

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

ANNUAL FINANCIAL REPORT

2007

CITY OF PLYMOUTH

MARSHALL COUNTY, INDIANA



FILED
09/22/2008

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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 12-31-11
Mayor	Gary L. Cook Mark Senter	01-01-04 to 12-31-07 01-01-08 to 12-31-11
President of the Board of Public Works and Safety	Gary L. Cook Mark Senter	01-01-04 to 12-31-07 01-01-08 to 12-31-11
President of the Common Council	Jack Greenlee Charles Ripley	01-01-07 to 12-31-07 01-01-08 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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, 2007, 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial 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, 2007, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated August 26, 2008, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedules of Funding Progress, Schedules 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.

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 required parts 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

August 26, 2008



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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

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

We have audited the 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, 2007, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 26, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses, as defined above.

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
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 determination of financial statement amounts. 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.

This report is intended solely for the information and use of the City's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

August 26, 2008

CITY OF PLYMOUTH
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2007

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	Totals
Primary government:							
Governmental activities:							
General government	\$ 4,000,149	\$ 272,971	\$ 1,660	\$ -	\$ (3,725,518)	\$ -	\$ (3,725,518)
Public safety	3,528,595	481,627	-	-	(3,046,968)	-	(3,046,968)
Highways and streets	1,690,012	-	1,120,321	-	(569,691)	-	(569,691)
Sanitation	385,252	453,296	-	-	68,044	-	68,044
Health and welfare	-	210,698	25,456	-	236,154	-	236,154
Economic development	167,679	-	-	177,272	9,593	-	9,593
Culture and recreation	755,030	122,824	-	-	(632,206)	-	(632,206)
Urban redevelopment and housing	397,951	-	-	-	(397,951)	-	(397,951)
Total governmental activities	<u>10,924,668</u>	<u>1,541,416</u>	<u>1,147,437</u>	<u>177,272</u>	<u>(8,058,543)</u>	<u>-</u>	<u>(8,058,543)</u>
Business-type activities:							
Water	1,913,590	1,639,496	-	-	-	(274,094)	(274,094)
Wastewater	2,322,619	2,217,775	-	-	-	(104,844)	(104,844)
Total business-type activities	<u>4,236,209</u>	<u>3,857,271</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(378,938)</u>	<u>(378,938)</u>
Total primary government	<u>\$ 15,160,877</u>	<u>\$ 5,398,687</u>	<u>\$ 1,147,437</u>	<u>\$ 177,272</u>	<u>(8,058,543)</u>	<u>(378,938)</u>	<u>(8,437,481)</u>
General receipts:							
Property taxes					4,306,677	-	4,306,677
Intergovernmental					2,803,940	-	2,803,940
Other local sources					866,373	-	866,373
Grants and contributions not restricted to specific programs					340,257	-	340,257
Investment earnings					809,784	260,543	1,070,327
Total general receipts					<u>9,127,031</u>	<u>260,543</u>	<u>9,387,574</u>
Change in net assets					1,068,488	(118,395)	950,093
Net assets - beginning					<u>14,027,877</u>	<u>5,739,886</u>	<u>19,767,763</u>
Net assets - ending					<u>\$ 15,096,365</u>	<u>\$ 5,621,491</u>	<u>\$ 20,717,856</u>
<u>Assets</u>							
Cash and investments					\$ 14,833,123	\$ 411,622	\$ 15,244,745
Restricted assets:							
Cash and investments					<u>263,242</u>	<u>5,209,869</u>	<u>5,473,111</u>
Total assets					<u>\$ 15,096,365</u>	<u>\$ 5,621,491</u>	<u>\$ 20,717,856</u>
<u>Net Assets</u>							
Restricted for:							
Highways and streets					\$ 257,164	\$ -	\$ 257,164
Debt service					-	1,065,136	1,065,136
Capital outlay					6,078	3,923,984	3,930,062
Customer deposits					-	103,471	103,471
Other purposes					-	117,278	117,278
Unrestricted					<u>14,833,123</u>	<u>411,622</u>	<u>15,244,745</u>
Total net assets					<u>\$ 15,096,365</u>	<u>\$ 5,621,491</u>	<u>\$ 20,717,856</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, 2007

	General	Motor Vehicle Highway	Aviation	Rainy Day	1993 Tax Increment Financing	UDAG Hospital	Other Governmental Funds	Totals
Receipts:								
Taxes	\$ 2,716,538	\$ 856,382	\$ -	\$ -	\$ 524,348	\$ -	\$ 832,203	\$ 4,929,471
Special assessments	450	-	-	-	-	-	-	450
Licenses and permits	27,850	-	-	-	-	-	1,400	29,250
Intergovernmental	1,725,720	449,524	615,955	857,541	-	-	484,409	4,133,149
Charges for services	1,033,109	3,060	481	-	-	-	378,737	1,415,387
Fines and forfeits	4,357	-	-	-	-	-	20,624	24,981
Interfund loans	-	-	470,000	-	-	-	-	470,000
Other	309,157	838	26,584	78,429	131,105	192,276	496,068	1,234,457
Total receipts	5,817,181	1,309,804	1,113,020	935,970	655,453	192,276	2,213,441	12,237,145
Disbursements:								
General government	1,504,340	-	162,199	-	-	-	401,746	2,068,285
Public safety	3,315,216	-	-	-	-	-	21,419	3,336,635
Highways and streets	-	1,057,971	-	-	-	-	3,221	1,061,192
Sanitation	385,252	-	-	-	-	-	-	385,252
Economic development	-	-	-	-	5,330	-	5,113	10,443
Culture and recreation	-	-	-	-	-	-	596,555	596,555
Urban redevelopment and housing	-	-	-	-	-	-	53,428	53,428
Interfund loans	470,000	-	-	-	-	-	-	470,000
Capital outlay:								
General government	66,791	-	1,174,866	-	-	-	690,207	1,931,864
Public safety	178,540	-	-	-	-	-	13,420	191,960
Highways and streets	-	605,356	-	-	-	-	23,464	628,820
Economic development	-	-	-	-	129,685	-	27,551	157,236
Culture and recreation	-	-	-	-	-	-	158,475	158,475
Urban redevelopment and housing	-	-	-	-	-	-	344,523	344,523
Total disbursements	5,920,139	1,663,327	1,337,065	-	135,015	-	2,339,122	11,394,668
Excess (deficiency) of receipts over disbursements	(102,958)	(353,523)	(224,045)	935,970	520,438	192,276	(125,681)	842,477
Other financing sources (uses):								
Transfers in	116,705	25,351	52,708	400,000	-	-	16,521	611,285
Transfers out	(400,000)	-	-	-	-	-	(211,285)	(611,285)
Other receipts	219,507	1,976	1,028	-	-	-	3,500	226,011
Total other financing sources (uses)	(63,788)	27,327	53,736	400,000	-	-	(191,264)	226,011
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(166,746)	(326,196)	(170,309)	1,335,970	520,438	192,276	(316,945)	1,068,488
Cash and investment fund balance - beginning	3,855,906	1,060,640	312,920	523,469	2,254,499	2,518,237	3,502,206	14,027,877
Cash and investment fund balance - ending	<u>\$ 3,689,160</u>	<u>\$ 734,444</u>	<u>\$ 142,611</u>	<u>\$ 1,859,439</u>	<u>\$ 2,774,937</u>	<u>\$ 2,710,513</u>	<u>\$ 3,185,261</u>	<u>\$ 15,096,365</u>
Cash and Investment Assets - Ending								
Cash and investments	\$ 3,689,160	\$ 734,444	\$ 142,611	\$ 1,859,439	\$ 2,774,937	\$ 2,710,513	\$ 2,922,019	\$ 14,833,123
Restricted assets:								
Cash and investments	-	-	-	-	-	-	263,242	263,242
Total cash and investment assets - ending	<u>\$ 3,689,160</u>	<u>\$ 734,444</u>	<u>\$ 142,611</u>	<u>\$ 1,859,439</u>	<u>\$ 2,774,937</u>	<u>\$ 2,710,513</u>	<u>\$ 3,185,261</u>	<u>\$ 15,096,365</u>
Cash and Investment Fund Balance - Ending								
Restricted for:								
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 257,164	\$ 257,164
Capital outlay	-	-	-	-	-	-	6,078	6,078
Unrestricted	3,689,160	734,444	142,611	1,859,439	2,774,937	2,710,513	2,922,019	14,833,123
Total cash and investment fund balance - ending	<u>\$ 3,689,160</u>	<u>\$ 734,444</u>	<u>\$ 142,611</u>	<u>\$ 1,859,439</u>	<u>\$ 2,774,937</u>	<u>\$ 2,710,513</u>	<u>\$ 3,185,261</u>	<u>\$ 15,096,365</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, 2007

	Water Utility	Wastewater Utility	Totals
Operating receipts:			
Unmetered water receipts	\$ 2,367	\$ -	\$ 2,367
Metered receipts:	1,333,073	-	1,333,073
Residential, commercial and industrial sales	-	1,457,559	1,457,559
Wastewater surcharge receipts	-	433,860	433,860
Storm water receipts	-	151,462	151,462
Pretreatment receipts	-	41,055	41,055
Fire protection receipts	197,357	-	197,357
Penalties	16,453	17,475	33,928
Charges for services	23,312	81,412	104,724
Miscellaneous	66,934	29,126	96,060
	<u>1,639,496</u>	<u>2,211,949</u>	<u>3,851,445</u>
Total operating receipts			
Operating disbursements:			
Equipment and capital improvements	393,427	221,822	615,249
Water treatment disbursements - operations and maintenance	128,929	-	128,929
Transmission and distribution	280,013	-	280,013
Collection system - operations and maintenance	-	80,437	80,437
Pumping - operations and maintenance	127,357	-	127,357
Wastewater - operations and maintenance	-	94,654	94,654
Plant - operations	-	778,595	778,595
Plant - maintenance	-	37,074	37,074
Customer accounts	144,206	21,250	165,456
Administration and general	268,730	-	268,730
Insurance claims and premiums	-	159,742	159,742
Other	29,877	-	29,877
Salaries and wages	-	103,031	103,031
Employee pensions and benefits	-	81,681	81,681
Contractual services	-	25,747	25,747
Rents	-	1,200	1,200
Miscellaneous disbursements	78,759	22,633	101,392
	<u>1,451,298</u>	<u>1,627,866</u>	<u>3,079,164</u>
Total operating disbursements			
Excess of operating receipts over operating disbursements	<u>188,198</u>	<u>584,083</u>	<u>772,281</u>
Nonoperating receipts (disbursements):			
Interest revenue	131,340	129,203	260,543
Other nonoperating revenue	-	5,826	5,826
Debt service of principal	(305,000)	(645,000)	(950,000)
Interest disbursements	(157,292)	(49,753)	(207,045)
	<u>(330,952)</u>	<u>(559,724)</u>	<u>(890,676)</u>
Total nonoperating receipts (disbursements)			
Excess (deficiency) of receipts over disbursements and nonoperating receipts (disbursements)	(142,754)	24,359	(118,395)
Cash and investment fund balance - beginning	<u>3,005,296</u>	<u>2,734,590</u>	<u>5,739,886</u>
Cash and investment fund balance - ending	<u>\$ 2,862,542</u>	<u>\$ 2,758,949</u>	<u>\$ 5,621,491</u>
<u>Cash and Investment Assets - December 31</u>			
Cash and investments	\$ 185,989	\$ 225,633	\$ 411,622
Restricted assets:			
Cash and investments	<u>2,676,553</u>	<u>2,533,316</u>	<u>5,209,869</u>
Total cash and investment assets - December 31	<u>\$ 2,862,542</u>	<u>\$ 2,758,949</u>	<u>\$ 5,621,491</u>
<u>Cash and Investment Fund Balance - December 31</u>			
Restricted for:			
Debt service	\$ 708,753	\$ 356,383	\$ 1,065,136
Capital outlay	1,864,329	2,059,655	3,923,984
Customer deposits	103,471	-	103,471
Other (pretreatment and storm water)	-	117,278	117,278
Unrestricted	<u>185,989</u>	<u>225,633</u>	<u>411,622</u>
Total cash and investment fund balance - December 31	<u>\$ 2,862,542</u>	<u>\$ 2,758,949</u>	<u>\$ 5,621,491</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, 2007

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Fund Payroll
Additions:			
Contributions:			
Employer	\$ 70,700	\$ -	\$ -
Plan members	2,934	-	-
State	158,966	-	-
Other	-	42,260	-
	<u>-</u>	<u>42,260</u>	<u>-</u>
Total contributions	<u>232,600</u>	<u>42,260</u>	<u>-</u>
Investment earnings:			
Interest	15,297	509	-
	<u>15,297</u>	<u>509</u>	<u>-</u>
Agency fund additions	-	-	4,658,545
	<u>-</u>	<u>-</u>	<u>4,658,545</u>
Total additions	<u>247,897</u>	<u>42,769</u>	<u>4,658,545</u>
Deductions:			
Benefits	282,936	-	-
Refunds of contributions	-	44,558	-
Administrative and general	400	121	-
Agency fund deductions	-	-	4,658,556
	<u>-</u>	<u>-</u>	<u>4,658,556</u>
Total deductions	<u>283,336</u>	<u>44,679</u>	<u>4,658,556</u>
Deficiency of total additions over total deductions	(35,439)	(1,910)	(11)
Cash and investment fund balance - beginning	<u>350,558</u>	<u>442,863</u>	<u>227</u>
Cash and investment fund balance - ending	<u>\$ 315,119</u>	<u>\$ 440,953</u>	<u>\$ 216</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, 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 is used to account for receipts and disbursements for street maintenance and construction.

The aviation fund is used to account for the operating receipts and disbursements in connection with the operation of the airport.

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENTS
(Continued)

The rainy day fund is used to account for transfers of unused and unencumbered funds under Indiana Code 36-1-8-5. The rainy day funds may be used solely for the operation of the City and its various departments, including, but not limited to, salaries and wages, costs of services, supplies, equipment, capital improvements, repairs and similar expenditures.

The 1993 tax increment fund is used to account for special tax distributions and to account for transactions associated with City construction improvements projects.

The UDAG hospital fund is used to account for investment income from specific investments and to account for transactions associated with City construction improvement projects.

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.

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 funds report trust arrangements 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.

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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. Property Taxes

Property taxes levied are collected by the County Treasurer and are 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 February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. 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 which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the City on or prior to December 31 of the year collected.

3. 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.

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENTS
(Continued)

4. 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.

5. 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.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds 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.

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 government-wide 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 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.

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 City does not have a deposit policy for custodial credit risk.

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, 2007, were as follows:

Transfer From	Transfer To	
General Fund	Rainy Day Fund	\$ 400,000
Other governmental funds	General Fund	116,705
Other governmental funds	Motor Vehicle Highway	25,351
Other governmental funds	Aviation Fund	52,708
Other governmental funds	Other governmental funds	16,521
Total		\$ 611,285

The City typically uses transfers for cash flow purposes as provided by various statutory provisions.

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, retirees, and dependents (excluding postemployment benefits); and natural disasters.

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 to form 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. The risk pool was formed in 1990. The purpose of the risk pool is to provide a medium for the funding and

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 risk associated with employee dental benefits. The risk financing fund is accounted for in the General Fund and other funds incurring payroll expenses, where assets are set aside for claim settlements.

B. Subsequent Events

Beginning in 2009, the State Pension Relief Fund shall pay to each unit of local government with Pre-1977 Local Police and Fire Fighter Pension obligations, the total amount of pension, disability, and survivor benefit payments. The Pre-1977 funds include the 1925 Police Pension Fund, the 1937 Firefighters' Fund, and the 1953 Police Pension Fund. For property taxes due and payable after December 31, 2008, the Department of Local Government Finance shall reduce the maximum permissible property tax levy of any civil taxing unit and special service district by the amount of the payment to be made in 2009 by the State for the obligations.

The City is planning on issuing \$3,945,000 wastewater revenue bonds to pay for the cost of certain additions, extensions and improvements to the sewage works of the City. The estimated cost of the projects is \$5,375,925. The projects will be financed by the bond issued and current utility funding.

On March 24, 2008, the City approved Ordinance 2008-1951 establishing new sewage rates and charges for the Wastewater Utility. These rates and charges were effective on the June billing for May 2008 usage.

C. Rate Structure – Enterprise Funds

Water Utility

On March 13, 1989, the City Council adopted Ordinance 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.

D. 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.

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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.

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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

	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>
Annual required contribution	\$ 137,136	\$ 306,200	\$ 33,800
Interest on net pension obligation	(1,385)	96,100	39,500
Adjustment to annual required contribution	<u>1,578</u>	<u>(119,400)</u>	<u>(49,100)</u>
Annual pension cost	137,329	282,900	24,200
Contributions made	<u>128,344</u>	<u>196,543</u>	<u>33,123</u>
Increase (decrease) in net pension obligation	8,985	86,357	(8,923)
Net pension obligation, beginning of year	<u>(19,105)</u>	<u>1,601,779</u>	<u>657,845</u>
Net pension obligation, end of year	<u><u>\$ (10,120)</u></u>	<u><u>\$ 1,688,136</u></u>	<u><u>\$ 648,922</u></u>

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension
Contribution rates:			
City	5.38%	714%	55%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-07	01-01-07	01-01-07
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	30 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

Actuarial Assumptions

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	06-30-05	\$ 119,591	98%	\$ (44,045)
	06-30-06	140,413	82%	(19,105)
	06-30-07	137,329	93%	(10,120)
1925 Police Officers' Pension Plan	12-31-05	269,900	67%	1,650,193
	12-31-06	228,100	121%	1,601,779
	12-31-07	282,900	69%	1,688,136
1937 Firefighters' Pension Plan	12-31-05	31,700	74%	655,962
	12-31-06	24,400	92%	657,845
	12-31-07	24,200	137%	648,922

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENTS
(Continued)

Membership in the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan at January 1, 2007, were comprised of the following:

	1925 Police Officers' Pension	1937 Firefighters' Pension
Retirees and beneficiaries currently receiving benefits	12	2
Terminated employees entitled to but not yet receiving benefits	-	-
Current active employees	-	-

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.

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, 2007, 2006 and 2005 were \$324,880, \$307,117, and \$308,382, 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)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-05	\$ 2,210,116	\$ 2,596,765	\$ (386,649)	85%	\$ 2,220,740	(17%)
07-01-06	2,684,126	2,661,841	22,285	101%	2,444,070	1%
07-01-07	3,033,896	3,046,547	(12,651)	100%	2,480,525	(1%)

1925 Police Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Assets Over Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-02	\$ 136,015	\$ 4,138,800	\$ (4,002,785)	3%	\$ 38,200	(10,478%)
01-01-03	200,455	2,589,900	(2,389,445)	8%	39,300	(6,080%)
01-01-04	375,065	4,080,600	(3,705,535)	9%	39,900	(9,287%)
01-01-05	346,785	3,921,700	(3,574,915)	9%	41,000	(8,719%)
01-01-06	219,742	3,503,700	(3,283,958)	6%	-	0%
01-01-07	278,718	4,034,100	(3,755,382)	7%	-	0%

1937 Firefighters Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Assets Over Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-02	\$ 130,893	\$ 732,800	\$ (601,907)	18%	\$ 74,800	(805%)
01-01-03	143,522	745,900	(602,378)	19%	76,800	(784%)
01-01-04	156,359	789,200	(632,841)	20%	78,100	(810%)
01-01-05	127,390	384,500	(257,110)	33%	40,100	(641%)
01-01-06	90,704	464,700	(373,996)	20%	-	0%
01-01-07	71,840	466,000	(394,160)	15%	-	0%

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

	<u>Year Ending</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>
1925 Police Officers' Pension Plan	12-31-02	\$ 442,600	44%
	12-31-03	460,600	36%
	12-31-04	476,100	27%
	12-31-05	289,700	63%
	12-31-06	250,500	110%
	12-31-07	306,200	65%
1937 Firefighters' Pension Plan	12-31-02	\$ 93,200	0%
	12-31-03	105,100	0%
	12-31-04	109,400	25%
	12-31-05	39,900	59%
	12-31-06	33,300	68%
	12-31-07	33,800	98%

CITY OF PLYMOUTH
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET COMPARISON SCHEDULES
GENERAL FUND AND MAJOR BUDGETED SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2007

	General Fund				Motor Vehicle Highway			
	Budget Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Favorable (Unfavorable)	Budget Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
Operating receipts:								
Taxes:								
Property	\$ 2,999,356	\$ 2,999,356	\$ 2,716,538	\$ (282,818)	\$ 945,540	\$ 945,540	\$ 856,382	\$ (89,158)
Special assessments	-	-	450	450	-	-	-	-
Licenses and permits	15,140	15,140	27,850	12,710	-	-	-	-
Intergovernmental	1,830,080	1,830,080	1,725,720	(104,360)	428,601	428,601	449,524	20,923
Charges for services	980,912	980,912	1,033,109	52,197	1,000	1,000	3,060	2,060
Fines and forfeits	6,000	6,000	4,357	(1,643)	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	166,775	166,775	309,157	142,382	-	-	838	838
Total operating receipts	5,998,263	5,998,263	5,817,181	(181,082)	1,375,141	1,375,141	1,309,804	(65,337)
Interfund services provided and used	189,600	189,600	219,507	29,907	-	-	1,976	1,976
Transfers in	-	-	116,705	116,705	-	-	25,351	25,351
Total receipts	6,187,863	6,187,863	6,153,393	(34,470)	1,375,141	1,375,141	1,337,131	(38,010)
Operating disbursements:								
Current:								
General government:								
Engineering	-	-	32,166	(32,166)	-	-	-	-
Law Department	46,600	46,600	32,267	14,333	-	-	-	-
Mayor and Council	161,080	161,080	154,980	6,100	-	-	-	-
Financial Board and Clerk-Treasurer	785,470	785,470	648,575	136,895	-	-	-	-
City Properties and Maintenance	191,374	191,374	131,328	60,046	-	-	-	-
City Garage and Warehouse	395,847	395,847	344,821	51,026	-	-	-	-
City Lights and Power	210,000	210,000	181,938	28,062	-	-	-	-
Board of Public Works and Safety	15,933	15,933	15,931	2	-	-	-	-
Animal Welfare	-	-	29,125	(29,125)	-	-	-	-
Aviation	-	-	-	-	-	-	-	-
Total general government	1,806,304	1,806,304	1,571,131	235,173	-	-	-	-
Public safety:								
Storm Sewer	152,009	152,009	149,051	2,958	-	-	-	-
Building Commission	136,223	136,223	127,580	8,643	-	-	-	-
Police Department	2,158,370	2,158,370	1,941,166	217,204	-	-	-	-
Fire Department	1,593,216	1,593,216	1,275,959	317,257	-	-	-	-
Total public safety	4,039,818	4,039,818	3,493,756	546,062	-	-	-	-
Highway and streets	-	-	-	-	1,681,192	1,681,192	1,663,327	17,865
Sanitation	427,198	427,198	385,252	41,946	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Total operating disbursements	6,273,320	6,273,320	5,450,139	823,181	1,681,192	1,681,192	1,663,327	17,865
Interfund loan	-	-	470,000	(470,000)	-	-	-	-
Transfers out	-	-	400,000	(400,000)	-	-	-	-
Total disbursements	6,273,320	6,273,320	6,320,139	(46,819)	1,681,192	1,681,192	1,663,327	17,865
Net change in fund balances	(85,457)	(85,457)	(166,746)	(81,289)	(306,051)	(306,051)	(326,196)	(20,145)
Fund balances - beginning	3,855,906	3,855,906	3,855,906	-	1,060,640	1,060,640	1,060,640	-
Fund balances - December 31	\$ 3,770,449	\$ 3,770,449	\$ 3,689,160	\$ (81,289)	\$ 754,589	\$ 754,589	\$ 734,444	\$ (20,145)

CITY OF PLYMOUTH
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET COMPARISON SCHEDULES
GENERAL FUND AND MAJOR BUDGETED SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2007
(Continued)

	Aviation				Rainy Day			
	Budget Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Favorable (Unfavorable)	Budget Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
Operating receipts:								
Taxes:								
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	438,750	438,750	615,955	177,205	-	-	857,541	857,541
Charges for services	-	-	481	481	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Interfund loans	-	-	470,000	470,000	-	-	-	-
Other	28,420	28,420	26,584	(1,836)	25,000	25,000	78,429	53,429
Total operating receipts	467,170	467,170	1,113,020	645,850	25,000	25,000	935,970	910,970
Interfund services provided and used	-	-	1,028	1,028	-	-	-	-
Transfers in	40,000	40,000	52,708	12,708	-	-	400,000	-
Total receipts	507,170	507,170	1,166,756	659,586	25,000	25,000	1,335,970	910,970
Operating disbursements:								
Current:								
General government:								
Engineering	-	-	-	-	-	-	-	-
Law Department	-	-	-	-	-	-	-	-
Mayor and Council	-	-	-	-	-	-	-	-
Financial Board and Clerk-Treasurer	-	-	-	-	-	-	-	-
City Properties and Maintenance	-	-	-	-	-	-	-	-
City Garage and Warehouse	-	-	-	-	-	-	-	-
City Lights and Power	-	-	-	-	-	-	-	-
Board of Public Works and Safety	-	-	-	-	-	-	-	-
Animal Welfare	-	-	-	-	-	-	-	-
Aviation	1,344,728	1,344,728	1,337,065	7,663	-	-	-	-
Total general government	1,344,728	1,344,728	1,337,065	7,663	-	-	-	-
Public safety:								
Storm Sewer	-	-	-	-	-	-	-	-
Building Commission	-	-	-	-	-	-	-	-
Police Department	-	-	-	-	-	-	-	-
Fire Department	-	-	-	-	-	-	-	-
Total public safety	-	-	-	-	-	-	-	-
Highway and streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Total operating disbursements	1,344,728	1,344,728	1,337,065	7,663	-	-	-	-
Interfund loan	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total disbursements	1,344,728	1,344,728	1,337,065	7,663	-	-	-	-
Net change in fund balances	(837,558)	(837,558)	(170,309)	667,249	25,000	25,000	1,335,970	910,970
Fund balances - beginning	312,920	312,920	312,920	-	523,469	523,469	523,469	-
Fund balances - December 31	\$ (524,638)	\$ (524,638)	\$ 142,611	\$ 667,249	\$ 548,469	\$ 548,469	\$ 1,859,439	\$ 910,970

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, 2007

	Local Road and Street	Cemetery Operating	Park Nonreverting Operating	Donations	Transportation	Law Enforcement Continuing Education	Deferral Program
Receipts:							
Taxes	\$ -	\$ 168,658	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	1,400	-
Intergovernmental	49,640	14,305	-	-	-	-	1,660
Charges for services	-	84,222	36,869	-	-	3,474	-
Fines and forfeits	-	-	-	-	-	2,273	18,351
Other	-	26,360	42,325	8,881	-	1,965	-
Total receipts	49,640	293,545	79,194	8,881	-	9,112	20,011
Disbursements:							
General government	-	239,013	-	6,208	-	-	-
Public safety	-	-	-	-	-	710	6,729
Highways and streets	-	-	-	-	3,221	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	65,829	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
General government	-	61,567	-	-	-	-	-
Public safety	-	-	-	-	-	5,016	5,365
Highways and streets	23,464	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	23,464	300,580	65,829	6,208	3,221	5,726	12,094
Excess (deficiency) of receipts over disbursements	26,176	(7,035)	13,365	2,673	(3,221)	3,386	7,917
Other financing sources (uses):							
Transfers in	-	2,698	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	2,698	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	26,176	(4,337)	13,365	2,673	(3,221)	3,386	7,917
Cash and investment fund balance - beginning	230,988	158,121	37,931	11,415	7,710	35,303	18,755
Cash and investment fund balance - ending	<u>\$ 257,164</u>	<u>\$ 153,784</u>	<u>\$ 51,296</u>	<u>\$ 14,088</u>	<u>\$ 4,489</u>	<u>\$ 38,689</u>	<u>\$ 26,672</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 153,784	\$ 51,296	\$ 14,088	\$ 4,489	\$ 38,689	\$ 26,672
Restricted assets:							
Cash and investments	257,164	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 257,164</u>	<u>\$ 153,784</u>	<u>\$ 51,296</u>	<u>\$ 14,088</u>	<u>\$ 4,489</u>	<u>\$ 38,689</u>	<u>\$ 26,672</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Highways and streets	\$ 257,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	153,784	51,296	14,088	4,489	38,689	26,672
Total cash and investment fund balance - ending	<u>\$ 257,164</u>	<u>\$ 153,784</u>	<u>\$ 51,296</u>	<u>\$ 14,088</u>	<u>\$ 4,489</u>	<u>\$ 38,689</u>	<u>\$ 26,672</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, 2007
 (Continued)

	Unsafe Building	Riverboat	Drug Free Community	Parks and Recreation	Park Donation	Community Improvement
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 394,941	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	62,049	-	32,745	-	-
Charges for services	-	-	-	64,747	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	2,140	38,905	-
Total receipts	-	62,049	-	494,573	38,905	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	19	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	530,541	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Capital outlay:						
General government	-	57,000	-	-	-	-
Public safety	-	-	1,799	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	43,852	12,931	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	19	57,000	1,799	574,393	12,931	-
Excess (deficiency) of receipts over disbursements	(19)	5,049	(1,799)	(79,820)	25,974	-
Other financing sources (uses):						
Transfers in	-	-	-	10,171	-	-
Transfers out	-	-	-	-	-	-
Other receipts	847	-	-	2,653	-	-
Total other financing sources (uses)	847	-	-	12,824	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	828	5,049	(1,799)	(66,996)	25,974	-
Cash and investment fund balance - beginning	36,578	64,461	1,799	383,658	14,722	2,881
Cash and investment fund balance - ending	<u>\$ 37,406</u>	<u>\$ 69,510</u>	<u>\$ -</u>	<u>\$ 316,662</u>	<u>\$ 40,696</u>	<u>\$ 2,881</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 37,406	\$ 69,510	\$ -	\$ 316,662	\$ 40,696	\$ 2,881
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 37,406</u>	<u>\$ 69,510</u>	<u>\$ -</u>	<u>\$ 316,662</u>	<u>\$ 40,696</u>	<u>\$ 2,881</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital outlay	-	-	-	-	-	-
Unrestricted	37,406	69,510	-	316,662	40,696	2,881
Total cash and investment fund balance - ending	<u>\$ 37,406</u>	<u>\$ 69,510</u>	<u>\$ -</u>	<u>\$ 316,662</u>	<u>\$ 40,696</u>	<u>\$ 2,881</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, 2007
 (Continued)

	Dare	Levy Excess Special Revenue	2000 Tax Increment Financing	2005 Tax Increment Financing	Police Federal Equitable Sharing	Owner Occupied Rehabilitation Grant
Receipts:						
Taxes	\$ -	\$ -	\$ 66,932	\$ 31,514	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	18,495
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	150	-	19,583	2,102	-	-
Total receipts	150	-	86,515	33,616	-	18,495
Disbursements:						
General government	-	2,934	-	-	-	-
Public safety	490	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	1,167	1,166	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	10,014
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	1,240	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	8,864	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	5,390
Total disbursements	490	2,934	10,031	1,166	1,240	15,404
Excess (deficiency) of receipts over disbursements	(340)	(2,934)	76,484	32,450	(1,240)	3,091
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	(158,577)	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	(158,577)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(340)	(161,511)	76,484	32,450	(1,240)	3,091
Cash and investment fund balance - beginning	675	177,430	344,769	29,893	1,240	295
Cash and investment fund balance - ending	<u>\$ 335</u>	<u>\$ 15,919</u>	<u>\$ 421,253</u>	<u>\$ 62,343</u>	<u>\$ -</u>	<u>\$ 3,386</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 335	\$ 15,919	\$ 421,253	\$ 62,343	\$ -	\$ 3,386
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 335</u>	<u>\$ 15,919</u>	<u>\$ 421,253</u>	<u>\$ 62,343</u>	<u>\$ -</u>	<u>\$ 3,386</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital outlay	-	-	-	-	-	-
Unrestricted	335	15,919	421,253	62,343	-	3,386
Total cash and investment fund balance - ending	<u>\$ 335</u>	<u>\$ 15,919</u>	<u>\$ 421,253</u>	<u>\$ 62,343</u>	<u>\$ -</u>	<u>\$ 3,386</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, 2007
 (Continued)

	Home Improvement Grant	CDBG Solomon Group Project	Crime Prevention	USDA Grant	Aviation Rotary	Restitution
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	158,777	-	-	-	-
Charges for services	-	-	-	-	189,425	-
Fines and forfeits	-	-	-	-	-	-
Other	-	272,260	7,577	-	-	-
Total receipts	-	431,037	7,577	-	189,425	-
Disbursements:						
General government	-	-	-	-	153,591	-
Public safety	-	-	13,200	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	2,780	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	43,414	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	339,133	-	-	-	-
Total disbursements	-	382,547	13,200	2,780	153,591	-
Excess (deficiency) of receipts over disbursements	-	48,490	(5,623)	(2,780)	35,834	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(52,708)	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(52,708)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	48,490	(5,623)	(2,780)	(16,874)	-
Cash and investment fund balance - beginning	137,839	-	8,736	6,010	40,654	4,960
Cash and investment fund balance - ending	<u>\$ 137,839</u>	<u>\$ 48,490</u>	<u>\$ 3,113</u>	<u>\$ 3,230</u>	<u>\$ 23,780</u>	<u>\$ 4,960</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 137,839	\$ 48,490	\$ 3,113	\$ 3,230	\$ 23,780	\$ 4,960
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 137,839</u>	<u>\$ 48,490</u>	<u>\$ 3,113</u>	<u>\$ 3,230</u>	<u>\$ 23,780</u>	<u>\$ 4,960</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital outlay	-	-	-	-	-	-
Unrestricted	137,839	48,490	3,113	3,230	23,780	4,960
Total cash and investment fund balance - ending	<u>\$ 137,839</u>	<u>\$ 48,490</u>	<u>\$ 3,113</u>	<u>\$ 3,230</u>	<u>\$ 23,780</u>	<u>\$ 4,960</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, 2007
 (Continued)

	Multi-County Drug Task Force	Cumulative Capital Improvement	Cumulative Capital Development	Park Nonreverting Capital	Plymouth Greenways Trail	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ 170,158	\$ -	\$ -	\$ 832,203
Licenses and permits	-	-	-	-	-	1,400
Intergovernmental	-	34,562	14,205	-	97,971	484,409
Charges for services	-	-	-	-	-	378,737
Fines and forfeits	-	-	-	-	-	20,624
Other	1,357	-	67,475	288	4,700	496,068
Total receipts	1,357	34,562	251,838	288	102,671	2,213,441
Disbursements:						
General government	-	-	-	-	-	401,746
Public safety	271	-	-	-	-	21,419
Highways and streets	-	-	-	-	-	3,221
Economic development	-	-	-	-	-	5,113
Culture and recreation	-	-	-	-	185	596,555
Urban redevelopment and housing	-	-	-	-	-	53,428
Capital outlay:						
General government	-	-	571,640	-	-	690,207
Public safety	-	-	-	-	-	13,420
Highways and streets	-	-	-	-	-	23,464
Economic development	-	18,687	-	-	-	27,551
Culture and recreation	-	-	-	-	101,692	158,475
Urban redevelopment and housing	-	-	-	-	-	344,523
Total disbursements	271	18,687	571,640	-	101,877	2,339,122
Excess (deficiency) of receipts over disbursements	1,086	15,875	(319,802)	288	794	(125,681)
Other financing sources (uses):						
Transfers in	-	-	3,652	-	-	16,521
Transfers out	-	-	-	-	-	(211,285)
Other receipts	-	-	-	-	-	3,500
Total other financing sources (uses)	-	-	3,652	-	-	(191,264)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,086	15,875	(316,150)	288	794	(316,945)
Cash and investment fund balance - beginning	36,253	369,161	1,322,931	5,790	11,248	3,502,206
Cash and investment fund balance - ending	<u>\$ 37,339</u>	<u>\$ 385,036</u>	<u>\$ 1,006,781</u>	<u>\$ 6,078</u>	<u>\$ 12,042</u>	<u>\$ 3,185,261</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 37,339	\$ 385,036	\$ 1,006,781	\$ -	\$ 12,042	\$ 2,922,019
Restricted assets:						
Cash and investments	-	-	-	6,078	-	263,242
Total cash and investment assets - ending	<u>\$ 37,339</u>	<u>\$ 385,036</u>	<u>\$ 1,006,781</u>	<u>\$ 6,078</u>	<u>\$ 12,042</u>	<u>\$ 3,185,261</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 257,164
Capital outlay	-	-	-	6,078	-	6,078
Unrestricted	37,339	385,036	1,006,781	-	12,042	2,922,019
Total cash and investment fund balance - ending	<u>\$ 37,339</u>	<u>\$ 385,036</u>	<u>\$ 1,006,781</u>	<u>\$ 6,078</u>	<u>\$ 12,042</u>	<u>\$ 3,185,261</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, 2007

	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Totals</u>
Additions:			
Contributions:			
Employer	\$ 61,912	\$ 8,788	\$ 70,700
Plan members	2,934	-	2,934
State	<u>134,631</u>	<u>24,335</u>	<u>158,966</u>
 Total contributions	 <u>199,477</u>	 <u>33,123</u>	 <u>232,600</u>
 Investment receipts:			
Interest	<u>12,120</u>	<u>3,177</u>	<u>15,297</u>
 Total additions	 <u>211,597</u>	 <u>36,300</u>	 <u>247,897</u>
 Deductions:			
Benefits	235,031	47,905	282,936
Administrative and general	<u>300</u>	<u>100</u>	<u>400</u>
 Total deductions	 <u>235,331</u>	 <u>48,005</u>	 <u>283,336</u>
 Deficiency of total additions over total deductions	 (23,734)	 (11,705)	 (35,439)
 Cash and investment fund balance - beginning	 <u>278,718</u>	 <u>71,840</u>	 <u>350,558</u>
 Cash and investment fund balance - ending	 <u>\$ 254,984</u>	 <u>\$ 60,135</u>	 <u>\$ 315,119</u>

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, 2007

	Cemetery Perpetual Care	Financial Guarantee	Park Deposits	Cemetery Trust	Totals
Additions:					
Contributions:					
Other	\$ 10,710	\$ 5,050	\$ 26,500	\$ -	\$ 42,260
Investment earnings:					
Interest	-	-	-	509	509
Total additions	<u>10,710</u>	<u>5,050</u>	<u>26,500</u>	<u>509</u>	<u>42,769</u>
Deductions:					
Refunds of contributions	-	18,058	26,500	-	44,558
Administrative and general	-	-	-	121	121
Total deductions	<u>-</u>	<u>18,058</u>	<u>26,500</u>	<u>121</u>	<u>44,679</u>
Excess (deficiency) of total additions over total deductions	10,710	(13,008)	-	388	(1,910)
Cash and investment fund balance - beginning	<u>350,416</u>	<u>75,801</u>	<u>7,160</u>	<u>9,486</u>	<u>442,863</u>
Cash and investment fund balance - ending	<u>\$ 361,126</u>	<u>\$ 62,793</u>	<u>\$ 7,160</u>	<u>\$ 9,874</u>	<u>\$ 440,953</u>

CITY OF PLYMOUTH
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS

As of December 31, 2007

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	5,034,315
Improvements other than buildings	4,530,397
Machinery and equipment	5,793,214
Construction in progress	<u>1,695,506</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 43,595,146</u></u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 177,016
Buildings	4,441,899
Improvements other than buildings	7,647,463
Machinery and equipment	<u>1,011,204</u>
 Total Water Utility capital assets	 <u>13,277,582</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	164,463
Construction in progress	121,275
Buildings	11,521,214
Improvements other than buildings	11,434,604
Machinery and equipment	<u>1,860,540</u>
 Total Wastewater Utility capital assets	 <u>25,102,096</u>
 Total business-type activities capital assets	 <u><u>\$ 38,379,678</u></u>

CITY OF PLYMOUTH
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 As of December 31, 2007

The City has entered into the following debt:

Description of Debt	Ending Principal Balance	Due Within One Year
Governmental Activities:		
Master's Real Estate (Land)	\$ 11,628	\$ 11,628
Business-type Activities:		
Water Utility		
Revenue bonds:		
1998 Waterworks refunding	\$ 140,000	\$ 140,000
1999 Waterworks improvements	2,890,000	180,000
Total Water Utility	3,030,000	320,000
Wastewater Utility		
Revenue bonds:		
1996 Sewage works refunding	435,000	435,000
Total business-type activities debt:	\$ 3,465,000	\$ 755,000

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

We have audited the compliance of the City of Plymouth (City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2007. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2007.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A control deficiency in a City's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies or material weaknesses, as defined above.

This report is intended solely for the information and use of the City's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

August 26, 2008

CITY OF PLYMOUTH
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2007

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. Department of Agriculture</u>			
Direct Grant			
Rural Business Opportunity Grant	10.773		\$ <u>2,780</u>
<u>U.S. Department of Housing and Urban Development</u>			
Indiana Office of Community and Rural Affairs			
Community Development Block Grants/State's Programs	14.228	HD-005-008	<u>7,192</u>
Indiana Housing Finance Authority			
Community Development Block Grants/State's Programs	14.228	CF-06-244	<u>158,777</u>
Total for federal grantor agency			<u>165,969</u>
<u>U.S. Department of Justice</u>			
Direct Grant			
Bulletproof Vest Partnership Program	16.607		<u>1,660</u>
<u>U.S. Department of Transportation</u>			
Direct Grant			
Airport Improvement Program	20.106	AIP3-18-0067-07 AIP3-18-0067-09	469,954 <u>615,955</u>
Total for program			<u>1,085,909</u>
Indiana Department of Transportation			
Highway Planning and Construction	20.205	STP-9950(030)	<u>79,152</u>
Indiana Criminal Justice Institute			
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601		<u>4,180</u>
Total for federal grantor agency			<u>1,169,241</u>
<u>U.S. Department of Homeland Security</u>			
Direct Grant			
Disaster Grants - Public Assistance	97.036		<u>25,456</u>
Total federal awards expended			<u>\$ <u>1,365,106</u></u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF PLYMOUTH
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Plymouth (City) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CITY OF PLYMOUTH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no
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Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.106	Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?	no
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Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

CITY OF PLYMOUTH
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CITY OF PLYMOUTH
EXIT CONFERENCE

The contents of this report were discussed on August 26, 2008, with Toni L. Hutchings, Clerk-Treasurer; Mark Senter, Mayor; and E. Nelson Chipman, Jr., City Attorney. Our audit disclosed no material items that warrant comment at this time.