons)	30,690	31,991	30,200	43,874	35,800	37,110	37,730	31,870	34,559	34,869

Source: City of South Bend Departments

Capital Asset and Infrastructure Statistics by Function/Program

Last Ten Fiscal Years

Function/program	As of December 31,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	19	19	19	19	19	19	19	19	19	19
Fire										
Stations	11	11	11	11	11	11	11	11	11	11
Training Center	-	-	1	1	1	1	1	1	1	1
Rescue units	33	33	33	33	33	33	33	33	33	33
Refuse collection										
Collection trucks	19	19	19	19	19	19	19	19	18	19
Other public works										
Streets (miles)	525	525	525	525	525	525	525	525	525	525
Streetlights	2,700	2,700	3,000	3,015	3,015	3,015	3,015	3,056	3,056	3,713
Traffic signals	165	167	162	158	164	163	163	160	160	160
Parks and recreation										
Acreage	1,292	1,292	1,292	1,292	1,292	1,300	1,300	1,300	1,300	1,300
Playgrounds	23	23	23	23	23	23	23	37	37	37
Baseball/softball diamonds	27	27	27	27	27	27	27	23	23	23
Soccer/football fields	19	19	19	19	19	19	19	19	19	19
Swimming pools	2	2	2	2	2	2	2	2	2	2
Splash Pads	5	6	6	6	7	8	8	9	9	9
Community center	5	5	3	3	3	4	4	6	6	6
Water										
Water mains (miles)	583	584	583	583	583	586	587	587	587	587
Fire hydrants	5,401	5,436	5,448	5,439	5,459	5,539	5,550	5,647	5,647	4,606
Storage capacity (thousands of gallons)	17,300	17,300	17,300	17,300	17,300	17,300	17,300	17,300	17,300	17,300
Wastewater										
Sanitary sewers (miles)	528	526	527	527	527	535	537	251	246	246
Storm sewers (miles)	133	133	133	133	155	155	155	156	193	193
Treatment capacity (thousands of gallons)	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000

Source: City of South Bend Departments

New Construction - Number of Permits and Property Values

Last Ten Fiscal Years
(Dollar Amounts in 000's)

Year	Residential		Commercial		Manufacturing		Total Value (\$ in 000's)	Percent Change
	Number of Permits	Value (\$ in 000's)	Number of Permits	Value (\$ in 000's)	Number of Permits	Value (\$ in 000's)		
2013	50	15,136	8	4,954	1	160	20,250	-
2014	51	13,101	12	10,392	-	-	23,493	16.01%
2015 (1)	77	18,615	70	415,219	6	28,460	462,294	1867.79%
2016	61	15,215	22	53,622	-	-	68,837	-85.11%
2017	88	23,195	13	17,843	-	466	41,504	-39.71%
2018	92	26,069	19	41,335	-	-	67,404	62.40%
2019	85	23,322	17	72,746	1	60,000	156,068	131.54%
2020	45	13,846	16	19,037	-	21,000	53,883	-65.47%
2021	89	30,996	13	28,022	1	6,705	65,723	21.97%
2022	93	33,457	33	138,526	-	-	171,983	161.68%

(1) Increase in commercial construction due to major construction taking place at the University of Notre Dame.

Source: Consolidated City/County Building Department

Full-Time City Government Employees by Department

Last Ten Fiscal Years

Activity	As of December 31,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government:										
Mayor's Office	6	7	7	6	7	7	7	9	12	9
City Clerk's Office	5	5	5	5	5	5	4	5	4	5
Common Council (elected officials, part-time)	9	9	9	9	9	9	9	9	9	9
Administration and Finance (1), (2)	20	21	22	22	21	23	23	20	17	
Human Resources (1)	-	-	-	-	-	-	-	6	5	6
Diversity & Inclusion (1)	-	-	-	-	-	-	-	3	3	2
Human Rights	6	6	5	5	5	4	5	5	6	2
Legal Department	10	10	11	10	10	11	10	12	10	12
Engineering	13	14	16	18	18	23	21	24	23	25
Office of Sustainability	-	-	-	-	-	1	2	2	1	1
Safety and Risk	3	3	1	2	2	2	2	1	-	-
311 Call Center	5	7	7	-	-	-	-	-	-	-
Public Safety:										
Police Department	291	295	300	287	285	283	270	271	267	294
Communication Center	33	34	-	-	-	-	-	-	-	-
Fire Department	255	257	259	268	272	262	265	257	256	254
Culture and Recreation:										
Parks and Recreation (3)	113	87	88	89	94	90	94	91	86	83
Convention and Events Management	14	14	14	12	9	10	11	9	9	9
Economic Development:										
Department of Community Investment	26	25	25	23	22	24	28	29	27	33
Neighborhood Services (4)	-	-	-	4	4	4	4	34	32	27
Highways and Streets:										
Streets Division / Traffic & Lighting	60	59	50	46	53	54	56	58	57	51
Enterprise Funds:										
Water Works	70	68	67	66	66	63	63	63	62	65
Wastewater	45	42	43	44	44	42	43	42	40	42
Organic Resources	6	6	6	6	6	6	6	6	6	6
Sewer	34	33	36	37	41	39	41	41	40	35
Solid Waste	26	22	25	29	23	22	23	22	22	24
Building Department	14	13	13	14	14	15	13	15	16	14
Code Enforcement/Animal Resource Center (4)	24	23	23	18	25	26	27	-	-	-
Century Center	-	-	-	-	-	8	6	5	5	5
Internal Service Fund:										
311 Call Center	-	-	-	6	6	7	7	7	7	8
Innovation & Technology (2)	-	-	-	-	17	20	21	22	22	21
Central Services Fund	43	38	38	40	41	39	37	35	31	31
Total Positions	1,131	1,098	1,070	1,066	1,099	1,099	1,098	1,103	1,075	1,073

Source: City of South Bend Personnel Records

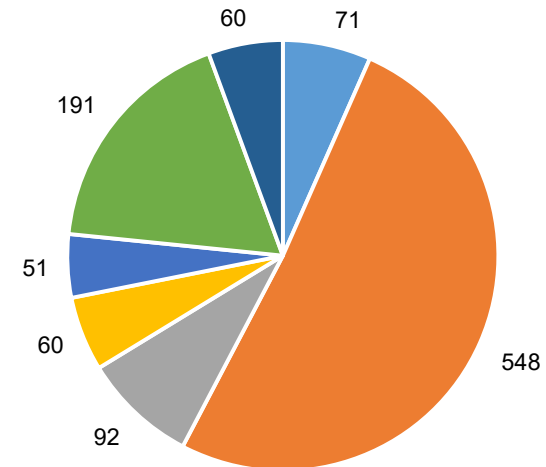
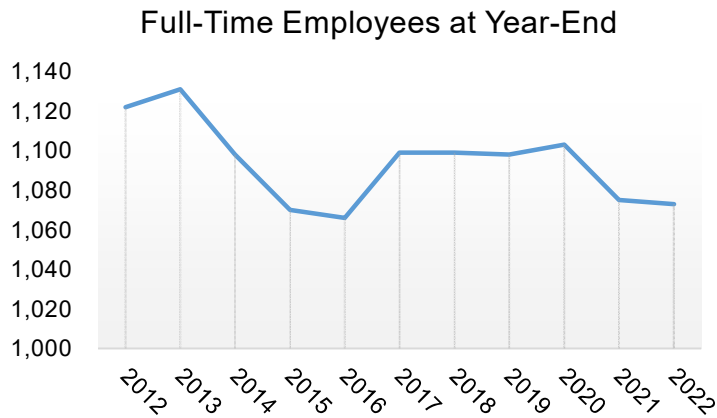
- (1) Human Resources and Diversity & Inclusion were formerly part of the Department of Administration & Finance
- (2) Innovation & Technology was formerly part of the Department of Administration & Finance
- (3) Potawatomi Zoo employees (33) became employees of the Potawatomi Zoological Society through a public-private partnership as of January 1, 2014.
- (4) Code Enforcement and Animal Resource Center moved from an Enterprise to a Governmental fund in 2020

Full-Time City Government Employees by Department (Continued)

Last Ten Fiscal Years

Activity	As of December 31,										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	75	77	82	83	77	77	85	83	96	90	71
Public Safety	575	579	586	559	555	557	545	535	528	523	548
Culture and Recreation	128	127	101	102	101	103	100	105	100	95	92
Economic Development	24	26	25	25	27	26	28	32	63	59	60
Highways and Streets	52	60	59	50	46	53	54	56	58	57	51
Enterprise Funds	226	219	207	213	214	219	221	222	194	191	191
Internal Service Funds	42	43	38	38	46	64	66	65	64	60	60
Total Positions	1,122	1,131	1,098	1,070	1,066	1,099	1,099	1,098	1,103	1,075	1,073

Full-Time Employees as of December 31, 2022



Source: City of South Bend Personnel Records
 - Excludes seasonal, part-time, and temporary positions

Salary Rate Comparison

1992 through 2022

Year	---1st Class Patrol Officer---		---1st Class Fire Fighter---		Non-bargaining	Teamsters
	Percent	Base Salary	Percent	Base Salary		
1992	4.69%	21,206	2.45%	20,869	3.00%	.30¢ per hour
1993	0.44%	21,300	5.00%	21,912	4.24%	0.00%
1994	2.35%	21,800	0.00%	21,912	1.5% + \$300 bonus	.15¢ per hour
1995	4.82%	22,850	3.00%	22,569	1.5% + \$300 bonus	.30¢ per hour
1996	4.38%	23,850	5.00%	23,697	3.00%	.27¢ per hour
1997	4.19%	24,850	4.87%	24,850	3.00%	.33¢ per hour
1998	4.63%	26,000	0.60%	25,000	3.00%	.37¢ per hour
1999	3.85%	27,000	2.60%	25,650	3.25%	3.50%
2000	5.56%	28,500	9.34%	28,045	3.50%	3.50%
2001	9.74%	31,275	11.52%	31,275	3.50%	4.00%
2002	4.50%	32,682	4.03%	32,534	4.00%	4.00%
2003	5.57%	34,504	4.04%	33,850	4.00%	4.00%
2004	6.01%	36,578	5.17%	35,600	4.00%	4.00%
2005	9.36%	40,000	12.36%	40,000	4.00%	4.00%
2006	2.50%	41,000	2.00%	40,800	2.00%	4.25%
2007	2.50%	42,025	2.50%	41,820	\$750/0%	.38¢ per hour
2008	3.50%	43,496	3.50%	43,285	3.00%	3.00%
2009	2.20%	44,453	2.00%	44,150	2.00%	2.00%
2010	0.00%	44,453	6.80%	47,150	2.00%	2.00%
2011	11.50%	49,563	4.06%	49,066	2.00%	0.00%
2012	2.00%	50,554	2.00%	50,047	2.00%	2.00%
2013	2.50%	51,818	3.00%	51,550	2.00%	2.00%
2014	2.50%	53,113	3.00%	53,100	2.00%	2.00%
2015	2.20%	54,281	2.20%	54,268	2.00%	2.00%
2016	2.20%	55,475	2.20%	55,462	2.00%	2.00%
2017	2.50%	56,861	2.20%	56,682	2.00%	1% and 1.5% INPRS Contribution
2018	2.00%	57,998	2.00%	57,957	2.00%	0.75% and 1.5% INPRS Contribution
2019	2.00%	59,158	2.00%	59,116	2.00%	0.75% and 1.5% INPRS Contribution
2020	2.00%	60,341	2.00%	60,298	2.00%	0.75% and 1.5% INPRS Contribution
2021	5.00%	63,358	2.00%	61,505	0.30%	1% and 1.5% INPRS Contribution
2022	3.50%	65,579	3.50%	63,658	2.50%	2.5% and 1.5% INPRS Contribution

As of December 31, 2022

Type of Coverage	Policy Dates	Limits of Liability	Estimated Annual Premium
Liability			
Comprehensive General Liability		Statutory	Self-Insured
Police Professional Liability		Statutory	Self-Insured
Ambulance Malpractice Liability		Statutory	Self-Insured
Premises Liability (Clay Utilities, Century Center, Parking Garages)		Statutory	Self-Insured
CGL - Stadium		Statutory	Self-Insured
Liquor Liability	1/1/22-1/1/23	\$ 1,000,000	\$ 2,430 Premium
Crime			
Public Employee Dishonesty	12/31/21-12/31/22	\$ 2,000,000	\$ 13,591 Premium
Property			
	7/1/22-7/1/23		
All risk blanket building & contents		\$ 500,000,000	\$ 1,111,417 Premium
Business Income		Included in above	Included in above
Machinery Breakdown		Included in above	Included in above
Fine Arts		Included in above	Included in above
Valuable Papers & Records		Included in above	Included in above
Contractors Equipment		Included in above	Included in above
Flood Insurance - Pump station & contents	1/15/22-1/15/23	\$ 869,500	\$ 9,821 Premium
Eddy Street Commons Parking Garage	1/1/22-1/1/23		
Building & Infrastructure		\$ 36,000,000	\$ 29,720 Premium
Business Income & Rental Value		\$ 15,000,000	Included in above
Flood		\$ 25,000,000	Included in above
Earthquake		\$ 25,000,000	Included in above
Other			
	1/1/22-1/1/23		
Workers Compensation		Statutory	Self-Insured
Third Party Fee		Statutory	\$ 49,000 Fee
Excess Over Self-insured \$500,000/\$700,000 Retention Each Accident		Statutory	\$ 145,013 Premium/Fee

Sources:

City of South Bend Administration & Finance Department
Gibson Insurance Company

Police Department				
	2019	2020	2021	2022
Authorized Officers	228	237	232	242
Vehicles	372	343	333	333
Special Officer Groups:				
K-9 Patrols	7	7	7	7
SWAT Team	18	18	18	18
NEST - Special Neighborhood Unit	12	12	12	12
Motorcycle Patrol Officers	8	8	8	8
Bomb Squad	3	3	3	6
Crime Prevention Officers	3	5	1	2
Crime Data:				
Murders	11	28	19	25
Rapes	67	87	70	64
Robbery	277	340	355	318
Aggravated Assault	711	1,426	1,997	1,360
Residential Burglary	970	461	475	466
Non-residential Burglary	-	258	190	328
Larceny	2,956	2,783	2,587	2,415
Auto Theft	480	538	631	547
Arson	71	48	34	41
Calls for Service/Dispatches	98,536	96,237	92,818	92,136
Miles Driven	3,098,275	1,978,102	1,885,132	2,107,534
Arrests	2,109	1,785	1,875	1,792

Department of Public Works				
	2019	2020	2021	2022
Traffic Signals	163	160	160	160
Street Lights (City maintained)	3,015	3,056	3,056	3,056
Miles of Streets	525	525	525	525
Miles of Sidewalks	707	707	707	707
Miles of Alleys	398	398	398	398
Miles of Sanitary Sewers and Storm Drains	692	692	632	632
City Owned Vehicles & Related Units	1,274	1,133	1,132	1,133
Sign Shop				
	2019	2020	2021	2022
Work orders for sign maintenance, installation or removal	n/a	1,550	2,020	1,840
Miles of yellow and white paint	n/a	203	-	n/a
Pre-formed plastic arrows used for street markings	n/a	160	-	30
Crosswalk painting at intersections	n/a	185	30	20
Temporary No Parking postings	n/a	n/a	-	n/a
Railroad Crossings	n/a	n/a	6	2
Special Signs Built	n/a	225	200	500
Barricades set up for events (# of events):	n/a	n/a	30	n/a
Block Parties	n/a	n/a	10	18

Fire Department				
	2019	2020	2021	2022
Sworn Firefighters				
(46 of which are Paramedics)	265	256	256	256
Fire Apparatus	20	20	20	20
Hazardous Materials Truck	1	1	1	1
Reserve Pumper Trucks	3	3	3	3
Reserve Ladder Trucks	2	3	3	3
River Rescue Boats	3	3	3	3
Ambulances	4	4	4	4
Neonatal (Newborn) Units	3	3	-	-
Fire Runs	5,898	5,826	4,765	6,566
Ambulance Runs	15,980	16,132	13,238	17,513

Sewer Utility				
	2019	2020	2021	2022
Customers	40,547	41,154	40,794	40,832
Dry Tons of Sludge produced per year	2,565	2,616	2,581	2,587
Miles of Sanitary Sewer Lines	232	251	246	246
Miles of Storm Sewer Lines	155	156	193	193
Miles of Combined Lines (not separated)	305	305	293	293
Water Utility				
	2019	2020	2021	2022
Customers/Meters	41,135	41,132	42,333	42,968
Irrigation Customers	2,902	2,857	2,805	2,967
Wells/Pumps in service	30	29	30	29
Pumping Capacity	48 m.g.d.	53.7 m.g.d.	47.2 m.g.d.	53.7 m.g.d.
Daily Consumption	14.4 m.g.d.	14.8 m.g.d.	14.6 m.g.d.	14.7 m.g.d.
Peak Demand	23.5 m.g.d.	26.28 m.g.d.	24.96 m.g.d.	27.05m.g.d.
Miles of Distribution Systems	587	587	587	535
Fire Hydrants	5,550	5,647	5,647	4,606

Source: City of South Bend Departments

South Bend International Airport

Convention Facilities

Passenger Volume:

Year	Airline Enplanements	South Shore Train	Bus to O'Hare/ Midway
2016	328,897	243,920	34,145
2017	305,491	260,794	33,696
2018	368,877	246,641	27,044
2019	417,929	236,274	25,803
2020 *	211,744	82,600	-
2021	341,645	141,895	-
2022	364,772	166,935	-

Century Center	75,000 square feet of exhibit space 2,270 max available seating 694 seat theater
Morris Performing Arts Center	2,041 available seating
Hotels/Motels	25 Hotels/Motels 3 Bed & Breakfasts
Major hotels and meeting rooms:	
DoubleTree by Hilton	facilities to seat 600
Waterford Estates Lodge	facilities to seat 500
The Morris Inn	facilities to seat 400
Aloft	facilities to seat 150

On average, more than 2,000 airline passengers travel through South Bend International every day.

* COVID 2020 - stay at home order 3/24/20 - 5/3/20 - Airlines Suspension in flights - through 2020

Commercial airlines with operations at South Bend

International Airport (market share):	2020	2021	2022
Allegiant Air	33%	27%	30%
Delta Connection	24%	28%	24%
United Express	15%	19%	19%
American	26%	24%	25%
Charters/Nonscheduled	2%	2%	2%
Total	100%	100%	100%

Health Care

The City of South Bend has excellent health care access at costs below the national average and the lowest in the Midwest region. The City has one major hospital:

Beacon Health Systems (Memori)	526 beds
--------------------------------	----------

Communications

Access to:
 3 Major Television Networks: NBC (WNDU), ABC (WBND), and CBS/FOX (WSBT)
 1 Public Broadcasting Television Station (WNIT)
 2 Local Television Stations (WHME, WJSV)
 1 Major Newspaper (The South Bend Tribune)
 25 Radio Stations

South Bend Public Transportation Corporation

Transpo:	2020	2021	2022
Motor Bus (Fixed Route)			
Route Miles	290	290	290
Ridership	890,940	937,678	1,096,886
Miles of Service	1,205,928	1,395,160	1,348,238
Revenue Miles	1,193,433	1,351,436	1,278,850
Demand Response (ACCESS)			
Ridership	48,354	51,383	60,520
Total Miles	312,886	331,911	338,949
Revenue Miles	260,873	284,641	289,448

Famous Residents

South Bend has been the home to the many distinguished individuals including the following persons:

- Schuyler Colfax, 17th U.S. Vice President
- John Fogerty, singer
- Michael Warren, actor
- Chad Everett, actor
- Sidney Pollack, actor/director
- Knute Rockne, football coach
- John Wooden, basketball coach
- Joe Kernan, former South Bend Mayor and Indiana Governor
- Ryan Newman, racecar driver
- Skylar Diggins, WNBA player
- Jaden Ivey, NBA player
- Blake Wesley, NBA player

Other Transportation

- 43 Trucking Lines, 33 Terminals
- 4 Interstate Bus Lines
- 4 Major Rail Systems (freight and passenger)

Other

- Incorporated in 1865
- County Seat of St. Joseph County
- South Bend officially began under the name South Hold, but the name was changed by the Post Office in 1830 to avoid confusion with other communities that used that name. The name South Bend was used because the City is located at the southernmost point of the St. Joseph River.
- Average High Temperature:
 - January 31 degrees Fahrenheit
 - July 83 degrees Fahrenheit


Universities and Colleges	Enrollment		
	2019-2020	2020-2021	2021-2022
University of Notre Dame	12,683	12,809	13,139
Indiana University at South Bend	5,092	4,942	4,449
Bethel University	1,450	1,362	1,339
Saint Mary's College	1,580	1,581	1,527
Holy Cross College	447	455	468



City of South Bend, Indiana

Single Audit Report

For the Year Ended December 31, 2022



City of South Bend, Indiana

December 31, 2022

Contents

Schedule of Expenditures of Federal Awards	1
Notes to the Schedule of Expenditures of Federal Awards	2
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> - Independent Auditor's Report.....	3
Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance - Independent Auditor's Report	5
Schedule of Findings and Questioned Costs.....	8
Summary Schedule of Prior Audit Findings.....	11

City of South Bend, Indiana

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Amount Passed-Through to Subrecipients	Direct Federal Expenditures	Total Federal Expenditures
U.S. Department of Commerce					
Economic Adjustment Assistance - Economic Development Cluster	11.307	N/A	\$ 4,290,000	\$ 201,760	\$ 4,491,760
Total Economic Development Cluster			<u>4,290,000</u>	<u>201,760</u>	<u>4,491,760</u>
Total U.S. Department of Commerce			<u>4,290,000</u>	<u>201,760</u>	<u>4,491,760</u>
U.S. Department of Housing and Urban Development					
Community Development Block Grant - Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants	14.218	N/A	2,352,434	-	2,352,434
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	N/A	168,328	-	168,328
Indiana Office of Community & Rural Affairs					
Community Development Block Grants/Entitlement Grants	14.218	FSSA-CV2-105	20,845	-	20,845
Total Community Development Block Grant - Entitlement Grants Cluster			<u>2,541,607</u>	<u>-</u>	<u>2,541,607</u>
Emergency Solutions Grant Program					
Emergency Solutions Grant Program	14.231	N/A	71,813	2,000	73,813
COVID-19 Emergency Solutions Grant Program	14.231	N/A	292,024	-	292,024
Total Emergency Solutions Grant			<u>363,837</u>	<u>2,000</u>	<u>365,837</u>
Fair Housing Assistance Program - State and Local					
Fair Housing Assistance Program - State and Local	14.401	N/A	-	84,038	84,038
Lead Hazard Reduction Demonstration Grant Program	14.905	N/A	11,900	-	11,900
Total U.S. Department of Housing and Urban Development			<u>2,917,344</u>	<u>86,038</u>	<u>3,003,382</u>
U.S. Department of the Interior					
Indiana Department of Natural Resources					
Historic Preservation Fund Grants-In-Aid	15.904	FFY21-12	-	3,500	3,500
Total U.S. Department of the Interior			<u>-</u>	<u>3,500</u>	<u>3,500</u>
U.S. Department of Justice					
Edward Byrne Memorial Justice Assistance Grant Program					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	24,467	128,389	152,856
Equitable Sharing Program	16.922	N/A	-	59,979	59,979
Total U.S. Department of Justice			<u>24,467</u>	<u>188,368</u>	<u>212,835</u>
U.S. Department of Transportation					
Indiana Department of Transportation					
Highway Planning and Construction Cluster					
Highway Planning and Construction	20.205	A249-15-320127A	-	145,348	145,348
Highway Planning and Construction	20.205	A249-16-L160016	-	96,830	96,830
Highway Planning and Construction	20.205	A249-16-L160015	-	23,123	23,123
Highway Planning and Construction	20.205	A249-19-L180186	-	14,171	14,171
Highway Planning and Construction	20.205	A249-21-L200113	-	22,241	22,241
Total Highway Planning and Construction Cluster			<u>-</u>	<u>301,713</u>	<u>301,713</u>
Total U.S. Department of Transportation			<u>-</u>	<u>301,713</u>	<u>301,713</u>
U.S. Department of Treasury					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	48,778,388	48,778,388
Total U.S. Department of Treasury			<u>-</u>	<u>48,778,388</u>	<u>48,778,388</u>
U.S. Equal Employment Opportunity Commission					
Employment Discrimination - State and Local Fair Employment Practice Agency Contracts					
Employment Discrimination - State and Local Fair Employment Practice Agency Contracts	30.002	N/A	-	98,244	98,244
Total U.S. Equal Employment Opportunity Commission			<u>-</u>	<u>98,244</u>	<u>98,244</u>
National Endowment for the Arts					
Promotion of the Arts Grants to Organizations and Individuals					
Promotion of the Arts Grants to Organizations and Individuals	45.024	N/A	-	92,750	92,750
Total National Endowment for the Arts			<u>-</u>	<u>92,750</u>	<u>92,750</u>
Total Federal Expenditures			<u>\$ 7,231,811</u>	<u>\$ 49,750,761</u>	<u>\$ 56,982,572</u>

City of South Bend, Indiana
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2022

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the City of South Bend, Indiana (City) under programs of the federal government for the year ended December 31, 2022. The accompanying notes are an integral part of this Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Federal Loan Programs

The Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires that the Economic Adjustment Assistance program, Federal Assistance Listing Number 11.307, federal awards expended be reported on the Schedule of Expenditures of Federal Awards as shown below for the year ended December 31, 2022:

\$	4,290,000	Revolving loan fund loans outstanding
	201,760	Revolving loan fund administrative expenses
	<hr style="border-top: 1px solid black;"/>	
\$	4,491,760	
	<hr style="border-top: 3px double black;"/>	

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Audit Committee
City of South Bend, Indiana
South Bend, Indiana

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of South Bend, Indiana (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 29, 2023.

Our report includes a reference to other auditors who audited the financial statements of South Bend Public Transportation Corporation, a discretely presented component unit, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FORVIS,LLP

Indianapolis, Indiana
September 29, 2023



201 N. Illinois Street, Suite 700 / Indianapolis, IN 46204

P 317.383.4000 / F 317.383.4200

forvis.com

**Report on Compliance for the Major Federal Program;
Report on Internal Control Over Compliance; and Report on Schedule of
Expenditures of Federal Awards Required by Uniform Guidance**

Independent Auditor's Report

Audit Committee
City of South Bend, Indiana
South Bend, Indiana

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of South Bend, Indiana (City)'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2022. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The City's basic financial statements include the operations of South Bend Public Transportation Corporation, a discretely presented component unit, which expended \$7,932,781 in federal awards which is not included in the City's schedule of expenditures of federal awards during the year ended December 31, 2022. Our compliance audit, described in the "Opinion on the Major Federal Program" section above, does not include the operations of South Bend Public Transportation Corporation because the organizational unit engaged other auditors to perform an audit of compliance.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements. We have issued our report thereon dated September 29, 2023, which contained unmodified opinions on those financial statements and contained a reference to the report of other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

FORVIS,LLP

Indianapolis, Indiana
September 29, 2023

City of South Bend, Indiana
Schedule of Findings and Questioned Costs
Year Ended December 31, 2022

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP was:
 Unmodified Qualified Adverse Disclaimer
2. Internal control over financial reporting:
Material weakness(es) identified? Yes No
Significant deficiency(ies) identified? Yes None Reported
3. Noncompliance material to the financial statements noted? Yes No

Federal Awards

4. Internal control over the major federal awards program:
Material weakness(es) identified? Yes No
Significant deficiency(ies) identified? Yes None Reported
5. Type of auditor’s report issued on compliance for the major federal award program:
 Unmodified Qualified Adverse Disclaimer
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

City of South Bend, Indiana
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2022

7. Identification of the major federal program:

Assistance Listing Number	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

8. Dollar threshold used to distinguish between Type A and Type B programs was \$1,709,477.

9. Auditee qualified as a low-risk auditee? Yes No

City of South Bend, Indiana
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2022

Section II – Financial Statement Findings

Reference Number	Finding
-----------------------------	----------------

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
-----------------------------	----------------

No matters are reportable.

City of South Bend, Indiana
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2022

Reference Number	Summary of Finding	Status
	No matters are reportable.	