

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

ANNUAL FINANCIAL REPORT

2009

TOWN OF PLAINFIELD

HENDRICKS COUNTY, INDIANA



FILED
09/30/2010

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Wesley Bennett	01-01-09 to 12-31-11
President of the Town Council	Robin Brandgard	01-01-09 to 12-31-10
Superintendent of Utilities	Jason Castetter	01-01-09 to 12-31-10



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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 FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE TOWN OF PLAINFIELD, HENDRICKS 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 Town of Plainfield (Town), as of and for the year ended December 31, 2009, which collectively comprise the Town's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Town'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 Town prepares its financial statements for the governmental activities, the business-type activities, the aggregate discretely presented component units, each governmental major fund and the aggregate remaining fund information 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 governmental major fund, and the aggregate remaining fund information of the Town as of December 31, 2009, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In our opinion, the financial statements for each major enterprise fund present fairly, in all material respects, the financial position of each major enterprise fund as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated August 9, 2010, on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters.

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

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 integral part of 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 Town'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 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 Schedule of Funding Progress is not a required part of the basic financial statements but is 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 Town has not presented Management's Discussion and Analysis, or Budgetary Comparison Schedules 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 Town's basic financial statements. The Combining Schedules, as listed in the Table of Contents, and Schedule of Long-Term Debt – Governmental Funds 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. Schedule of Long-Term Debt – Governmental Funds 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 9, 2010



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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 TOWN OF PLAINFIELD, HENDRICKS 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 Town of Plainfield (Town), as of and for the year ended December 31, 2009, which collectively comprise the Town's basic financial statements and have issued our report thereon dated August 9, 2010. 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 Town'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 Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town'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. We consider the deficiencies described in item 2009-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

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. However, of the significant deficiencies described above, we consider item 2009-1 to be a material weakness.

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 Town'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.

The Town's response to the findings identified in our audit is described in the accompanying section of the report entitled and Corrective Action Plan. We did not audit the Town's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Town's management, Town Council 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 9, 2010

TOWN OF PLAINFIELD
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2009

Functions/Programs	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
Primary government:							
Governmental activities:							
General government	\$ 3,013,629	\$ 201,391	\$ 1,864,481	\$ -	\$ (947,757)	\$ -	\$ (947,757)
Public safety	12,766,141	2,357,710	2,039,110	-	(8,369,321)	-	(8,369,321)
Highways and streets	11,389,667	-	252,238	1,195,423	(9,942,006)	-	(9,942,006)
Economic development	625	-	-	143,905	143,280	-	143,280
Culture and recreation	6,340,503	2,108,748	144,516	730,426	(3,356,813)	-	(3,356,813)
Principal and interest on indebtedness	9,525,324	-	-	-	(9,525,324)	-	(9,525,324)
Total governmental activities	\$ 43,035,889	\$ 4,667,849	\$ 4,300,345	\$ 2,069,754	(31,997,941)	-	(31,997,941)
Business-type activities:							
Water utility	\$ 2,755,523	\$ 2,770,683	\$ -	\$ -	-	15,160	15,160
Wastewater utility	8,453,205	4,265,066	-	-	-	(4,188,139)	(4,188,139)
Storm Water utility	14,363,576	1,770,930	-	-	-	(12,592,646)	(12,592,646)
Total business-type activities	\$ 25,572,304	\$ 8,806,679	\$ -	\$ -	-	(16,765,625)	(16,765,625)
General receipts:							
Property taxes					31,899,589	-	31,899,589
Bonds and loans					-	8,620,000	-
Grants and contributions not restricted to specific programs					4,353,564	-	4,353,564
Unrestricted investment earnings					2,450,224	26,828	2,477,052
Other receipts					6,210,716	1,482,005	7,692,721
Total general receipts					44,914,093	10,128,833	55,042,926
Change in net assets					12,916,152	(6,636,792)	6,279,360
Net assets - beginning					37,801,878	17,572,215	55,374,093
Net assets - ending					\$ 50,718,030	\$ 10,935,423	\$ 61,653,453
Net Assets							
Unrestricted cash and investments					\$ 2,861,961	\$ 7,976,865	\$ 10,838,826
Restricted assets:							
Cash and investments					47,856,069	2,958,558	50,814,627
Total assets					\$ 50,718,030	\$ 10,935,423	\$ 61,653,453
Restricted for:							
Culture and recreation					\$ 596,930	\$ -	\$ 596,930
Debt service					1,792,779	2,118,847	3,911,626
Other purposes					45,466,360	839,711	46,306,071
Unrestricted					2,861,961	7,976,865	10,838,826
Total net assets					\$ 50,718,030	\$ 10,935,423	\$ 61,653,453

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

TOWN OF PLAINFIELD
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, 2009

	General	Fire Territory	Galyans Termination Grant	Ronald Reagan Corridor	US-40 TIF	Six Points Road	Economic Development Income Tax	TOP Gen OBL Trail Bond	Other Governmental Funds	Totals
Receipts:										
Taxes	\$4,780,285	\$4,536,681	\$ -	\$ -	\$ 6,213,820	\$5,429,140	\$ 1,861,226	\$ -	\$ 9,078,437	\$31,899,589
Licenses and permits	35,289	-	-	-	-	-	-	-	83,722	119,011
Intergovernmental	4,353,564	1,716,604	-	-	-	-	-	-	3,760,516	9,830,684
Charges for services	201,391	686,531	-	-	-	-	-	-	3,779,985	4,667,907
Fines and forfeits	87,399	-	-	-	-	-	-	-	9,925	97,324
Other	68,513	151,673	206,746	1,420	26,160	12,325	30,426	5,944	5,677,752	6,180,959
Total receipts	9,526,441	7,091,489	206,746	1,420	6,239,980	5,441,465	1,891,652	5,944	22,390,337	52,795,474
Disbursements:										
General government	2,722,872	-	-	-	-	-	-	-	290,757	3,013,629
Public safety	3,984,357	5,832,925	-	-	-	-	-	-	2,948,859	12,766,141
Highways and streets	-	-	-	-	-	-	-	-	1,504,979	1,504,979
Culture and recreation	-	-	-	-	-	-	-	-	3,141,335	3,141,335
Economic development	-	-	-	-	-	-	-	-	625	625
Debt service:										
Principal	-	-	-	-	990,000	-	312,320	-	3,352,319	4,654,639
Interest	-	-	-	-	1,092,914	-	213,680	-	3,564,091	4,870,685
Capital outlay:										
Highways and streets	-	-	-	229,149	1,793,544	2,143,225	549,322	-	5,169,448	9,884,688
Culture and recreation	-	-	1,775,157	-	-	-	-	834,510	589,501	3,199,168
Total disbursements	6,707,229	5,832,925	1,775,157	229,149	3,876,458	2,143,225	1,075,322	834,510	20,561,914	43,035,889
Excess (deficiency) of receipts over disbursements and other financing uses	2,819,212	1,258,564	(1,568,411)	(227,729)	2,363,522	3,298,240	816,330	(828,566)	1,828,423	9,759,585
Other financing sources (uses):										
Bond proceeds	-	-	-	-	-	-	-	-	2,908,612	2,908,612
Transfers in	-	-	-	-	-	-	1,500,000	-	1,186,577	2,686,577
Transfers out	(1,500,000)	-	-	-	-	-	-	-	(1,186,577)	(2,686,577)
Total other financing sources (uses)	(1,500,000)	-	-	-	-	-	1,500,000	-	2,908,612	2,908,612
Cash and investment fund balance - beginning	1,466,935	-	1,640,629	526,301	6,715,738	3,392,397	2,604,135	2,174,147	19,281,596	37,801,878
Cash and investment fund balance - ending	\$2,786,147	\$1,258,564	\$ 72,218	\$ 298,572	\$ 9,079,260	\$6,690,637	\$ 4,920,465	\$ 1,345,581	\$ 24,018,631	50,470,075
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:										
Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and										247,955
Net assets of governmental activities										\$50,718,030
Cash and Investment Assets - December 31										
Cash and investments	\$2,786,147	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,814	\$ 2,861,961
Restricted assets:										
Cash and investments	-	1,258,564	72,218	298,572	9,079,260	6,690,637	4,920,465	1,345,581	23,942,817	47,608,114
Total cash and investment assets - December 31	\$2,786,147	\$1,258,564	\$ 72,218	\$ 298,572	\$ 9,079,260	\$6,690,637	\$ 4,920,465	\$ 1,345,581	\$ 24,018,631	\$50,470,075
Cash and Investment Fund Balance - December 31										
Restricted for:										
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 596,930	\$ 596,930
Debt service	-	-	-	-	-	-	-	-	1,792,779	1,792,779
Other purposes	-	1,258,564	72,218	298,572	9,079,260	6,690,637	4,920,465	1,345,581	21,553,108	45,218,405
Unrestricted	2,786,147	-	-	-	-	-	-	-	75,814	2,861,961
Total cash and investment fund balance - December 31	\$2,786,147	\$1,258,564	\$ 72,218	\$ 298,572	\$ 9,079,260	\$6,690,637	\$ 4,920,465	\$ 1,345,581	\$ 24,018,631	\$50,470,075

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

TOWN OF PLAINFIELD
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
ENTERPRISE FUNDS
December 31, 2009

	2009			
	Water	Waste Water	Storm Water	Self-Insurance
Assets				
Current assets:				
Cash and cash equivalents	\$ 3,759,642	\$ 1,572,160	\$ 2,645,063	\$ 247,955
Cash with fiscal agent	-	-	-	-
Investments	-	-	-	-
Interest receivable	-	-	-	-
Accounts receivable (net of allowance)	242,008	258,993	166,473	-
Other receivable	70,841	-	-	-
Interfund receivables:				
Due from Water	-	155,018	-	-
Due from Storm Water	-	256,780	-	-
Due from Town	610,637	-	-	-
Due from Wastewater	128,780	-	-	-
Inventories	169,980	11,950	20,300	-
Prepaid items	4,569	4,872	-	-
Total current assets	4,986,457	2,259,773	2,831,836	247,955
Noncurrent assets:				
Restricted cash, cash equivalents and investments:				
Bond and interest cash and investments	268,069	902,578	948,200	-
Construction cash and investments	-	-	155,815	-
Customer deposits	276,260	-	-	-
Availability cash and investments	358,646	28,916	286	-
Inspection cash and investments	-	19,788	-	-
Total restricted assets	902,975	951,282	1,104,301	-
Deferred charges	293,450	317,439	211,900	-
Capital assets:				
Land, improvements to land and construction in progress	1,240,304	3,749,012	2,848,598	-
Other capital assets (net of accumulated depreciation)	49,615,213	84,796,731	8,107,781	-
Total capital assets	50,855,517	88,545,743	10,956,379	-
Total noncurrent assets	52,051,942	89,814,464	12,272,580	-
Total assets	57,038,399	92,074,237	15,104,416	247,955
Liabilities				
Current liabilities:				
Accounts payable	33,205	184,375	108,255	-
Interfund payables:				
Due to Wastewater	155,018	-	256,780	-
Due to Town	36,688	233,565	-	-
Due to Water	-	128,780	-	-
Accrued wages payable	35,275	45,656	14,193	-
Taxes payable	3,483	-	-	-
Current liabilities payable from restricted assets:				
Customer deposits	214,191	-	-	-
Revenue bonds payable	310,000	535,000	-	-
Accrued interest payable	131,666	294,583	-	-
Total current liabilities	919,526	1,421,959	379,228	-
Noncurrent liabilities:				
Revenue bonds payable (net of unamortized discounts and deferred amount on refunding)	6,000,071	11,166,906	8,620,000	-
Bond anticipation note payable	365,444	-	-	-
Total noncurrent liabilities	6,365,515	11,166,906	8,620,000	-
Total liabilities	7,285,041	12,588,865	8,999,228	-
Net Assets				
Invested in capital assets, net of related debt	44,180,002	76,843,837	2,336,379	-
Restricted for debt service	268,069	902,578	948,200	-
Restricted for construction	-	-	155,815	-
Restricted for inspection	-	19,788	-	-
Restricted for availability fees	358,646	28,916	286	-
Restricted for customer deposits	276,260	-	-	-
Unrestricted	4,670,381	1,690,253	2,664,508	247,955
Total net assets	\$ 49,753,358	\$ 79,485,372	\$ 6,105,188	\$ 247,955

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

TOWN OF PLAINFIELD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
ENTERPRISE FUNDS
As Of And For The Year Ended December 31, 2009

	<u>2009</u>		
	<u>Water</u>	<u>Wastewater</u>	<u>Storm Water</u>
Operating revenues:			
Metered revenue	\$ 2,835,403	\$ 4,208,355	\$ 1,747,497
Unmetered revenue	-	-	-
Fire protection revenue	203,604	-	-
Other	<u>671,140</u>	<u>756,762</u>	<u>63,014</u>
Total operating revenues	<u>3,710,147</u>	<u>4,965,117</u>	<u>1,810,511</u>
Operating expenses:			
Transmission and distribution	255,436	-	-
Pumping - operations and maintenance	-	149,159	-
Treatment and disposal - operations and maintenance	-	313,228	-
Other	301,721	2,160,762	218,477
Salaries and wages	665,476	868,563	318,942
Employee pensions and benefits	199,132	230,998	95,825
Sludge removal	-	110,651	-
Chemicals	175,475	68,748	-
Materials and supplies	146,568	37,444	1,469
Contractual services	351,632	673,338	184,212
Transportation expenses	34,983	24,815	-
Insurance expense	30,142	36,730	-
Depreciation	<u>949,924</u>	<u>1,444,287</u>	<u>187,926</u>
Total operating expenses	<u>3,110,489</u>	<u>6,118,723</u>	<u>1,006,851</u>
Operating income (loss)	<u>599,658</u>	<u>(1,153,606)</u>	<u>803,660</u>
Nonoperating revenues (expenses):			
Interest and investment revenue	9,905	24,896	-
Interest expense	(547,250)	(299,847)	(177,133)
Amortization expense	<u>(20,940)</u>	<u>(41,066)</u>	<u>(74,801)</u>
Total nonoperating revenues (expenses)	<u>(558,285)</u>	<u>(316,017)</u>	<u>(251,934)</u>
Income (loss) before contributions and transfers	41,373	(1,469,623)	551,726
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	41,373	(1,469,623)	551,726
Total net assets - beginning	<u>49,711,985</u>	<u>80,954,995</u>	<u>5,553,462</u>
Total net assets - ending	<u>\$ 49,753,358</u>	<u>\$ 79,485,372</u>	<u>\$ 6,105,188</u>

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

TOWN OF PLAINFIELD
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
As Of And For The Year Ended December 31, 2009

	2009		
	Water	Waste Water	Storm Water
Cash flows from operating activities:			
Receipts from customers and users	\$ 2,770,683	\$ 4,265,066	\$ 1,770,930
Payments to suppliers and contractors	(1,113,195)	(4,102,840)	(879,505)
Payments to employees	(857,000)	(1,097,231)	(408,112)
Interfund services provided (used)	-	-	-
Other receipts	431,557	864,102	149,215
Net cash provided (used) by operating activities	<u>1,232,045</u>	<u>(70,903)</u>	<u>632,528</u>
Cash flows from capital and related financing activities:			
Proceeds from capital debt	-	-	8,620,000
Capital contributions	-	-	-
Acquisition and construction of capital assets	(158,467)	(2,977,515)	(3,649,058)
Principal paid on capital debt	(353,456)	-	(9,215,000)
Interest paid on capital debt	(273,406)	(495,265)	(211,901)
Bond issue costs paid	-	-	-
Proceeds from sales of capital assets	-	-	-
Net cash provided (used) by capital and related financing activities	<u>(785,329)</u>	<u>(3,472,780)</u>	<u>(4,455,959)</u>
Cash flows from investing activities:			
Proceeds from sales and maturities of investments	-	-	-
Purchase of investments	-	-	-
Interest received	1,932	24,896	-
Net cash provided (used) by investing activities	<u>1,932</u>	<u>24,896</u>	<u>-</u>
Net increase in cash and cash equivalents	448,648	(3,518,787)	(3,823,431)
Cash and cash equivalents, January 1	<u>4,213,969</u>	<u>6,042,229</u>	<u>7,572,795</u>
Cash and cash equivalents, December 31	<u>\$ 4,662,617</u>	<u>\$ 2,523,442</u>	<u>\$ 3,749,364</u>
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income	<u>\$ 639,829</u>	<u>\$ (1,153,606)</u>	<u>\$ 735,154</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	949,924	1,444,287	187,926
(Increase) decrease in assets:			
Accounts receivable	(39,616)	(1,606)	5,482
Other receivable	(70,835)	(256,780)	-
Interfund receivable	-	-	-
Inventories	(154,520)	8,637	(20,300)
Prepaid items	(3,816)	(3,755)	-
Increase (decrease) in liabilities:			
Accounts payable	(69,791)	(95,154)	(337,693)
Interfund payables	37,557	-	-
Accrued wages payable	(10,276)	(12,927)	(6,548)
Taxes payable	(8,932)	-	-
Customer deposits	11,715	-	-
Total adjustments	<u>641,410</u>	<u>1,082,702</u>	<u>(171,133)</u>
Net cash provided by operating activities	<u>\$ 1,281,239</u>	<u>\$ (70,904)</u>	<u>\$ 564,021</u>

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

TOWN OF PLAINFIELD
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
INTERNAL SERVICE FUNDS
As Of And For The Year Ended December 31, 2009

	<u>Self- Insurance</u>
Operating receipts:	
Employer and employee contributions	\$ 1,430,377
Operating disbursements:	
Insurance claims and expense	<u>1,182,422</u>
Excess (deficiency) of receipts over disbursements	247,955
Cash and investment fund balance - beginning	-
Cash and investment fund balance - ending	<u>\$ 247,955</u>
<u>Cash and Investment Assets - December 31</u>	
Restricted assets:	
Cash and investments	<u>\$ 247,955</u>
Total cash and investment assets - December 31	<u><u>\$ 247,955</u></u>
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	\$ 247,955
Unrestricted	<u>-</u>
Total cash and investment fund balance - December 31	<u><u>\$ 247,955</u></u>

TOWN OF PLAINFIELD
 STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 FIDUCIARY FUNDS
 For The Year Ended December 31, 2009

	Pension Trust Funds	Agency Funds
Additions:		
Contributions:		
Employer	\$ 200,777	
Plan members	39,953	
State	89,567	
Other	-	
Total contributions	330,297	
Deductions:		
Benefits	310,422	
Excess (deficiency) of total additions over total deductions	19,875	
Cash and investment fund balance - beginning	579,789	
Cash and investment fund balance - ending	\$ 599,664	\$ 589,397

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

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council 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, storm water, and urban redevelopment and housing.

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

Primary Government: Town of Plainfield
Blended Component Unit: Plainfield Redevelopment Authority

In determining the financial reporting entity, the Town complies with the provisions of GASB Statement No. 14, as amended by GASB Statement No. 39, *The Financial Reporting Entity*.

Blended Component Unit

A blended component unit is a separate legal entity that meets the component unit criteria. In addition, the blended component unit's governing body is the same or substantially the same as the Town's governing body or the component unit provides services entirely to the Town. The component unit's funds are blended into those of the Town by appropriate fund type to constitute the primary government presentation. The blended component units are presented below:

Plainfield Redevelopment Authority: The Town appoints a voting majority of the Plainfield Redevelopment Authority's board and although it is legally separate from the Town, the Plainfield Redevelopment Authority is reported as if it were a part of the Town because the two boards are substantively the same.

Related Organization

The Town's officials are also responsible for appointing the voting majority of the boards of other organizations, but the Town's accountability for these organizations does not extend beyond making the appointments. The Town appoints the voting majority of the Plainfield Municipal Improvements Commission.

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.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 Town 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 fire territory fund is used to account for the tax collections and expenditures used for firefighting within the jurisdiction of the fire territory.

The Galyans termination grant fund accounts for proceeds the town received from the Galyans Corporation for breach of contract. The proceeds can be used for any purpose approved by the Town Council.

The Ronald Reagan Corridor fund accounts for the construction and purchase of fixed assets related to the Ronald Reagan corridor.

The US-40 TIF fund accounts for the construction and purchase of fixed assets related to the US-40 area.

The Six Points Road fund accounts for the construction and purchase of fixed assets related to the Six Points area.

The economic development income tax fund accounts for the receipt of income tax revenue and the use of that revenue for economic development services, economic development projects and economic development debt payments.

TOP General Obligation Trail Bond fund accounts for the proceeds of the 2007 General Obligation Trail Bond and construction of a pedestrian trail system.

The Town reports the following major enterprise 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.

The stormwater utility fund accounts for the operation of the storm water collection system.

Additionally, the Town reports the following fund types:

The internal service fund accounts for health insurance provided to other departments on a cost-reimbursement basis.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

The pension trust funds account for the activities of the 1925 police officers' and 1937 fire-fighters' pension plans, which accumulate resources for pension benefit payments.

Agency funds account for assets held by the Town as an agent for federal government, state government and various employee insurance companies.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental 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 accounts of the business-type activity are maintained and the financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

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 Town 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 Town 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 Town and its enterprise funds. 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.

When both restricted and unrestricted resources are available for use, the Town's policy is to use restricted resources first, then unrestricted resources as they are needed.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Assets and Cash and Investment Balances

1. Restricted Assets

All restricted assets, as presented in the accompanying financial statements, are restricted due to enabling legislation.

2. 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.

3. Property Taxes

Normally, property taxes levied are collected by the County Treasurer and are distributed to the Town 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. 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 may 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 Town on or prior to December 31 of the year collected.

4. Capital Assets

Governmental Funds

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

Enterprise Funds (Water Utility, Wastewater Utility, and Storm Water Utility)

Capital assets, which include property, plant and equipment, are reported in the financial statements.

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.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Water Utility:			
Land	\$ 1,000	N/A	N/A
Buildings and building improvements	50,000	Straight-line	50 years
Improvements other than buildings	5,000	Straight-line	66 years
Machinery and equipment	5,000	Straight-line	5 years
Wastewater Utility:			
Land	1,000	N/A	N/A
Buildings and building improvements	50,000	Straight-line	50 years
Improvements other than buildings	5,000	Straight-line	50 years
Machinery and equipment	5,000	Straight-line	5 years
Storm Water Utility:			
Land	1,000	N/A	N/A
Buildings and building improvements	50,000	Straight-line	50 years
Improvements other than buildings	5,000	Straight-line	50 years
Machinery and equipment	5,000	Straight-line	5 years

N/A – Not applicable

5. Long-Term Debt

Governmental Funds

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

Enterprise Funds (Water Utility, Wastewater Utility, and Electric Utility)

Long-term debt and other long-term obligations of the business-type activity funds are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

6. Inventories and Prepaid Items – Water, Wastewater and Storm Water Utilities

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of business-type activity funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the business-type activity financial statements.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

7. 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."

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 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 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.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

4. Interfund loans – Flow of assets from one fund to another where repayment is expected is reported as interfund loans.

Government-Wide Financial Statements

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

1. 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 loans and services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.
2. Primary government and component unit activity – Resource flows between the primary government and the discretely-presented component units are reported as if they were external transactions and are classified separately from internal activities within the primary government.

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 Town 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. Prior to November 1, 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 Town receives approval of the Indiana Department of Local Government Finance.

The Town'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.

TOWN OF PLAINFIELD
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

1. 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. IC 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 Town does not have a deposit policy for custodial credit risk. At December 31, 2009, the Town had deposit balances in the amount of \$55,757,715.

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.

2. Investments

As of December 31, 2009, the Town had the following investments:

<u>Investment Type</u>	<u>Cost Value</u>
Mutual funds*	\$ <u>6,791,217</u>
Total	\$ <u><u>6,791,217</u></u>

*The mutual bond funds had a weighted average maturity of 2 months.

Statutory Authorization for Investments

IC 5-13-9 authorizes the Town to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the Town to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the Town and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust have a stated final maturity of one day.

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

Investment Custodial Credit Risk

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

The following investments held by the Town were exposed to custodial credit risks because they are uninsured and unregistered with securities held by the counterparty, or the counterparty's trust department or agent, either in the government's name or not in the government's name:

Investment Type	Cost Value
U.S. treasuries and securities	\$ -
U.S. agencies	-
Mutual funds*	6,791,217
Repurchase agreements	-
 Total	 \$ 6,791,217

*The mutual bond funds had a weighted average maturity of 2 months.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town must follow state statute and limit the stated final maturities of the investments to no more than two years. The Town does not have a formal investment policy for interest rate risk for investments.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

Primary Government:

Investment Type	In the Government's Name	Not in the Government's Name
Mutual funds	\$ 6,791,217	\$ -
Totals	\$ 6,791,217	\$ -

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The Town does not have a formal investment policy for credit risk for investments.

Primary Government:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ -	\$ -	\$ -
U.S. agencies	-	-	-
Mutual funds*	6,791,217	-	-
Repurchase agreements	-	-	-
Totals	\$ 6,791,217	\$ -	\$ -

*The mutual bond funds had a weighted average maturity of 2 months/years.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Town does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

The Town was not exposed to concentration of credit risk.

Foreign Currency Risk

The Town does not have a formal policy in regards to foreign currency risk.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Interfund Activity

1. Interfund transfers for the year ended December 31, 2009, were as follows:

Transfer From	Transfer To					Totals
	General Fund	Major Fund	Nonmajor Governmental	Internal Service Fund	All Others	
General Fund	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000
Nonmajor Governmental	-	-	1,186,577	-	-	1,186,577
Internal Service	-	-	-	-	-	-
All Others	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,686,577</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,686,577</u>

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

2. Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2009, is as follows:

Due To	Due From				Totals
	Town	Water Utility	Wastewater Utility	Storm Water Utility	
Town	\$ -	\$ 36,688	\$ 233,565	\$ -	\$ 270,253
Water Utility	610,637	-	128,780	-	739,417
Wastewater Utility	-	155,018	-	256,780	411,798
Storm Water Utility	-	-	-	-	-
Totals	<u>\$ 610,637</u>	<u>\$ 191,706</u>	<u>\$ 362,345</u>	<u>\$ 256,780</u>	<u>\$ 1,421,468</u>

Interfund balances resulted from the time lag between the dates that (1) interfund loans are repaid, (2) interfund goods and services are provided or reimbursable expenditures occur, (3) transactions are recorded in the accounting system and (4) payments between funds are made.

C. Capital Assets

Capital asset activity for the year ended December 31, 2009, was as follows:

Business-type activity	Beginning Balance	Increases	Decreases	Ending Balance
Water Utility:				
Capital assets, not being depreciated:				
Land	\$ 568,228	\$ -	\$ -	\$ 568,228
Construction in progress	-	672,076	-	672,076
Total capital assets, not being depreciated	<u>568,228</u>	<u>672,076</u>	<u>-</u>	<u>1,240,304</u>

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

<u>Business-type activity</u>	Beginning Balance	Increases	Decreases	Ending Balance
Water Utility (continued):				
Capital assets, being depreciated:				
Buildings	14,432,090	-	-	14,432,090
Improvements other than buildings	48,649,290	-	-	48,649,290
Machinery and equipment	268,068	-	-	268,068
Totals	<u>63,349,448</u>	<u>-</u>	<u>-</u>	<u>63,349,448</u>
Less accumulated depreciation for:				
Buildings	2,396,164	286,528	-	2,682,692
Improvements other than buildings	10,243,616	642,914	-	10,886,530
Machinery and equipment	144,531	20,482	-	165,013
Totals	<u>12,784,311</u>	<u>949,924</u>	<u>-</u>	<u>13,734,235</u>
Total capital assets, being depreciated, net	<u>50,565,137</u>	<u>949,924</u>	<u>-</u>	<u>49,615,213</u>
Total Water utility, net	<u>\$ 51,133,365</u>	<u>\$ 1,622,000</u>	<u>\$ -</u>	<u>\$ 50,855,517</u>
Wastewater Utility:				
Capital assets, not being depreciated:				
Land	\$ 1,049,347	\$ -	\$ -	\$ 1,049,347
Construction in progress	-	2,699,665	-	2,699,665
Total capital assets, not being depreciated	<u>1,049,347</u>	<u>2,699,665</u>	<u>-</u>	<u>3,749,012</u>
Capital assets, being depreciated:				
Buildings	24,969,018	-	-	24,969,018
Improvements other than buildings	81,499,344	109,068	-	81,608,412
Machinery and equipment	318,498	53,483	-	371,981
Totals	<u>106,786,860</u>	<u>162,551</u>	<u>-</u>	<u>106,949,411</u>
Less accumulated depreciation for:				
Buildings	7,300,261	499,380	-	7,799,641
Improvements other than buildings	13,158,651	922,666	-	14,081,317
Machinery and equipment	249,481	22,241	-	271,722
Totals	<u>20,708,393</u>	<u>1,444,287</u>	<u>-</u>	<u>22,152,680</u>
Total capital assets, being depreciated, net	<u>86,078,467</u>	<u>1,606,838</u>	<u>-</u>	<u>84,796,731</u>
Total Wastewater utility, net	<u>\$ 87,127,814</u>	<u>\$ 4,306,503</u>	<u>\$ -</u>	<u>\$ 88,545,743</u>
Storm Water Utility:				
Capital assets, not being depreciated:				
Land	\$ 66,750	\$ -	\$ -	\$ 66,750
Construction in progress	1,430,955	2,802,785	1,451,892	2,781,848
Total capital assets, not being depreciated	<u>1,497,705</u>	<u>2,802,785</u>	<u>1,451,892</u>	<u>2,848,598</u>

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

<u>Business-type activity</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Storm Water Utility (continued):				
Capital assets, being depreciated:				
Buildings	-	-	-	-
Improvements other than buildings	6,788,695	1,483,301	-	8,271,996
Machinery and equipment	11,970	306,151	-	318,121
Totals	6,800,664	1,789,452	-	8,590,117
Less accumulated depreciation for:				
Buildings	-	-	-	-
Improvements other than buildings	293,612	165,440	-	459,052
Machinery and equipment	798	22,486	-	23,284
Totals	294,410	187,926	-	482,336
Total capital assets, being depreciated, net	6,506,254	1,977,378	-	8,107,781
Total Storm Water utility, net	<u>\$ 8,003,960</u>	<u>\$ 4,780,163</u>	<u>\$ 1,451,892</u>	<u>\$ 10,956,379</u>

D. Construction Commitments

Construction work in progress is composed of the following:

<u>Project</u>	<u>Expended to December 31, 2009</u>	<u>Committed</u>
Wastewater Utility:		
Harlen Street	\$ 794,160	\$ 794,160
Expansion North WWTP	19,421	-
West Fork Interceptor	172,701	-
Totals	\$ 986,282	\$ 794,160
Storm Water Utility:		
Maple Grove	\$ 1,305,488	\$ -
Harlen Street	794,160	685,622
Buchanan St Outlet Basis	2,000,000	2,000,000
Totals	\$ 4,099,648	\$ 2,685,622

E. Long-Term Liabilities

Revenue Bonds

The Utility issues bonds to be paid by income derived from the acquired or constructed assets. Revenue bonds outstanding at year end are as follows:

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

Purpose	Interest Rates	Balance at December 31	Less: Unamortized (Premium) Discount	Less: Deferral on Refunding	Amount
Water Utility:					
2003 Improvement	2.00% to 4.50%	\$ 4,510,000	\$ -	\$ -	\$ 4,510,000
2004 Refunding	3.00% to 4.75%	1,510,000	27,705	(47,633)	1,490,072
BAN		<u>365,444</u>	<u>-</u>	<u>-</u>	<u>365,444</u>
Totals		<u>\$ 6,385,444</u>	<u>\$ 27,705</u>	<u>\$ (47,633)</u>	<u>\$ 6,365,516</u>
Wastewater Utility:					
1999A Improvement	4.85% to 5.00%	\$ 1,370,000	\$ -	\$ -	\$ 1,370,000
2003A Refunding	3.50% to 4.75%	10,375,000	-	(85,217)	10,289,783
2003B Improvement	3.50% to 4.00%	<u>1,380,000</u>	<u>-</u>	<u>-</u>	<u>1,380,000</u>
Totals		<u>\$ 13,125,000</u>	<u>\$ -</u>	<u>\$ (85,217)</u>	<u>\$ 13,039,783</u>
Storm Water Utility:					
2009A Improvement	3.50% to 5.00%	<u>\$ 8,620,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,620,000</u>

Revenue bonds debt service requirements to maturity are as follows:

Business-Type Activities:

	Water Utility		Wastewater Utility	
	Principal	Interest	Principal	Interest
2010	\$ 310,000	\$ 263,331	\$ 535,000	\$ 579,803
2011	320,000	251,806	555,000	560,173
2012	330,000	239,338	575,000	538,405
2013	340,000	225,738	600,000	514,905
2014	355,000	211,538	625,000	490,405
2015-2019	2,035,000	803,158	3,565,000	1,999,150
2020-2024	2,640,000	261,638	4,525,000	1,067,169
2025-2029	-	-	3,140,000	228,713
2030-2034	-	-	-	-
2035-2039	-	-	-	-
Totals	<u>\$ 6,330,000</u>	<u>\$ 2,256,545</u>	<u>\$ 14,120,000</u>	<u>\$ 5,978,721</u>

F. Advance Refunding

In prior years, the Utilities defeased certain revenue and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Utilities' financial statements. The following outstanding bonds, at December 31, 2009, were considered defeased:

TOWN OF PLAINFIELD
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

	Amount
1996 Water Improvement	\$ 1,735,000
1993 Wastewater Improvement	1,830,000

G. Subsequent Events

On April 21, 2010, the Town issued \$19,075,000 revenue bonds to refinance improvements to the aquatic center facility.

IV. Other Information

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to; and natural disasters.

The policy of the Town is not to purchase commercial insurance for the risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding post-employment benefits); and natural disasters. Instead, the Town records as a disbursement any replacement items purchased.

B. Holding Corporations

The Town has entered into a capital lease with Plainfield Municipal Improvements Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the Town. The lessor has been determined to be a related party of the Town. Lease payments during the year 2009 totaled \$697,000.

The Town has entered into a capital lease with Plainfield Parks Facilities Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the Town. The lessor has been determined to be a related party of the Town. Lease payments during the year 2009 totaled \$2,078,000.

C. Rate Structure – Enterprise Funds

Water Utility

On July 8, 1989, the Town Council adopted Ordinance 5-89 to withdraw from the jurisdiction of the Indiana Utility Regulatory Commission. The current rate structure was approved by the Council on July 27, 2009.

Wastewater Utility

The current rate structure was approved by the Town Council on August 11, 2003.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

Storm Water Utility

The current rate structure was approved by the Town Council on July 24, 2006.

D. Pension Plans

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

a. Public Employees' Retirement Fund

Plan Description

The Town 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 Town 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

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the Town during the period were \$273,266.

b. 1925 Police Officers' Pension Plan

Plan Description

The Town 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.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy

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

On-behalf Payments

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Public Employees' Retirement Fund as provided under IC 5-10.3-11. The State of Indiana has contributed \$169,910 on behalf of the City. On behalf contributions from the State of Indiana approximates the amount paid out for benefits.

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

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

On-behalf Payments

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Public Employees' Retirement Fund as provided under IC 5-10.3-11. The State of Indiana has contributed \$159,430 on behalf of the City. On behalf contributions from the State of Indiana approximates the amount paid out for benefits.

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

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The Town 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.

TOWN OF PLAINFIELD
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

The contribution requirements of plan members and the Town are established by the Board of Trustees of PERF. The Town's contributions to the plan during the period were \$1,279,200.

TOWN OF PLAINFIELD
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE 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)
07-01-07	\$ 2,085,136	\$ 2,532,404	\$ (447,268)	82%	\$ 2,864,501	16%
07-01-08	2,468,551	3,572,366	(1,103,815)	69%	3,977,595	28%
07-01-09	2,607,886	3,534,712	(926,826)	74%	4,382,929	21%

TOWN OF PLAINFIELD
 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, 2009

	Dispatch Center	Bulletproof Vests	Calendar Donations	Cumulative Capital Improvement	Cumulative Capital Improvement (Levy)	Chaplain Donation	Christmas Party Donations
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,305,061	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	3,803	-	35,558	108,347	-	-
Charges for Services	1,636,692	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	1,914	10	8	1,372	9,936	4,174	1,010
Total receipts	1,638,606	3,813	8	36,930	1,423,344	4,174	1,010
Disbursements:							
General government	-	-	-	-	262,639	-	592
Public safety	2,915,565	-	-	-	-	720	-
Highways and streets	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	893,386	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	2,915,565	-	-	-	1,156,025	720	592
Excess (deficiency) of receipts over disbursements and other financing uses	(1,276,959)	3,813	8	36,930	267,319	3,454	418
Other financing sources (uses):							
Bond proceeds	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(4,166)	-	-	-	-
Total other financing sources (uses)	-	-	(4,166)	-	-	-	-
Cash and investment fund balance - beginning	1,352,144	905	4,158	368,145	3,045,330	7,866	3,404
Cash and investment fund balance - ending	\$ 75,185	\$ 4,718	\$ -	\$ 405,075	\$ 3,312,649	\$ 11,320	\$ 3,822
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	75,185	4,718	-	405,075	3,312,649	11,320	3,822
Total cash and investment assets - December 31	\$ 75,185	\$ 4,718	\$ -	\$ 405,075	\$ 3,312,649	\$ 11,320	\$ 3,822
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	75,185	4,718	-	405,075	3,312,649	11,320	3,822
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 75,185	\$ 4,718	\$ -	\$ 405,075	\$ 3,312,649	\$ 11,320	\$ 3,822

TOWN OF PLAINFIELD
 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, 2009
 (Continued)

	Criminal Investigation	D.A.R.E.	Economic Development	Fire Donation	Food and Beverage 1% Tax	Green Ways Fund	Hadley Road Corridor
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	2,500	-	-	730,426	-	-
Charges for Services	2,572	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	12	3	2,372	1,858	48	3,294
Total receipts	2,572	2,512	3	2,372	732,284	48	3,294
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	2,501	-	2,990	-	-	-
Highways and streets	-	-	-	-	-	-	5,537
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	194,737
Culture and recreation	-	-	-	-	580,037	9,464	-
Total disbursements	-	2,501	-	2,990	580,037	9,464	200,274
Excess (deficiency) of receipts over disbursements and other financing uses	2,572	11	3	(618)	152,247	(9,416)	(196,980)
Other financing sources (uses):							
Bond proceeds	-	-	-	-	-	-	-
Transfers in	-	4,166	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	4,166	-	-	-	-	-
Cash and investment fund balance - beginning	14,672	1	814	4,935	401,880	13,956	1,035,295
Cash and investment fund balance - ending	\$ 17,244	\$ 4,178	\$ 817	\$ 4,317	\$ 554,127	\$ 4,540	\$ 838,315
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	17,244	4,178	817	4,317	554,127	4,540	838,315
Total cash and investment assets - December 31	\$ 17,244	\$ 4,178	\$ 817	\$ 4,317	\$ 554,127	\$ 4,540	\$ 838,315
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	17,244	4,178	817	4,317	554,127	4,540	838,315
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 17,244	\$ 4,178	\$ 817	\$ 4,317	\$ 554,127	\$ 4,540	\$ 838,315

TOWN OF PLAINFIELD
 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, 2009
 (Continued)

	Hendricks County Grant	I-70 Interchange	K-9 Donations	Lease Rental Bond Fund	Law Enforcement Continuing Education	Local Road and Street	Methamphetamine Grant
Receipts:							
Taxes	\$ -	\$ 946,617	\$ -	\$ 1,355,595	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	5,125	82,367	-	252,238	-
Charges for Services	-	-	-	-	31,973	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	2	5,923	2,795	4,921	229	1,293	2
Total receipts	2	952,540	7,920	1,442,883	32,202	253,531	2
Disbursements:							
General government	-	-	-	3,370	-	-	-
Public safety	-	-	8,825	-	8,938	-	-
Highways and streets	-	-	-	-	-	435,007	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	45,000	-	685,000	-	-	-
Interest	-	140,500	-	113,682	-	-	-
Capital outlay:							
Highways and streets	-	393,658	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	-	579,158	8,825	802,052	8,938	435,007	-
Excess (deficiency) of receipts over disbursements and other financing uses	2	373,382	(905)	640,831	23,264	(181,476)	2
Other financing sources (uses):							
Bond proceeds	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(1,182,411)	-	-	-
Total other financing sources (uses)	-	-	-	(1,182,411)	-	-	-
Cash and investment fund balance - beginning	500	1,570,268	4,209	1,412,339	49,954	350,593	530
Cash and investment fund balance - ending	<u>502</u>	<u>1,943,650</u>	<u>3,304</u>	<u>870,759</u>	<u>73,218</u>	<u>169,117</u>	<u>532</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ 502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	1,943,650	3,304	870,759	73,218	169,117	532
Total cash and investment assets - December 31	<u>502</u>	<u>1,943,650</u>	<u>3,304</u>	<u>870,759</u>	<u>73,218</u>	<u>169,117</u>	<u>532</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	870,759	-	-	-
Other purposes	-	1,943,650	3,304	-	73,218	169,117	532
Unrestricted	502	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>502</u>	<u>1,943,650</u>	<u>3,304</u>	<u>870,759</u>	<u>73,218</u>	<u>169,117</u>	<u>532</u>

TOWN OF PLAINFIELD
 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, 2009
 (Continued)

	Motor Vehicle Highway	Operation Pullover	Park Beneficent	Parks and Recreation	Park Debt Service Fund	Park Impact Fee
Receipts:						
Taxes	\$ 795,013	\$ -	\$ -	\$ 970,331	\$ 1,906,300	\$ -
Licenses and permits	-	-	-	-	-	83,722
Intergovernmental	586,884	9,750	-	60,279	122,253	-
Charges for Services	-	-	-	1,953,684	-	-
Fines and forfeits	-	-	-	-	-	-
Other	17,120	9	8,360	15,364	2,509	-
Total receipts	<u>1,399,017</u>	<u>9,759</u>	<u>8,360</u>	<u>2,999,658</u>	<u>2,031,062</u>	<u>83,722</u>
Disbursements:						
General government	-	-	-	-	1,673	-
Public safety	-	9,320	-	-	-	-
Highways and streets	1,059,625	-	-	-	-	-
Culture and recreation	-	-	1,179	3,038,127	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	937,319	-
Interest	-	-	-	-	862,433	-
Capital outlay:						
Highways and streets	244,813	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	<u>1,304,438</u>	<u>9,320</u>	<u>1,179</u>	<u>3,038,127</u>	<u>1,801,425</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements and other financing uses	<u>94,579</u>	<u>439</u>	<u>7,181</u>	<u>(38,469)</u>	<u>229,637</u>	<u>83,722</u>
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - beginning	<u>466,330</u>	<u>1,040</u>	<u>16,181</u>	<u>442,867</u>	<u>692,383</u>	<u>85,448</u>
Cash and investment fund balance - ending	<u>\$ 560,909</u>	<u>\$ 1,479</u>	<u>\$ 23,362</u>	<u>\$ 404,398</u>	<u>\$ 922,020</u>	<u>\$ 169,170</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	<u>560,909</u>	<u>1,479</u>	<u>23,362</u>	<u>404,398</u>	<u>922,020</u>	<u>169,170</u>
Total cash and investment assets - December 31	<u>\$ 560,909</u>	<u>\$ 1,479</u>	<u>\$ 23,362</u>	<u>\$ 404,398</u>	<u>\$ 922,020</u>	<u>\$ 169,170</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ 23,362	\$ 404,398	\$ -	\$ 169,170
Debt service	-	-	-	-	922,020	-
Other purposes	560,909	1,479	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 560,909</u>	<u>\$ 1,479</u>	<u>\$ 23,362</u>	<u>\$ 404,398</u>	<u>\$ 922,020</u>	<u>\$ 169,170</u>

TOWN OF PLAINFIELD
 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, 2009
 (Continued)

	Park Non-Reverting	Police Donations	Police DARE Program/ Beneficent	Police Employees Donation	RAD Systems	Rainy Day
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	1,041,017
Charges for Services	155,064	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	22,277	14	2	1	3	18,243
Total receipts	177,341	14	2	1	3	1,059,260
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	102,029	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	133,027
Culture and recreation	-	-	-	-	-	-
Total disbursements	102,029	-	-	-	-	133,027
Excess (deficiency) of receipts over disbursements and other financing uses	75,312	14	2	1	3	926,233
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	1,182,411
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	1,182,411
Cash and investment fund balance - beginning	-	3,717	454	180	1,000	725,216
Cash and investment fund balance - ending	\$ 75,312	\$ 3,731	\$ 456	\$ 181	\$ 1,003	\$ 2,833,860
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 75,312	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	3,731	456	181	1,003	2,833,860
Total cash and investment assets - December 31	\$ 75,312	\$ 3,731	\$ 456	\$ 181	\$ 1,003	\$ 2,833,860
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	-	3,731	456	181	1,003	2,833,860
Unrestricted	75,312	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 75,312	\$ 3,731	\$ 456	\$ 181	\$ 1,003	\$ 2,833,860

TOWN OF PLAINFIELD
 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, 2009
 (Continued)

	Record Perpetuation	Recycling Grant	Redevelopment Commission	Riverboat Fund	State Road 267 Corridor	Wheel and Surtax fund
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 797,306	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	115,123	-	604,846
Charges for Services	-	-	-	-	-	-
Fines and forfeits	9,925	-	-	-	-	-
Other	109	18	2,158,381	1,661	3,321	2,273
Total receipts	<u>10,034</u>	<u>18</u>	<u>2,158,381</u>	<u>116,784</u>	<u>800,627</u>	<u>607,119</u>
Disbursements:						
General government	22,483	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	4,810
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	625	-	-	-
Debt service:						
Principal	-	-	1,000,000	-	-	-
Interest	-	-	1,791,691	-	-	-
Capital outlay:						
Highways and streets	-	-	1,193,808	51,164	574,616	342,103
Culture and recreation	-	-	-	-	-	-
Total disbursements	<u>22,483</u>	<u>-</u>	<u>3,986,124</u>	<u>51,164</u>	<u>574,616</u>	<u>346,913</u>
Excess (deficiency) of receipts over disbursements and other financing uses	<u>(12,449)</u>	<u>18</u>	<u>(1,827,743)</u>	<u>65,620</u>	<u>226,011</u>	<u>260,206</u>
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - beginning	<u>31,687</u>	<u>5,000</u>	<u>4,629,118</u>	<u>431,169</u>	<u>852,917</u>	<u>530,422</u>
Cash and investment fund balance - ending	<u>\$ 19,238</u>	<u>\$ 5,018</u>	<u>\$ 2,801,375</u>	<u>\$ 496,789</u>	<u>\$ 1,078,928</u>	<u>\$ 790,628</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	<u>19,238</u>	<u>5,018</u>	<u>2,801,375</u>	<u>496,789</u>	<u>1,078,928</u>	<u>790,628</u>
Total cash and investment assets - December 31	<u>\$ 19,238</u>	<u>\$ 5,018</u>	<u>\$ 2,801,375</u>	<u>\$ 496,789</u>	<u>\$ 1,078,928</u>	<u>\$ 790,628</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	19,238	5,018	2,801,375	496,789	1,078,928	790,628
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 19,238</u>	<u>\$ 5,018</u>	<u>\$ 2,801,375</u>	<u>\$ 496,789</u>	<u>\$ 1,078,928</u>	<u>\$ 790,628</u>

TOWN OF PLAINFIELD
 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, 2009
 (Continued)

	TIR BAN	Fire Territory Equipment Replacement	RR/All Points EDA	Plainfield Redevelopment Authority	Totals
Receipts:					
Taxes	\$ -	\$ 525,649	\$ 476,565	\$ -	\$ 9,078,437
Licenses and permits	-	-	-	-	83,722
Intergovernmental	-	-	-	-	3,760,516
Charges for Services	-	-	-	-	3,779,985
Fines and forfeits	-	-	-	-	9,925
Other	1,027	42,063	460	3,343,361	5,677,752
Total receipts	<u>1,027</u>	<u>567,712</u>	<u>477,025</u>	<u>3,343,361</u>	<u>22,390,337</u>
Disbursements:					
General government	-	-	-	-	290,757
Public safety	-	-	-	-	2,948,859
Highways and streets	-	-	-	-	1,504,979
Culture and recreation	-	-	-	-	3,141,335
Economic development	-	-	-	-	625
Debt service:					
Principal	-	-	-	685,000	3,352,319
Interest	-	-	-	655,785	3,564,091
Capital outlay:					
Highways and streets	4,226	-	-	1,143,910	5,169,448
Culture and recreation	-	-	-	-	589,501
Total disbursements	<u>4,226</u>	<u>-</u>	<u>-</u>	<u>2,484,695</u>	<u>20,561,914</u>
Excess (deficiency) of receipts over disbursements and other financing uses	<u>(3,199)</u>	<u>567,712</u>	<u>477,025</u>	<u>858,666</u>	<u>1,828,423</u>
Other financing sources (uses):					
Bond proceeds	-	-	-	2,908,612	2,908,612
Transfers in	-	-	-	-	1,186,577
Transfers out	-	-	-	-	(1,186,577)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,908,612</u>	<u>2,908,612</u>
Cash and investment fund balance - beginning	<u>284,847</u>	<u>-</u>	<u>-</u>	<u>439,722</u>	<u>19,281,596</u>
Cash and investment fund balance - ending	<u>\$ 281,648</u>	<u>\$ 567,712</u>	<u>\$ 477,025</u>	<u>\$ 4,207,000</u>	<u>\$ 24,018,631</u>
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 75,814
Restricted assets:					
Cash and investments	<u>281,648</u>	<u>567,712</u>	<u>477,025</u>	<u>4,207,000</u>	<u>23,942,817</u>
Total cash and investment assets - December 31	<u>\$ 281,648</u>	<u>\$ 567,712</u>	<u>\$ 477,025</u>	<u>\$ 4,207,000</u>	<u>\$ 24,018,631</u>
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ 596,930
Debt service	-	-	-	-	1,792,779
Other purposes	281,648	567,712	477,025	4,207,000	21,553,108
Unrestricted	-	-	-	-	75,814
Total cash and investment fund balance - December 31	<u>\$ 281,648</u>	<u>\$ 567,712</u>	<u>\$ 477,025</u>	<u>\$ 4,207,000</u>	<u>\$ 24,018,631</u>

TOWN OF PLAINFIELD
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2009

	Police Pension	Fire Pension	Totals
Additions:			
Contributions:			
Employer	\$ 95,905	\$ 104,872	\$ 200,777
Plan members	19,643	20,310	39,953
State	54,039	35,528	89,567
Total contributions	169,587	160,710	330,297
Deductions:			
Benefits	208,811	101,611	310,422
Excess (deficiency) of total additions over total deductions	(39,224)	59,099	19,875
Cash and investment fund balance - beginning	224,914	354,875	579,789
Cash and investment fund balance - ending	\$ 185,690	\$ 413,974	\$ 599,664

TOWN OF PLAINFIELD
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009

	Town Court	Home Detention Fees	Initial Diversion	Judgment	Law Enforcement	Monthly Diversion	Payroll	Probation	Deferral Fees	Judicial Salaries	Totals
Additions:											
Agency Fund Additions	\$ 851,293	\$ 5	\$ 9,307	\$ 1	\$ 78,028	\$ 13,369	\$ 2,326	\$ 39,764	\$ 38,494	\$ 17,114	\$1,049,701
Deductions:											
Agency fund deductions	844,243	-	9,173	-	80,718	12,101	9,169	43,351	28,042	-	1,026,798
Excess (deficiency) of total additions over total deductions	7,050	5	134	1	(2,690)	1,268	(6,843)	(3,587)	10,452	17,114	15,854
Cash and investment fund balance - beginning	79,167	1,607	2,600	244	26,760	3,211	311,532	18,720	87,459	42,243	573,543
Cash and investment fund balance - ending	\$ 86,217	\$ 1,612	\$ 2,734	\$ 245	\$ 24,070	\$ 4,479	\$ 304,689	\$ 15,133	\$ 97,911	\$ 59,357	\$ 589,397

TOWN OF PLAINFIELD
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

The Town has entered into the following debt:

Description of Asset	Ending Balance	Principal Due Within One Year
Governmental activities:		
Capital leases:		
Municipal Improvements	\$ 1,800,000	\$ 235,000
Public Safety Building	1,892,595	290,000
Recreation Center	19,947,549	1,175,000
Police Cars	132,014	130,132
Fire Cyclone Pumper	-	-
Bonds payable:		
General Obligation bonds:		
2007 Trail Bond	3,835,000	120,000
Bond anticipation note (BAN):		
Ronald Reagan Corridor BAN 2006	10,000,000	-
Ronald Reagan Corridor BAN 2007	3,185,000	-
Revenue bonds:		
2003 TIF Bonds	1,520,000	70,000
2003 Economic Development Bonds	8,555,000	360,000
2005 Redevelopment Tax and Refunding Bonds	12,025,000	780,000
2005 Redevelopment Authority Bonds	<u>15,519,500</u>	<u>705,000</u>
 Total governmental activities long-term debt	 <u>\$ 78,411,658</u>	 <u>\$ 3,865,132</u>

TOWN OF PLAINFIELD
OTHER REPORT

The annual report presented herein was prepared in addition to another official report prepared for individual Town office listed below:

Town Court

TOWN OF PLAINFIELD
AUDIT RESULTS AND COMMENTS

ACCOUNTS RECEIVABLE

As stated in prior Report B32827, the detailed customer accounts receivable register does not reconcile with the accounts receivable amount recorded on the general ledger.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TRANSACTION RECORDING

As stated in prior Report B32826, cash and investment balances and transactions of 8 bank accounts held by the Redevelopment Commission, a department of the Town, were not included in the records of the Town. These accounts are trustee accounts set up at issuance of each corresponding Tax Increment Revenue Bond. Bond proceeds and Tax Increment distributions are receipted into these accounts in accordance with the Bond Resolution. Expenditures to pay costs of the project and debt service payments are paid out of these accounts.

All financial transactions pertaining to the governmental unit should be recorded in the records of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CAPITAL ASSET RECORDS

As stated in prior Report B32826, capital assets records for the Town have not been updated since 2006.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded in the Capital Assets Ledger form. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

OFFICIAL BOND

The Town has a Crime Insurance policy to cover all officials and employees of the Town. However, no ordinance was passed allowing this nor was the policy filed in the Office of the County Recorder.

IC 5-4-14-18(b) states in part:

"The fiscal body of a city, . . . may by ordinance, authorize the purchase of a blanket bond or a crime insurance policy. . . to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit including those officers described in subsection (a)."

TOWN OF PLAINFIELD
AUDIT RESULTS AND COMMENTS
(Continued)

Crime Insurance policies permitted by statute should be recorded in the same manner as official bonds under IC 5-4. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

HYDRANT RENTAL PAYMENT

The Town of Plainfield owes the Water Utility hydrant rental of \$203,604 for 2009 pursuant to Rate Ordinance 23-2009 passed by the Council on July 27, 2009.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

INTERNAL CONTROLS

Controls over the receipting, disbursing, recording, and accounting for the financial activities were insufficient:

The Town has not implemented internal controls over the selection and application of accounting principles that are in conformity with generally accepted accounting principles (GAAP), the proper recording of nonroutine and nonsystematic transactions, and over period-end financial reporting process, including controls over procedures used to enter transaction totals into the general ledger; initiate, authorize, record, and process journal entries into the general ledger; and record recurring and nonrecurring adjustments to the financial statements.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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 TOWN OF PLAINFIELD, HENDRICKS COUNTY, INDIANA

Compliance

We have audited the compliance of the Town of Plainfield (Town) 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, 2009. The Town'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 Town's management. Our responsibility is to express an opinion on the Town'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 noncompliance 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 Town'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 Town's compliance with those requirements.

Internal Control Over Compliance

The management of the Town 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 Town'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 Town'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 Town'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.

The Town's response to the findings identified in our audit is described in the accompanying and Corrective Action Plan. We did not audit the Town's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Town's management, Town Council 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 9, 2010

TOWN OF PLAINFIELD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2009

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Bulletproof Vest Partnership Program Bulletproof vests	16.607	None	\$ 455
Total for federal grantor agency			<u>455</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Recreational Trails Program Rails To Trails	20.219	None	3,142
Total for program			<u>3,142</u>
State and Community Highway Safety Operation Pullover	20.600	None	9,000
Total for program			<u>9,000</u>
Total for federal grantor agency			<u>12,142</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>			
Pass-Through Indiana Finance Housing Authority Capitalization Grants for Clean Water State Revolving Funds State Revolving Fund Loan 2009 Series (ARRA)	66.458	DW09573201	1,465,533
Total for program			<u>1,465,533</u>
Capitalization Grants for Drinking Water State Revolving Funds State Revolving Fund Loan 2009 Series (ARRA)	66.468	WW09243201	744,420
Total for program			<u>744,420</u>
Total for federal grantor agency			<u>2,209,953</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance (Presidentially Declared Disasters) Disaster Assistance	97.036	Disaster #1766	2,742
Total for program			<u>2,742</u>
Assistance to Firefighters Grant Staffing for Adequate Fire and Emergency Response	97.044	None	163,046
Total for program			<u>163,046</u>
Total for federal grantor agency			<u>165,788</u>
Total federal awards expended			<u>\$ 2,388,338</u>

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

TOWN OF PLAINFIELD
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town of Plainfield (Town) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

TOWN OF PLAINFIELD
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?	yes
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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
66.458	Capitalization Grants for Clean Water State Revolving Funds
66.468	Capitalization Grants for Drinking Water State Revolving Funds

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2009-1, INTERNAL CONTROLS OVER FINANCIAL REPORTING

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

TOWN OF PLAINFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transaction, inaccurate records and financial statements and incorrect decision-making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Cities and Towns, Chapter 7)

The Town has not implemented internal controls over the selection and application of accounting principles that are in conformity with generally accepted accounting principles (GAAP), the proper recording of nonroutine and nonsystematic transactions, and over period-end financial reporting process, including controls over procedures used to enter transaction totals into the general ledger; initiate, authorize, record, and process journal entries into the general ledger; and record recurring and nonrecurring adjustments to the financial statements.

As a result, year end balances in the general ledger of the Utilities were not in conformity with generally accepted accounting principles. Year end accrual entries were not posted; per the unit's capitalization policy, items to be capitalized were expensed; depreciation and amortization expense was not computed and recorded for the year; and debt principal payments were expensed. Additionally, due to the lack of controls over posting nonroutine and nonsystematic Town and Utilities' transactions some entries were posted incorrectly one or multiple times and had to be reversed and corrected multiple times. Multiple audit entries were proposed to the Utilities to bring the year end financial reporting to conformity with GAAP.

We recommended that internal controls be implemented and properly maintained to monitor the selection and application of accounting principles that are in conformity with generally accepted accounting principles (GAAP), the proper recording of nonroutine and nonsystematic transactions, and over period-end financial reporting process, including controls over procedures used to enter transaction totals into the general ledger; initiate, authorize, record, and process journal entries into the general ledger; and record recurring and nonrecurring adjustments to the financial statements.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

TOWN OF PLAINFIELD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.



TOWN OF PLAINFIELD

206 W. Main Street • Plainfield, Indiana 46168
Phone (317) 839-2561 • Fax (317) 838-5236
web: www.townofplainfield.com

TOWN COUNCIL

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President
Water Department
Fire Department

BILL KIRCHOFF
Vice-President
Street Department

KENT McPHAIL
Police Department
Public Relations

EDMUND GADDIE, JR.
Sewer Department
Sanitation

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Parks Department
Properties

WESLEY R. BENNETT
Clerk-Treasurer

TOWN MANAGER
Richard A. Carlucci

HR DIRECTOR
Ronald Lydick

TOWN ENGINEER
Timothy A. Belcher

**DEPUTY BUILDING
COMMISSIONER**
Edward Rudolphi

**DIRECTOR OF
PLANNING**
Joe Y. James

**PUBLIC WORKS
SUPERINTENDENT**
Jason Castetter

FIRE CHIEF
Byron L. Anderson

POLICE CHIEF
Jeff Mitny

ATTORNEY
Melvin R. Daniel

To: Larry Tippin, State Board of Accounts

From: Wesley R Bennett, Clerk-Treasurer

FINDING NUMBER 2009-1 INTERNAL CONTROLS OVER FINANCIAL REPORTING

The town has not exhibited control over:

- Non-routine and non-systematic transactions
- Over period-end financial reporting totals
- Enter transaction totals at the end of the year
- Recording of reoccurring and non-reoccurring adjustments
- Capital items were expensed (work in progress)
- Depreciation and Amortization schedules were not posted
- Debt principal payments were expensed

The issue with internal controls is specifically limited to the full accrual statements compiled for the utility funds. In past years, the state board of accounts has compiled these statements. The field auditors collected information from the staff, made recommendations for year end journal entries and then the staff input the recommended journal entries to the system. This year for the first time, the unit was informed that the statements would need to be compiled and submitted by the unit to the field team to audit. There were issues with the transfer of work papers from the field team and the methodology that the other field teams have used in the past to compile the statements.

The timing of the audit and the period of time that was given to complete the audit caused a significant strain on the field team and the unit. The amount of time to complete the audit was cut in half from the previous audit, and the unit and the field team were to compile the information for two years in a very limited space of time. In accordance with the state statute, this unit (town over 5,000 in population) is required to be audited annually. There were certainly environmental issues that retarded the compilation of nonsystematic and non-routine data in the operations system maintained by the unit.

Our plan to rectify the situation includes the review quarterly, and semi-annually of some of the non-systematic and non-routine transactions. The end-of period transactions are scheduled to be posted in January of the following year after the bank reconciliations have been completed. The posting of debt principal into expense accounts refers to the confusion of lease rental revenue bonds and the break-down of interest and principal. As you know, the payments do not reflect the bond amortization schedules so it may appear that a portion of the debt principal has been expensed when in fact, the debt principal reduction is reported based on the formal amortization schedules. This process will be reviewed prior to the next annual audit and noted.

We hope to have a meeting with the field team for next year prior to the final preparation of audit documents in January of 2011. We look forward to implementing a new process and to working closely with the SBOA in the following year.

TOWN OF PLAINFIELD
EXIT CONFERENCE

The contents of this report were discussed on September 1, 2010, with Wesley Bennett, Clerk-Treasurer; Bill Kirkhoff, Town Council member; Richard Carlucci, Town Manager; and Scott Walker, Town Consultant.