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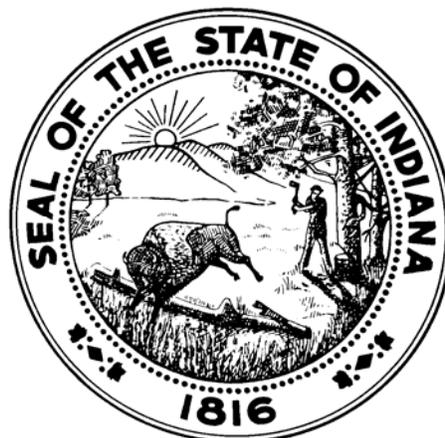
**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

ANNUAL FINANCIAL REPORT

2006

CITY OF PLYMOUTH

MARSHALL COUNTY, INDIANA



**FILED**

04/04/2007



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Toni L. Hutchings	01-01-04 to 12-31-07
Mayor	Gary L. Cook	01-01-04 to 12-31-07
President of the Common Council	Donald Gardner Jack Greenlee	01-01-06 to 12-31-06 01-01-07 to 12-31-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF PLYMOUTH, MARSHALL COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Plymouth (City), as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the City prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2006, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

The Schedules of Funding Progress, Schedule of Contributions From the Employer and Other Contributing Entities and Budgetary Comparison Schedules, as listed in the table of contents, are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The City has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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 Schedules, as listed in the table of contents, Schedule of Capital Assets and Schedule of Long-Term Debt are presented for additional analysis and are not a required part of the basic financial statements. The Combining Schedules, as listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

March 7, 2007

CITY OF PLYMOUTH  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For The Year Ended December 31, 2006

Functions/Programs	Program Receipts				Net (Disbursement) Receipt and Changes in Net Assets		
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 2,454,219	\$ 753,929	\$ 71,398	\$ 364,078	\$ (1,264,814)	\$ -	\$ (1,264,814)
Public safety	3,436,784	781,749	12,340	-	(2,642,695)	-	(2,642,695)
Highways and streets	1,313,268	4,224	-	-	(1,309,044)	-	(1,309,044)
Sanitation	389,936	-	-	-	(389,936)	-	(389,936)
Culture and recreation	721,008	114,609	6,725	40,826	(558,848)	-	(558,848)
Urban redevelopment and housing	109,441	-	91,712	-	(17,729)	-	(17,729)
Capital outlay	514,459	-	-	-	(514,459)	-	(514,459)
Total governmental activities	<u>8,939,115</u>	<u>1,654,511</u>	<u>182,175</u>	<u>404,904</u>	<u>(6,697,525)</u>	<u>-</u>	<u>(6,697,525)</u>
Business-type activities:							
Water	2,208,071	2,463,354	-	-	-	255,283	255,283
Wastewater	3,608,456	3,858,285	-	-	-	249,829	249,829
Total business-type activities	<u>5,816,527</u>	<u>6,321,639</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>505,112</u>	<u>505,112</u>
Total primary government	<u>\$ 14,755,642</u>	<u>\$ 7,976,150</u>	<u>\$ 182,175</u>	<u>\$ 404,904</u>	<u>(6,697,525)</u>	<u>505,112</u>	<u>(6,192,413)</u>
General receipts:							
Property taxes					5,395,972	-	5,395,972
Intergovernmental transfers					2,300,584	-	2,300,584
Other local sources					271,385	-	271,385
Unrestricted investment earnings					766,454	-	766,454
Total general receipts					<u>8,734,395</u>	<u>-</u>	<u>8,734,395</u>
Change in net assets					2,036,870	505,112	2,541,982
Net assets - beginning					<u>11,976,434</u>	<u>5,234,774</u>	<u>17,211,208</u>
Net assets - ending					<u>\$ 14,013,304</u>	<u>\$ 5,739,886</u>	<u>\$ 19,753,190</u>
<u>Assets</u>							
Cash and investments					\$ 13,585,875	\$ 451,188	\$ 14,037,063
Restricted assets:							
Cash and investments					<u>427,429</u>	<u>5,288,698</u>	<u>5,716,127</u>
Total assets					<u>\$ 14,013,304</u>	<u>\$ 5,739,886</u>	<u>\$ 19,753,190</u>
<u>Net Assets</u>							
Restricted for:							
Culture and recreation					\$ 427,429	\$ -	\$ 427,429
Debt service					-	1,056,344	1,056,344
Capital outlay					-	4,232,354	4,232,354
Unrestricted					<u>13,585,875</u>	<u>451,188</u>	<u>14,037,063</u>
Total net assets					<u>\$ 14,013,304</u>	<u>\$ 5,739,886</u>	<u>\$ 19,753,190</u>

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

CITY OF PLYMOUTH  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006

	General	Motor Vehicle Highway	Other Governmental Funds	Totals
<b>Receipts:</b>				
Taxes	\$ 2,509,925	\$ 1,222,656	\$ 1,663,391	\$ 5,395,972
Licenses and permits	15,144	-	1,131	16,275
Intergovernmental	1,795,134	457,120	534,138	2,786,392
Charges for services	1,048,555	4,224	473,381	1,526,160
Fines and forfeits	136,356	-	20,018	156,374
Other	502,683	6,055	586,074	1,094,812
<b>Total receipts</b>	<u>6,007,797</u>	<u>1,690,055</u>	<u>3,278,133</u>	<u>10,975,985</u>
<b>Disbursements:</b>				
General government	1,508,356	-	945,864	2,454,220
Public safety	3,385,665	-	51,118	3,436,783
Highways and streets	-	1,218,667	94,601	1,313,268
Sanitation	389,936	-	-	389,936
Culture and recreation	-	-	721,008	721,008
Urban redevelopment and housing	-	-	109,441	109,441
Capital outlay:	-	-	514,459	514,459
<b>Total disbursements</b>	<u>5,283,957</u>	<u>1,218,667</u>	<u>2,436,491</u>	<u>8,939,115</u>
<b>Excess of receipts over disbursements</b>	<u>723,840</u>	<u>471,388</u>	<u>841,642</u>	<u>2,036,870</u>
<b>Other financing sources (uses)</b>				
Transfers in	202,291	-	550,599	752,890
Transfers out	(350,000)	-	(402,890)	(752,890)
<b>Total other financing sources (uses)</b>	<u>(147,709)</u>	<u>-</u>	<u>147,709</u>	<u>-</u>
<b>Excess of receipts and other financing sources over disbursements and other financing uses</b>	576,131	471,388	989,351	2,036,870
<b>Cash and investment fund balance - beginning</b>	<u>3,279,775</u>	<u>589,252</u>	<u>8,107,407</u>	<u>11,976,434</u>
<b>Cash and investment fund balance - ending</b>	<u>\$ 3,855,906</u>	<u>\$ 1,060,640</u>	<u>\$ 9,096,758</u>	<u>14,013,304</u>
<b>Net assets of governmental activities</b>				<u>\$ 14,013,304</u>
<b><u>Cash and Investment Assets - December 31</u></b>				
Cash and investments	\$ 3,855,906	\$ 1,060,640	\$ 8,669,329	\$ 13,585,875
Restricted assets:				
Cash and investments	-	-	427,429	427,429
<b>Total cash and investment assets - December 31</b>	<u>\$ 3,855,906</u>	<u>\$ 1,060,640</u>	<u>\$ 9,096,758</u>	<u>\$ 14,013,304</u>
<b><u>Cash and Investment Fund Balance - December 31</u></b>				
Restricted for:				
Culture and recreation	\$ -	\$ -	\$ 427,429	\$ 427,429
Unrestricted	<u>3,855,906</u>	<u>1,060,640</u>	<u>8,669,329</u>	<u>13,585,875</u>
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 3,855,906</u>	<u>\$ 1,060,640</u>	<u>\$ 9,096,758</u>	<u>\$ 14,013,304</u>

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

CITY OF PLYMOUTH  
STATEMENT OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
PROPRIETARY FUNDS  
As of and for the Year Ended December 31, 2006

	Water Utility	Wastewater Utility	Total
Operating receipts:			
Unmetered sale	\$ 1,136	\$ -	\$ 1,136
Metered water receipts	1,190,939	-	1,190,939
Residential, commercial and industrial sales	-	1,610,686	1,610,686
Fire protection receipts	341,759	-	341,759
Penalties	15,222	15,615	30,837
Other water receipts	18,395	-	18,395
Wastewater taps	-	367,802	367,802
Surcharge revenue	-	541,574	541,574
Pretreatment revenue	-	56,059	56,059
Other	113,054	41,224	154,278
	<u>1,680,505</u>	<u>2,632,960</u>	<u>4,313,465</u>
Total operating receipts			
Operating disbursements:			
Equipment and capital improvements	65,459	261,446	326,905
Source of supply and disbursements - operations and maintenance	17,257	-	17,257
Water treatment disbursements - operations and maintenance	114,661	-	114,661
Transmission and distribution	236,862	-	236,862
Collection system - operations and maintenance	-	6,187	6,187
Pumping - operations and maintenance	122,313	-	122,313
Plant operations	-	595,801	595,801
Plant maintenance	-	159,312	159,312
Commercial accounts	-	20,999	20,999
Customer accounts	140,931	-	140,931
Storm water operations	-	100,754	100,754
Administration and general	283,114	429,090	712,204
Purchased power	-	179,074	179,074
Sludge removal	-	25,183	25,183
Miscellaneous disbursements	87,386	11,499	98,885
	<u>1,067,983</u>	<u>1,789,345</u>	<u>2,857,328</u>
Total operating disbursements			
Excess of operating receipts over operating disbursements	<u>612,522</u>	<u>843,615</u>	<u>1,456,137</u>
Nonoperating receipts (disbursements):			
Interest and investment receipts	105,200	103,750	208,950
Debt service of principal	(290,000)	(615,000)	(905,000)
Interest and investment disbursement	(172,439)	(82,536)	(254,975)
	<u>(357,239)</u>	<u>(593,786)</u>	<u>(951,025)</u>
Total nonoperating receipts (disbursements)			
Excess of receipts over disbursements and nonoperating receipts (disbursements)	255,283	249,829	505,112
Transfers in	677,649	1,121,575	1,799,224
Transfers out	<u>(677,649)</u>	<u>(1,121,575)</u>	<u>(1,799,224)</u>
Excess of receipts, contributions and transfers in over disbursements and transfers out	255,283	249,829	505,112
Cash and investment fund balance - beginning	<u>2,750,013</u>	<u>2,484,761</u>	<u>5,234,774</u>
Cash and investment fund balance - ending	<u>\$ 3,005,296</u>	<u>\$ 2,734,590</u>	<u>5,739,886</u>
<u>Cash and Investment Assets - December 31</u>			
Cash and investments	\$ 260,818	\$ 190,370	451,188
Restricted assets:			
Cash and investments	<u>2,744,478</u>	<u>2,544,220</u>	<u>5,288,698</u>
Total cash and investment assets - December 31	<u>\$ 3,005,296</u>	<u>\$ 2,734,590</u>	<u>5,739,886</u>
<u>Cash and Investment Fund Balance - December 31</u>			
Restricted for:			
Debt service	\$ 699,961	\$ 356,383	1,056,344
Capital outlay	2,044,517	2,187,837	4,232,354
Customer deposits	98,999	-	98,999
Other (pretreatment)	-	21,566	21,566
Unrestricted	<u>161,819</u>	<u>168,804</u>	<u>330,623</u>
Total cash and investment fund balance - December 31	<u>\$ 3,005,296</u>	<u>\$ 2,734,590</u>	<u>\$ 5,739,886</u>

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

CITY OF PLYMOUTH  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For The Year Ended December 31, 2006

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Fund
Additions:			
Contributions:			
Taxes	\$ 141,513	\$ -	\$ -
Intergovernmental	157,519	-	-
Other	-	94,846	-
	<u>299,032</u>	<u>94,846</u>	<u>-</u>
Total contributions			
Investment earnings:			
Interest	16,865	1,479	-
	<u>16,865</u>	<u>1,479</u>	<u>-</u>
Agency fund additions	-	-	4,458,320
	<u>-</u>	<u>-</u>	<u>4,458,320</u>
Total additions	<u>315,897</u>	<u>96,325</u>	<u>4,458,320</u>
Deductions:			
Benefits	275,585	-	-
Administrative and general	200	51,326	-
Agency fund deductions	-	-	4,458,299
	<u>275,785</u>	<u>51,326</u>	<u>4,458,299</u>
Total deductions			
Excess of total additions over total deductions	40,112	44,999	21
Cash and investment fund balance - beginning	<u>310,446</u>	<u>412,586</u>	<u>206</u>
Cash and investment fund balance - ending	<u>\$ 350,558</u>	<u>\$ 457,585</u>	<u>\$ 227</u>

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

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

The City's financial reporting entity is composed of the following:

Primary Government: City of Plymouth

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The motor vehicle highway fund accounts for receipts and disbursements for street maintenance and construction.

The City reports the following major proprietary funds:

The water utility fund accounts for the operation of the water distribution system.

The wastewater utility fund accounts for the operation of the wastewater treatment plant, pumping stations and collection systems.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Additionally, the City reports the following fund types:

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 private-purpose trust fund reports a trust arrangement under which principal and income benefit the Thornburg Cemetery Trust and other funds.

The agency fund accounts for assets held by the City as an agent for payroll and payroll withholdings, and serves as control of accounts for certain cash transactions during the time they are a liability to the City.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, proprietary fund and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

If the City utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governmental activities and business type activities. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

Enterprise funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating receipts of the enterprise funds are charges to customers for sales and services. Operating disbursements for enterprise funds include the cost of sales and services and administrative costs. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements. Internal service funds are used to account for activities provided to other departments or agencies primarily with the government. The City does not have any internal service funds.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

3. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

4. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the City's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (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. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds and the similar discretely presented component unit result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.
3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities and Net Assets – Cash and Investment Basis.

II. 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 calendar year end.

Prior to the first required publication, the fiscal officer of the City submits to the governing board 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 governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 fiscal officer of the City receives approval of the Indiana Department of Local Government Finance.

The City's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

III. Detailed Notes on All Funds

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government'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 the financial 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. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2006, were as follows:

Transfer From	Transfer To	2006
General Fund	Other governmental	\$ 350,000
Other governmental	General Fund	202,291
Other governmental	Other governmental	200,599
Total		\$ 752,890

The City typically uses transfers to fund ongoing operating subsidies and to transfer the portion of state-shared revenues from the governmental funds to governmental funds and business-type funds for current-year operating requirements.

IV. Other Information

A. 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; dental benefits to employees, and dependents; and natural disasters.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The risks of torts; 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 have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Job Related Illnesses or Injuries to Employees

During 1991, the City joined together with other governmental entities in the Indiana Public Employers' Plan, a public entity risk pool currently operating as a common risk management and insurance program for approximately 350 member governmental entities. This risk pool was formed in 1990. The purpose of the risk pool is to provide a medium for the funding and administration of job related illnesses or injuries to employees. The City pays an annual premium to the risk pool for its share of the costs. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

Dental Benefits To Employees And Dependents

The City has chosen to establish a risk financing fund for risks associated with employee dental benefits. The risk financing fund is accounted for in the General Fund and other funds incurring payroll expense, where assets are set aside for claim settlements.

B. Rate Structure – Enterprise Funds

Water Utility

On March 13, 1989, the City Council adopted Ordinance No. 1465 to withdraw from the jurisdiction of the Indiana Utility Regulatory Commission. The current rate structure was approved by the Council on December 9, 2002.

Wastewater Utility

The current rate structure was approved by the City Council on October 9, 2006.

C. Pension Plans

1. Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

a. Public Employees' Retirement Fund

Plan Description

The City contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The City's annual pension cost and related information, as provided by the actuary, is presented in this note.

Information to segregate the assets/liabilities and the actuarial study figures between the City and the Utilities is not available.

b. 1925 Police Officers' Pension Plan

Plan Description

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

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan 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 use of the pay-as-you-go actuarial cost method by the City results in significant underfunding of the plan. Therefore, the Net Pension Obligation (NPO) is not reflected in the financial statements of the pension trust funds.

c. 1937 Firefighters' Pension Plan

Plan Description

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

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan 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 use of the pay-as-you-go actuarial cost method by the City results in significant underfunding of the plan. Therefore, the Net Pension Obligation (NPO) is not reflected in the financial statements of the pension trust funds.

Actuarial Information for the Above Plans

	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension
Annual required contribution	\$ 119,121	\$ 476,100	\$ 109,400
Interest on net pension obligation	(3,368)	86,300	40,200
Adjustment to annual required contribution	3,838	(150,700)	(70,300)
Annual pension cost	119,591	411,700	79,300
Contributions made	117,187	127,903	27,418
Increase in net pension obligation	2,404	283,797	51,882
Net pension obligation, beginning of year	(46,449)	1,278,346	595,968
Net pension obligation, end of year	\$ (44,045)	\$ 1,562,143	\$ 647,850
Contribution rates:			
City	4.88%	21%	21%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-05	01-01-05	01-01-05
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	40 years	30 years	30 years
Amortization period (from date)	07-01-97	01-01-05	01-01-05
Asset valuation method	75% of expected actuarial value plus 25% of market value	4 year phase in of unrealized and realized capital	4 year phase in of unrealized and realized capital

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Actuarial Assumptions	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension
Investment rate of return	7.25%	6%	6%
Projected future salary increases:			
Total	5%	4%	4%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	0%	0%
Cost-of-living adjustments	2%	2.75/4%*	2.75/4%*

\* 2.75% converted members; 4% nonconverted members

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-03	\$ 118,100	78%	\$ (45,814)
	06-30-04	107,243	101%	(46,449)
	06-30-05	119,591	109%	(44,045)
1925 Police Officers' Pension Plan	12-31-02	405,400	48%	1,125,764
	12-31-03	409,800	63%	1,278,346
	12-31-04	411,700	31%	1,562,143
1937 Firefighters' Pension Plan	12-31-02	75,400	0%	514,068
	12-31-03	81,900	0%	595,968
	12-31-04	79,300	35%	647,850

Membership in the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan at January 1, 2006, were comprised of the following:

	1925 Police Officers' Pension	1937 Firefighters' Pension
Retirees and beneficiaries currently receiving benefits	12	2

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The City contributes to 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 (PERF) for all police officers and firefighters hired after April 30, 1977.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting and requirements for contributions by employers and by employees. Covered employees may retire at age 55 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 55. The plan also provides for death and disability benefits.

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

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Costs

Plan members are required to contribute 6% of the first-class police officers' and firefighters' salary and the City is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21% of the first-class police officers' and firefighters' salary. The contribution requirements of plan members and the City are established by the Board of Trustees of PERF. The City's contributions to the plan for the years ending December 31, 2006, 2005, and 2004, were \$307,117, \$308,382, and \$231,743, respectively, equal to the required contributions for each year.

CITY OF PLYMOUTH  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 2,086,208	\$ 2,113,645	\$ (27,437)	99%	\$ 2,345,717	(1%)
07-01-04	2,117,686	2,191,486	(73,800)	97%	2,432,123	(3%)
07-01-05	2,210,116	2,596,765	(386,649)	85%	2,220,740	(17%)

1925 Police Officer's Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-00	\$ 97,612	\$ 3,837,800	\$ (3,740,188)	3%	\$ 35,700	(10,477%)
01-01-01	136,015	3,715,800	(3,579,785)	4%	37,000	(9,675%)
01-01-02	200,455	4,138,800	(3,938,345)	5%	38,200	(10,310%)
01-01-03	375,065	2,589,900	(2,214,835)	14%	39,300	(5,636%)
01-01-04	346,785	4,080,600	(3,733,815)	8%	39,900	(9,358%)
01-01-05	219,742	3,921,700	(3,701,958)	6%	41,000	(9,029%)

1937 Firefighters' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-00	\$ 116,231	\$ 677,800	\$ (561,569)	17%	\$ 69,800	(805%)
01-01-01	130,893	707,900	(577,007)	18%	72,300	(798%)
01-01-02	143,522	732,800	(589,278)	20%	74,800	(788%)
01-01-03	156,359	745,900	(589,541)	21%	76,800	(768%)
01-01-04	127,390	789,200	(661,810)	16%	78,100	(847%)
01-01-05	90,704	384,500	(293,796)	24%	40,100	(733%)

CITY OF PLYMOUTH  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF CONTRIBUTIONS FROM THE  
 EMPLOYER AND OTHER CONTRIBUTING ENTITIES

	Year Ending	Annual Required Contribution (ARC)	Percentage Of ARC Contributed
1925 Police Officers' Pension Plan	12-31-99	\$ 370,300	57%
	12-31-00	383,600	63%
	12-31-01	384,200	65%
	12-31-02	442,600	44%
	12-31-03	460,600	56%
	12-31-04	476,100	27%
1937 Firefighters' Pension Plan	12-31-99	\$ 78,500	6%
	12-31-00	82,600	0%
	12-31-01	88,100	2%
	12-31-02	93,200	0%
	12-31-03	105,100	0%
	12-31-04	109,400	25%

City of Plymouth  
 Required Supplementary Information  
 Budgetary Comparison Schedules  
 General Fund and Major Special Revenue Fund  
 For the Year Ended December 31, 2006

	General Fund				Motor Vehicle Highway			
	Budget Amounts		Actual Budgetary Basis	Variance With Final Budget	Budget Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final	Amounts	(Unfavorable)	Original	Final	Amounts	(Unfavorable)
Operating receipts:								
Taxes:								
Property	\$ 2,509,925	\$ 2,509,925	\$ 2,509,925	\$ -	\$ 1,222,656	\$ 1,222,656	\$ 1,222,656	\$ -
Licenses and permits	12,675	12,675	15,144	2,469	-	-	-	-
Intergovernmental	1,779,152	1,779,152	1,795,134	15,982	378,610	378,610	457,120	78,510
Charges for services	998,999	998,999	1,048,555	49,556	4,020	4,020	4,224	204
Fines and forfeits	8,000	8,000	136,356	128,356	-	-	-	-
Other	72,900	72,900	327,953	255,053	-	-	6,055	6,055
Total operating receipts	5,381,651	5,381,651	5,833,067	451,416	1,605,286	1,605,286	1,690,055	84,769
Interfund services provided and used	160,000	160,000	174,730	14,730	-	-	-	-
Transfers in	-	-	202,291	202,291	-	-	-	-
Total receipts	5,541,651	5,541,651	6,210,088	668,437	1,605,286	1,605,286	1,690,055	84,769
Operating disbursements:								
Current:								
General government:								
Engineering	62,026	62,026	36,377	25,649	-	-	-	-
Law Department	46,600	46,600	23,044	23,556	-	-	-	-
Mayor and Council	134,267	134,267	123,872	10,395	-	-	-	-
Financial Board and Clerk-Treasurer	752,427	752,427	646,938	105,489	-	-	-	-
City Properties and Maintenance	232,889	222,778	157,270	65,508	-	-	-	-
City Lights and Power	210,000	210,000	156,982	53,018	-	-	-	-
Animal Welfare	29,125	29,125	29,125	-	-	-	-	-
City Garage and Warehouse	341,942	341,942	318,817	23,125	-	-	-	-
Board of Public Works and Safety	15,933	15,933	15,931	2	-	-	-	-
Total general government	1,825,209	1,815,098	1,508,356	306,742	-	-	-	-
Public safety:								
Storm Sewer	145,795	139,656	138,085	1,571	-	-	-	-
Building Commission	109,071	99,071	90,538	8,533	-	-	-	-
Police Department	2,071,347	2,071,347	1,798,811	272,536	-	-	-	-
Fire Department	1,517,285	1,512,801	1,358,231	154,570	-	-	-	-
Total public safety	3,843,498	3,822,875	3,385,665	437,210	-	-	-	-
Highways and streets	-	-	-	-	1,423,878	1,293,719	1,218,667	75,052
Sanitation	419,813	419,813	389,936	29,877	-	-	-	-
Total operating disbursements	6,088,520	6,057,786	5,283,957	773,829	1,423,878	1,293,719	1,218,667	75,052
Transfers out	-	-	350,000	(350,000)	-	-	-	-
Total disbursements	6,088,520	6,057,786	5,633,957	423,829	1,423,878	1,293,719	1,218,667	75,052
Net change in fund balances	(546,869)	(516,135)	576,131	1,092,266	181,408	311,567	471,388	159,821
Fund balances - beginning	3,279,775	3,279,775	3,279,775	-	589,252	589,252	589,252	-
Fund balances - December 31	\$ 2,732,906	\$ 2,763,640	\$ 3,855,906	\$ 1,092,266	\$ 770,660	\$ 900,819	\$ 1,060,640	\$ 159,821

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006

	Local Road and Street	Park and Recreation	Law Enforcement Continuing Education	Riverboat	Rainy Day	Cemetery	Aviation
<b>Receipts:</b>							
Taxes	\$ -	\$ 490,518	\$ -	\$ -	\$ -	\$ 130,138	\$ -
Licenses and permits	-	-	1,131	-	-	-	-
Intergovernmental	-	39,004	4,838	61,921	-	10,348	202,843
Charges for services	49,136	72,353	-	-	-	97,556	571
Fines and forfeits	-	-	2,727	-	-	-	-
Other	-	3,798	2,005	-	23,469	33,073	29,027
<b>Total receipts</b>	<b>49,136</b>	<b>605,673</b>	<b>10,701</b>	<b>61,921</b>	<b>23,469</b>	<b>271,115</b>	<b>232,441</b>
<b>Disbursements:</b>							
General government	-	-	-	59,508	-	245,038	217,566
Public safety	-	-	5,458	-	-	-	-
Highways and streets	94,601	-	-	-	-	-	-
Culture and recreation	-	512,736	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>94,601</b>	<b>512,736</b>	<b>5,458</b>	<b>59,508</b>	<b>-</b>	<b>245,038</b>	<b>217,566</b>
Excess (deficiency) of revenue over disbursements	(45,465)	92,937	5,243	2,413	23,469	26,077	14,875
<b>Other financing sources (uses)</b>							
Transfers in	-	-	-	-	300,000	-	36,063
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300,000</b>	<b>-</b>	<b>36,063</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(45,465)	92,937	5,243	2,413	323,469	26,077	50,938
Cash and investment fund balance - beginning	276,453	290,771	30,060	62,048	200,000	132,044	262,081
Cash and investment fund balance - ending	<u>\$ 230,988</u>	<u>\$ 383,708</u>	<u>\$ 35,303</u>	<u>\$ 64,461</u>	<u>\$ 523,469</u>	<u>\$ 158,121</u>	<u>\$ 313,019</u>
<b>Cash and Investment Assets - December 31</b>							
Cash and investments	\$ 230,988	\$ -	\$ 35,303	\$ 64,461	\$ 523,469	\$ 158,121	\$ 313,019
Restricted assets:							
Cash and investments	-	383,708	-	-	-	-	-
<b>Total cash and investment assets - December 31</b>	<u>\$ 230,988</u>	<u>\$ 383,708</u>	<u>\$ 35,303</u>	<u>\$ 64,461</u>	<u>\$ 523,469</u>	<u>\$ 158,121</u>	<u>\$ 313,019</u>
<b>Cash and Investment Fund Balance - December 31</b>							
Restricted for:							
Culture and recreation	\$ -	\$ 383,708	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	230,988	-	35,303	64,461	523,469	158,121	313,019
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 230,988</u>	<u>\$ 383,708</u>	<u>\$ 35,303</u>	<u>\$ 64,461</u>	<u>\$ 523,469</u>	<u>\$ 158,121</u>	<u>\$ 313,019</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Emergency Medical Services	Drug Free Community	Police Federal Equitable Sharing	Owner-Occupied Rehabilitation Grant	Home Improvement Grant	Brownfield Site Assessment	Crime Prevention K-9
<b>Receipts:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	91,712	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	7,797	-	7,828
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91,712</b>	<b>7,797</b>	<b>-</b>	<b>7,828</b>
<b>Disbursements:</b>							
General government	-	-	-	-	-	-	-
Public safety	-	-	5,100	-	-	-	1,580
Highways and streets	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	109,417	24	-	-
Capital outlay:	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>5,100</b>	<b>109,417</b>	<b>24</b>	<b>-</b>	<b>1,580</b>
Excess (deficiency) of revenue over disbursements	-	-	(5,100)	(17,705)	7,773	-	6,248
<b>Other financing sources (uses)</b>							
Transfers in	-	-	-	3,000	-	-	-
Transfers out	(179,357)	-	-	-	-	(594)	-
<b>Total other financing sources (uses)</b>	<b>(179,357)</b>	<b>-</b>	<b>-</b>	<b>3,000</b>	<b>-</b>	<b>(594)</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(179,357)	-	(5,100)	(14,705)	7,773	(594)	6,248
Cash and investment fund balance - beginning	179,357	1,799	6,340	15,000	130,066	594	2,488
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 1,799</u>	<u>\$ 1,240</u>	<u>\$ 295</u>	<u>\$ 137,839</u>	<u>\$ -</u>	<u>\$ 8,736</u>
<b>Cash and Investment Assets - December 31</b>							
Cash and investments	\$ -	\$ 1,799	\$ 1,240	\$ 295	\$ 137,839	\$ -	\$ 8,736
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - December 31</b>	<u>\$ -</u>	<u>\$ 1,799</u>	<u>\$ 1,240</u>	<u>\$ 295</u>	<u>\$ 137,839</u>	<u>\$ -</u>	<u>\$ 8,736</u>
<b>Cash and Investment Fund Balance - December 31</b>							
Restricted for:							
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	1,799	1,240	295	137,839	-	8,736
<b>Total cash and investment fund balance - December 31</b>	<u>\$ -</u>	<u>\$ 1,799</u>	<u>\$ 1,240</u>	<u>\$ 295</u>	<u>\$ 137,839</u>	<u>\$ -</u>	<u>\$ 8,736</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Aviation Rotary	Restitution	Deferral and Diversion	Transportation	D.A.R.E.	Park Nonreverting Operating
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	211,509	-	-	-	-	42,256
Fines and forfeits	-	500	16,791	-	-	-
Other	750	-	-	-	500	38,081
<b>Total receipts</b>	<b>212,259</b>	<b>500</b>	<b>16,791</b>	<b>-</b>	<b>500</b>	<b>80,337</b>
Disbursements:						
General government	173,847	-	-	8,057	-	-
Public safety	-	-	19,455	-	100	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	66,029
Urban redevelopment and housing	-	-	-	-	-	-
Capital outlay:	-	-	-	-	-	-
<b>Total disbursements</b>	<b>173,847</b>	<b>-</b>	<b>19,455</b>	<b>8,057</b>	<b>100</b>	<b>66,029</b>
Excess (deficiency) of revenue over disbursements	38,412	500	(2,664)	(8,057)	400	14,308
Other financing sources (uses)						
Transfers in	-	-	-	10,000	-	-
Transfers out	(36,063)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(36,063)</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,349	500	(2,664)	1,943	400	14,308
Cash and investment fund balance - beginning	38,305	4,460	21,419	5,767	275	23,623
Cash and investment fund balance - ending	<u>\$ 40,654</u>	<u>\$ 4,960</u>	<u>\$ 18,755</u>	<u>\$ 7,710</u>	<u>\$ 675</u>	<u>\$ 37,931</u>
<b>Cash and Investment Assets - December 31</b>						
Cash and investments	\$ 40,654	\$ 4,960	\$ 18,755	\$ 7,710	\$ 675	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	37,931
<b>Total cash and investment assets - December 31</b>	<u>\$ 40,654</u>	<u>\$ 4,960</u>	<u>\$ 18,755</u>	<u>\$ 7,710</u>	<u>\$ 675</u>	<u>\$ 37,931</u>
<b>Cash and Investment Fund Balance - December 31</b>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,931
Unrestricted	40,654	4,960	18,755	7,710	675	-
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 40,654</u>	<u>\$ 4,960</u>	<u>\$ 18,755</u>	<u>\$ 7,710</u>	<u>\$ 675</u>	<u>\$ 37,931</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	City Monetary Gift	Multi-County Task Force	Unsafe Building	Community Improvement	Cumulative Capital Improvement	Cumulative Capital Development
<b>Receipts:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 176,095
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	35,154	14,002
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	21,858	4,012	-	-	-	75,765
<b>Total receipts</b>	<b>21,858</b>	<b>4,012</b>	<b>-</b>	<b>-</b>	<b>35,154</b>	<b>265,862</b>
<b>Disbursements:</b>						
General government	21,192	-	-	-	-	-
Public safety	-	6,003	13,422	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Capital outlay:	-	-	-	45,781	-	136,808
<b>Total disbursements</b>	<b>21,192</b>	<b>6,003</b>	<b>13,422</b>	<b>45,781</b>	<b>-</b>	<b>136,808</b>
Excess (deficiency) of revenue over disbursements	666	(1,991)	(13,422)	(45,781)	35,154	129,054
<b>Other financing sources (uses)</b>						
Transfers in	-	-	50,000	48,662	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>48,662</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	666	(1,991)	36,578	2,881	35,154	129,054
Cash and investment fund balance - beginning	10,749	38,244	-	-	334,007	1,193,877
Cash and investment fund balance - ending	<u>\$ 11,415</u>	<u>\$ 36,253</u>	<u>\$ 36,578</u>	<u>\$ 2,881</u>	<u>\$ 369,161</u>	<u>\$ 1,322,931</u>
<b>Cash and Investment Assets - December 31</b>						
Cash and investments	\$ 11,415	\$ 36,253	\$ 36,578	\$ 2,881	\$ 369,161	\$ 1,322,931
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - December 31</b>	<u>\$ 11,415</u>	<u>\$ 36,253</u>	<u>\$ 36,578</u>	<u>\$ 2,881</u>	<u>\$ 369,161</u>	<u>\$ 1,322,931</u>
<b>Cash and Investment Fund Balance - December 31</b>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	11,415	36,253	36,578	2,881	369,161	1,322,931
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 11,415</u>	<u>\$ 36,253</u>	<u>\$ 36,578</u>	<u>\$ 2,881</u>	<u>\$ 369,161</u>	<u>\$ 1,322,931</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	1993 TIF Tax Money	2000 TIF Tax Money	Vinall Downtown Project	Oak Road Improvements	UDAG Hospital	CCF Senior Center Grant
<b>Receipts:</b>						
Taxes	\$ 607,269	\$ 109,655	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	102,275	20,968	-	-	198,212	-
<b>Total receipts</b>	<b>709,544</b>	<b>130,623</b>	<b>-</b>	<b>-</b>	<b>198,212</b>	<b>-</b>
<b>Disbursements:</b>						
General government	-	169,753	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Capital outlay:	270,933	-	60,937	-	-	-
<b>Total disbursements</b>	<b>270,933</b>	<b>169,753</b>	<b>60,937</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenue over disbursements	438,611	(39,130)	(60,937)	-	198,212	-
<b>Other financing sources (uses)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(21,495)	(153,536)	(845)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(21,495)</b>	<b>(153,536)</b>	<b>(845)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	438,611	(39,130)	(60,937)	(21,495)	44,676	(845)
Cash and investment fund balance - beginning	1,815,888	383,899	60,937	21,495	2,473,561	845
Cash and investment fund balance - ending	<u>\$ 2,254,499</u>	<u>\$ 344,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,518,237</u>	<u>\$ -</u>
<b>Cash and Investment Assets - December 31</b>						
Cash and investments	\$ 2,254,499	\$ 344,769	\$ -	\$ -	\$ 2,518,237	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - December 31</b>	<u>\$ 2,254,499</u>	<u>\$ 344,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,518,237</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - December 31</b>						
Restricted for:						
Culture and recreation		\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	2,254,499	344,769	-	-	2,518,237	-
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 2,254,499</u>	<u>\$ 344,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,518,237</u>	<u>\$ -</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	USDA Grant	Park Nonreverting Capital	Plymouth Greenways	2005 TIF Tax Money	Levy Excise	Totals
<b>Receipts:</b>						
Taxes	\$ -	\$ -	\$ -	\$ 36,948	\$ 112,768	\$ 1,663,391
Licenses and permits	-	-	-	-	-	1,131
Intergovernmental	49,540	-	24,776	-	-	534,138
Charges for services	-	-	-	-	-	473,381
Fines and forfeits	-	-	-	-	-	20,018
Other	-	288	16,050	318	-	586,074
<b>Total receipts</b>	<b>49,540</b>	<b>288</b>	<b>40,826</b>	<b>37,266</b>	<b>112,768</b>	<b>3,278,133</b>
<b>Disbursements:</b>						
General government	43,530	-	-	7,373	-	945,864
Public safety	-	-	-	-	-	51,118
Highways and streets	-	-	-	-	-	94,601
Culture and recreation	-	-	142,243	-	-	721,008
Urban redevelopment and housing	-	-	-	-	-	109,441
Capital outlay:	-	-	-	-	-	514,459
<b>Total disbursements</b>	<b>43,530</b>	<b>-</b>	<b>142,243</b>	<b>7,373</b>	<b>-</b>	<b>2,436,491</b>
Excess (deficiency) of revenue over disbursements	6,010	288	(101,417)	29,893	112,768	841,642
<b>Other financing sources (uses)</b>						
Transfers in	-	-	102,874	-	-	550,599
Transfers out	-	(11,000)	-	-	-	(402,890)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(11,000)</b>	<b>102,874</b>	<b>-</b>	<b>-</b>	<b>147,709</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,010	(10,712)	1,457	29,893	112,768	989,351
Cash and investment fund balance - beginning	-	16,502	9,791	-	64,662	8,107,407
Cash and investment fund balance - ending	<u>\$ 6,010</u>	<u>\$ 5,790</u>	<u>\$ 11,248</u>	<u>\$ 29,893</u>	<u>\$ 177,430</u>	<u>\$ 9,096,758</u>
<b>Cash and Investment Assets - December 31</b>						
Cash and investments	\$ 6,010	\$ -	\$ 11,248	\$ 29,893	\$ 177,430	\$ 8,669,329
Restricted assets:						
Cash and investments	-	5,790	-	-	-	427,429
<b>Total cash and investment assets - December 31</b>	<u>\$ 6,010</u>	<u>\$ 5,790</u>	<u>\$ 11,248</u>	<u>\$ 29,893</u>	<u>\$ 177,430</u>	<u>\$ 9,096,758</u>
<b>Cash and Investment Fund Balance - December 31</b>						
Restricted for:						
Culture and recreation	\$ -	\$ 5,790	\$ -	\$ -	\$ -	\$ 427,429
Unrestricted	6,010	-	11,248	29,893	177,430	8,669,329
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 6,010</u>	<u>\$ 5,790</u>	<u>\$ 11,248</u>	<u>\$ 29,893</u>	<u>\$ 177,430</u>	<u>\$ 9,096,758</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PENSION TRUST FUNDS  
 For The Year Ended December 31, 2006

	Police Pension	Firefighters Pension	Total
Additions:			
Contributions:			
Taxes	\$ 141,513	\$ -	\$ 141,513
Intergovernmental	135,002	22,517	157,519
Total contributions	276,515	22,517	299,032
Investment receipts:			
Interest	11,498	5,367	16,865
Total additions	288,013	27,884	315,897
Deductions:			
Benefits	228,937	46,648	275,585
Administrative and general	100	100	200
Total deductions	229,037	46,748	275,785
Excess (deficiency) of total additions over total deductions	58,976	(18,864)	40,112
Cash and investment fund balance - beginning	219,742	90,704	310,446
Cash and investment fund balance - ending	\$ 278,718	\$ 71,840	\$ 350,558

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PRIVATE-PURPOSE TRUST FUNDS  
 For The Year Ended December 31, 2006

	Park Deposit	Cemetery Trust	Cemetery Perpetual Trust	Park Gift	Financial Guarantee	Total
Additions:						
Contributions:						
Other	\$ 26,700	\$ -	\$ 17,165	\$ 15,900	\$ 35,081	\$ 94,846
Investment earnings:						
Interest	-	489	-	990	-	1,479
Total additions	<u>26,700</u>	<u>489</u>	<u>17,165</u>	<u>16,890</u>	<u>35,081</u>	<u>96,325</u>
Deductions:						
Administrative and general	<u>23,900</u>	<u>140</u>	<u>-</u>	<u>22,986</u>	<u>4,300</u>	<u>51,326</u>
Excess (deficiency) of total additions over total deductions	2,800	349	17,165	(6,096)	30,781	44,999
Cash and investment fund balance - beginning	<u>4,360</u>	<u>9,137</u>	<u>333,251</u>	<u>20,818</u>	<u>45,020</u>	<u>412,586</u>
Cash and investment fund balance - ending	<u>\$ 7,160</u>	<u>\$ 9,486</u>	<u>\$ 350,416</u>	<u>\$ 14,722</u>	<u>\$ 75,801</u>	<u>\$ 457,585</u>

CITY OF PLYMOUTH  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

As of December 31, 2006

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

General infrastructure assets (those reported by governmental activities) are included regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 1,778,787
Infrastructure	24,762,926
Buildings	4,630,346
Improvements other than buildings	4,154,021
Machinery and equipment	5,571,214
Construction in progress	<u>645,024</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 41,542,318</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 177,016
Construction in progress	31,727
Buildings	4,404,630
Improvements other than buildings	7,270,143
Machinery and equipment	<u>969,141</u>
Total Water Utility capital assets	<u>12,852,657</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	164,463
Buildings	11,515,498
Improvements other than buildings	11,302,104
Machinery and equipment	<u>1,810,374</u>
Total Wastewater Utility capital assets	<u>24,792,439</u>
Total business-type activities capital assets	<u>\$ 37,645,096</u>

CITY OF PLYMOUTH  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT

As of December 31, 2006

The City has entered into the following debt:

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Real Estate Loan	\$ 22,150	\$ 10,523
Business-type Activities:		
Water Utility		
Revenue bonds:		
1998 Waterworks refunding	\$ 415,000	\$ 275,000
1999 Waterworks improvements	2,920,000	30,000
Total Water Utility	3,335,000	305,000
Wastewater Utility		
Revenue bonds:		
1996 Sewage works refunding	1,080,000	645,000
Total business-type activities long-term debt:	\$ 4,415,000	\$ 950,000

CITY OF PLYMOUTH  
EXIT CONFERENCE

The contents of this report were discussed on March 7, 2007, with Toni L. Hutchings, Clerk-Treasurer; and Gary L. Cook, Mayor. Our audit disclosed no material items that warrant comment at this time.