

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF PLYMOUTH
MARSHALL COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED
09/11/2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance With Government Auditing Standards	5-6
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	8
Notes to Financial Statement	9-14
Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	16-24
Schedule of Payables and Receivables	25
Schedule of Leases and Debt	26
Schedule of Capital Assets.....	27
Other Report	28
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133	30-31
Schedule of Expenditures of Federal Awards	34
Notes to Schedule of Expenditures of Federal Awards.....	35
Schedule of Findings and Questioned Costs	36
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	37
Exit Conference.....	38

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Toni L. Hutchings	01-01-08 to 12-31-15
Mayor	Mark Senter	01-01-08 to 12-31-15
President of the Board of Public Works and Safety	Mark Senter	01-01-08 to 12-31-15
President of the Common Council	Charles Ripley Mike Delp	01-01-11 to 12-31-11 01-01-12 to 12-31-12
Superintendent of Utilities	Donnie Davidson	01-01-11 to 12-31-12



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

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

We have audited the accompanying financial statement of the City of Plymouth (City), for the year ended December 31, 2011. This financial statement is the responsibility of the City's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 opinion.

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated August 13, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. 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 financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

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

This report is intended solely for the information and use of the City's management, Common Council, others within the entity, 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 13, 2012



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

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited the financial statement of the City of Plymouth (City), for the year ended December 31, 2011, and have issued our report thereon dated August 13, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis.

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

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the City's management, Common Council, others within the entity, 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 13, 2012

FINANCIAL STATEMENT

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

CITY OF PLYMOUTH
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General Fund	\$ 3,843,681	\$ 6,394,187	\$ 6,454,062	\$ 3,783,806
MVH	974,464	1,546,119	1,552,990	967,593
Local Road & Street	84,399	44,770	-	129,169
Aviation	644,638	66,562	142,297	568,903
Park Non-Reverting Operating Fund	56,033	77,904	72,311	61,626
Transportation Fund	-	6,000	6,000	-
Law Enforcement Cont'd Education	43,936	6,743	13,358	37,321
Unsafe Building Fund	37,406	-	-	37,406
Park & Recreation	339,582	635,457	622,403	352,636
Rainy Day Fund	4,965,569	508,901	-	5,474,470
Crime Prevention K-9	1,362	250	1,608	4
Levy Excess	16,610	-	16,610	-
Cumulative Capital Improvement	437,308	28,978	-	466,286
Cumulative Capital Development	1,317,108	214,269	280,818	1,250,559
Park Non-Reverting Capital Improvements	30,163	10,054	-	40,217
Police Pensions	270,549	221,462	235,123	256,888
Firemen Pensions	52,617	51,102	51,770	51,949
Riverboat Wagering Tax Revenue Sharing	82,654	61,712	67,274	77,092
Park Deposits / Cemetery Deposits	3,100	22,650	21,150	4,600
Cemetery	281,198	288,866	282,093	287,971
2000 TIF Tax Money	690,370	231,165	310,707	610,828
EDA TechFarm	54,363	1,105,630	1,159,993	-
Community Improvement	-	45,036	45,036	-
Cemetery Trust	9,002	14	168	8,848
Cemetery Perpetual Care Fund	398,267	11,210	-	409,477
Drug Free Community Fund	59	-	-	59
Common Cents Fund	-	200,000	7,594	192,406
Police Dept Federal Equitable Sharing	7,871	-	7,871	-
Home Improvement Grant	137,839	-	-	137,839
Park Gift Fund	17,773	9,806	11,538	16,041
2005 TIF Tax Money	684,220	445,784	228,176	901,828
Assistance To Firefighters Grant Fund	76,853	710,006	786,859	-
1993 TIF Tax Money	4,420,608	692,023	266,395	4,846,236
Payroll	1,953	4,880,275	4,882,228	-
FEMA Flood Mitigation Grant Fund	-	60,000	71	59,929
Financial Guarantee Fund	205,107	31,765	40,106	196,766
Aviation Rotary Fund	7,766	185,164	180,651	12,279
City Development Fund	645,606	1,339,154	314,157	1,670,603
Restitution Fund	5,153	-	-	5,153
Deferral and Diversion Fund	14,540	5,498	6,857	13,181
D.A.R.E.	153	-	15	138
Plymouth Greenways Trail Project Fund	10,901	350	388	10,863
City Monetary Gift Fund	9,069	100	457	8,712
Multi-County Drug Task Force	37,531	-	-	37,531
Wastewater Cash - Operating	300,137	2,671,706	2,735,738	236,105
Wastewater Construction Account	547,770	3,083	-	550,853
Wastewater Cash - Sinking	144,901	388,361	322,335	210,927
Wastewater Cash - Depreciation	2,227,739	640,605	275,740	2,592,604
Wastewater Cash - Pre-Treatment Program	57,832	65,706	78,872	44,666
Stormwater Cash - Operating	364,163	175,018	101,841	437,340
Water Cash - Operating	200,856	1,994,703	2,019,657	175,902
Water Cash - Meter Deposits	117,854	28,457	24,377	121,934
Water Cash - Bond & Interest	231,977	393,620	393,920	231,677
Water Cash - Depreciation	1,340,521	266,598	394,126	1,212,993
Water Cash - Change	100	-	-	100
Totals	\$ 26,451,231	\$ 26,766,823	\$ 24,415,740	\$ 28,802,314

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

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

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

C. Cash and Investments

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

D. Receipts

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

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

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

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state,

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENT
(Continued)

local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

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

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

Utility fees which are comprised mostly of charges for current services. These fees are included as Other on the financial statement.

Penalties which include fees received for late payments. These fees are included as Other on the financial statement.

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

E. Disbursements

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

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

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

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

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENT
(Continued)

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is 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 this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS 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. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

B. 1925 Police Officers' Pension Plan

Plan Description

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

Funding Policy

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

On Behalf Payments

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

C. 1937 Firefighters' Pension Plan

Plan Description

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

Funding Policy

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

On Behalf Payments

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

CITY OF PLYMOUTH
NOTES TO FINANCIAL STATEMENT

D. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. The plan also provides for death and disability benefits.

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

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy

The contribution requirements of plan members and the City are established by the Board of Trustees of INPRS.

Note 7. Subsequent Events

The City's Redevelopment District issued \$1,555,000 in bonds to pay for the River Park Square Project – Phase I. The costs of Phase I is estimated at \$2,325,000 to be paid by the bonds, City Development Funds, and Tax Increment Funds on hand. The bonds have an interest rate of 3.2 percent and will be paid off using Tax Increment Funds by February 1, 2028.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

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

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

CITY OF PLYMOUTH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	General Fund	MVH	Local Road & Street	Aviation	Park Non-Reverting Operating Fund	Transportation Fund	Law Enforcement Cont'd Education
Cash and investments - beginning	\$ 3,843,681	\$ 974,464	\$ 84,399	\$ 644,638	\$ 56,033	\$ -	\$ 43,936
Receipts:							
Taxes	3,436,540	1,259,584	-	-	-	-	-
Licenses and permits	45,679	833	-	-	-	-	2,255
Intergovernmental	1,355,443	281,014	44,770	-	-	-	-
Charges for services	1,211,614	1,320	-	46,558	73,366	-	1,785
Fines and forfeits	6,754	-	-	-	-	-	-
Other receipts	338,157	3,368	-	20,004	4,538	6,000	2,703
Total receipts	<u>6,394,187</u>	<u>1,546,119</u>	<u>44,770</u>	<u>66,562</u>	<u>77,904</u>	<u>6,000</u>	<u>6,743</u>
Disbursements:							
Personal services	3,525,067	760,056	-	58,896	16,011	-	-
Supplies	366,109	33,806	-	3,259	7,567	-	-
Other services and charges	1,539,365	272,125	-	73,868	18,566	6,000	13,358
Capital outlay	250,716	449,993	-	-	-	-	-
Other disbursements	772,805	37,010	-	6,274	30,167	-	-
Total disbursements	<u>6,454,062</u>	<u>1,552,990</u>	<u>-</u>	<u>142,297</u>	<u>72,311</u>	<u>6,000</u>	<u>13,358</u>
Excess (deficiency) of receipts over disbursements	<u>(59,875)</u>	<u>(6,871)</u>	<u>44,770</u>	<u>(75,735)</u>	<u>5,593</u>	<u>-</u>	<u>(6,615)</u>
Cash and investments - ending	<u>\$ 3,783,806</u>	<u>\$ 967,593</u>	<u>\$ 129,169</u>	<u>\$ 568,903</u>	<u>\$ 61,626</u>	<u>\$ -</u>	<u>\$ 37,321</u>

CITY OF PLYMOUTH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Unsafe Building Fund	Park & Recreation	Rainy Day Fund	Crime Prevention K-9	Levy Excess	Cumulative Capital Improvement	Cumulative Capital Development
Cash and investments - beginning	\$ 37,406	\$ 339,582	\$ 4,965,569	\$ 1,362	\$ 16,610	\$ 437,308	\$ 1,317,108
Receipts:							
Taxes	-	546,986	-	-	-	-	165,191
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	9,463	-	-	-	28,258	47,279
Charges for services	-	76,557	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	2,451	508,901	250	-	720	1,799
Total receipts	-	635,457	508,901	250	-	28,978	214,269
Disbursements:							
Personal services	-	453,278	-	-	-	-	-
Supplies	-	26,313	-	-	-	-	-
Other services and charges	-	84,844	-	-	-	-	-
Capital outlay	-	49,780	-	-	-	-	280,818
Other disbursements	-	8,188	-	1,608	16,610	-	-
Total disbursements	-	622,403	-	1,608	16,610	-	280,818
Excess (deficiency) of receipts over disbursements	-	13,054	508,901	(1,358)	(16,610)	28,978	(66,549)
Cash and investments - ending	\$ 37,406	\$ 352,636	\$ 5,474,470	\$ 4	\$ -	\$ 466,286	\$ 1,250,559

CITY OF PLYMOUTH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Park Non-Reverting Capital Improvements	Police Pensions	Firemen Pensions	Riverboat Wagering Tax Revenue Sharing	Park Deposits / Cemetery Deposits	Cemetery
Cash and investments - beginning	\$ 30,163	\$ 270,549	\$ 52,617	\$ 82,654	\$ 3,100	\$ 281,198
Receipts:						
Taxes	-	-	-	-	-	193,847
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	221,147	51,053	61,579	-	3,354
Charges for services	-	-	-	-	22,650	90,209
Fines and forfeits	-	-	-	-	-	-
Other receipts	10,054	315	49	133	-	1,456
Total receipts	<u>10,054</u>	<u>221,462</u>	<u>51,102</u>	<u>61,712</u>	<u>22,650</u>	<u>288,866</u>
Disbursements:						
Personal services	-	215,872	43,670	-	-	212,133
Supplies	-	-	-	-	-	4,833
Other services and charges	-	19,251	8,100	-	-	47,025
Capital outlay	-	-	-	67,274	-	10,415
Other disbursements	-	-	-	-	21,150	7,687
Total disbursements	<u>-</u>	<u>235,123</u>	<u>51,770</u>	<u>67,274</u>	<u>21,150</u>	<u>282,093</u>
Excess (deficiency) of receipts over disbursements	<u>10,054</u>	<u>(13,661)</u>	<u>(668)</u>	<u>(5,562)</u>	<u>1,500</u>	<u>6,773</u>
Cash and investments - ending	<u>\$ 40,217</u>	<u>\$ 256,888</u>	<u>\$ 51,949</u>	<u>\$ 77,092</u>	<u>\$ 4,600</u>	<u>\$ 287,971</u>

CITY OF PLYMOUTH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	2000 TIF Tax Money	EDA TechFarm	Community Improvement	Cemetery Trust	Cemetery Perpetual Care Fund	Drug Free Community Fund
Cash and investments - beginning	\$ 690,370	\$ 54,363	\$ -	\$ 9,002	\$ 398,267	\$ 59
Receipts:						
Taxes	184,905	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	45,720	1,100,000	-	-	-	-
Charges for services	-	5,630	-	-	11,210	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	540	-	45,036	14	-	-
Total receipts	<u>231,165</u>	<u>1,105,630</u>	<u>45,036</u>	<u>14</u>	<u>11,210</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	168	-	-
Other services and charges	11,181	9,593	-	-	-	-
Capital outlay	299,526	50,400	-	-	-	-
Other disbursements	-	1,100,000	45,036	-	-	-
Total disbursements	<u>310,707</u>	<u>1,159,993</u>	<u>45,036</u>	<u>168</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(79,542)</u>	<u>(54,363)</u>	<u>-</u>	<u>(154)</u>	<u>11,210</u>	<u>-</u>
Cash and investments - ending	<u>\$ 610,828</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,848</u>	<u>\$ 409,477</u>	<u>\$ 59</u>

CITY OF PLYMOUTH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Common Cents Fund	Police Dept Federal Equitable Sharing	Home Improvement Grant	Park Gift Fund	2005 TIF Tax Money	Assistance To Firefighters Grant Fund
Cash and investments - beginning	\$ -	\$ 7,871	\$ 137,839	\$ 17,773	\$ 684,220	\$ 76,853
Receipts:						
Taxes	-	-	-	-	445,064	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	708,423
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	200,000	-	-	9,806	720	1,583
Total receipts	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>9,806</u>	<u>445,784</u>	<u>710,006</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	24,176	-
Capital outlay	7,594	7,871	-	-	-	786,859
Other disbursements	-	-	-	11,538	204,000	-
Total disbursements	<u>7,594</u>	<u>7,871</u>	<u>-</u>	<u>11,538</u>	<u>228,176</u>	<u>786,859</u>
Excess (deficiency) of receipts over disbursements	<u>192,406</u>	<u>(7,871)</u>	<u>-</u>	<u>(1,732)</u>	<u>217,608</u>	<u>(76,853)</u>
Cash and investments - ending	<u>\$ 192,406</u>	<u>\$ -</u>	<u>\$ 137,839</u>	<u>\$ 16,041</u>	<u>\$ 901,828</u>	<u>\$ -</u>

CITY OF PLYMOUTH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	1993 TIF Tax Money	Payroll	FEMA Flood Mitigation Grant Fund	Financial Guarantee Fund	Aviation Rotary Fund	City Development Fund
Cash and investments - beginning	\$ 4,420,608	\$ 1,953	\$ -	\$ 205,107	\$ 7,766	\$ 645,606
Receipts:						
Taxes	647,852	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	36,976	-	-	-	-	-
Charges for services	-	-	-	-	185,164	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	7,195	4,880,275	60,000	31,765	-	1,339,154
Total receipts	692,023	4,880,275	60,000	31,765	185,164	1,339,154
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	212,295	-	-	-	151,061	-
Capital outlay	54,100	-	50	-	-	62,895
Other disbursements	-	4,882,228	21	40,106	29,590	251,262
Total disbursements	266,395	4,882,228	71	40,106	180,651	314,157
Excess (deficiency) of receipts over disbursements	425,628	(1,953)	59,929	(8,341)	4,513	1,024,997
Cash and investments - ending	<u>\$ 4,846,236</u>	<u>\$ -</u>	<u>\$ 59,929</u>	<u>\$ 196,766</u>	<u>\$ 12,279</u>	<u>\$ 1,670,603</u>

CITY OF PLYMOUTH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Restitution Fund	Deferral and Diversion Fund	D.A.R.E.	Plymouth Greenways Trail Project Fund	City Monetary Gift Fund	Multi-County Drug Task Force
Cash and investments - beginning	\$ 5,153	\$ 14,540	\$ 153	\$ 10,901	\$ 9,069	\$ 37,531
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	5,498	-	-	-	-
Other receipts	-	-	-	350	100	-
Total receipts	-	5,498	-	350	100	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	6,857	-	-	-	-
Other services and charges	-	-	-	388	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	15	-	457	-
Total disbursements	-	6,857	15	388	457	-
Excess (deficiency) of receipts over disbursements	-	(1,359)	(15)	(38)	(357)	-
Cash and investments - ending	<u>\$ 5,153</u>	<u>\$ 13,181</u>	<u>\$ 138</u>	<u>\$ 10,863</u>	<u>\$ 8,712</u>	<u>\$ 37,531</u>

CITY OF PLYMOUTH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Wastewater Cash - <u>Operating</u>	Wastewater Construction Account	Wastewater Cash - <u>Sinking</u>	Wastewater Cash - <u>Depreciation</u>	Wastewater Cash - Pre-Treatment Program	Stormwater Cash - <u>Operating</u>
Cash and investments - beginning	\$ 300,137	\$ 547,770	\$ 144,901	\$ 2,227,739	\$ 57,832	\$ 364,163
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	<u>2,671,706</u>	<u>3,083</u>	<u>388,361</u>	<u>640,605</u>	<u>65,706</u>	<u>175,018</u>
Total receipts	<u>2,671,706</u>	<u>3,083</u>	<u>388,361</u>	<u>640,605</u>	<u>65,706</u>	<u>175,018</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>2,735,738</u>	<u>-</u>	<u>322,335</u>	<u>275,740</u>	<u>78,872</u>	<u>101,841</u>
Total disbursements	<u>2,735,738</u>	<u>-</u>	<u>322,335</u>	<u>275,740</u>	<u>78,872</u>	<u>101,841</u>
Excess (deficiency) of receipts over disbursements	<u>(64,032)</u>	<u>3,083</u>	<u>66,026</u>	<u>364,865</u>	<u>(13,166)</u>	<u>73,177</u>
Cash and investments - ending	<u>\$ 236,105</u>	<u>\$ 550,853</u>	<u>\$ 210,927</u>	<u>\$ 2,592,604</u>	<u>\$ 44,666</u>	<u>\$ 437,340</u>

CITY OF PLYMOUTH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Water Cash - Operating	Water Cash - Meter Deposits	Water Cash - Bond & Interest	Water Cash - Depreciation	Water Cash - Change	Totals
Cash and investments - beginning	\$ 200,856	\$ 117,854	\$ 231,977	\$ 1,340,521	\$ 100	\$ 26,451,231
Receipts:						
Taxes	-	-	-	-	-	6,879,969
Licenses and permits	-	-	-	-	-	48,767
Intergovernmental	-	-	-	-	-	3,994,479
Charges for services	-	-	-	-	-	1,726,063
Fines and forfeits	-	-	-	-	-	12,252
Other receipts	1,994,703	28,457	393,620	266,598	-	14,105,293
Total receipts	1,994,703	28,457	393,620	266,598	-	26,766,823
Disbursements:						
Personal services	-	-	-	-	-	5,284,983
Supplies	-	-	-	-	-	448,912
Other services and charges	-	-	-	-	-	2,491,196
Capital outlay	-	-	-	-	-	2,378,291
Other disbursements	2,019,657	24,377	393,920	394,126	-	13,812,358
Total disbursements	2,019,657	24,377	393,920	394,126	-	24,415,740
Excess (deficiency) of receipts over disbursements	(24,954)	4,080	(300)	(127,528)	-	2,351,083
Cash and investments - ending	\$ 175,902	\$ 121,934	\$ 231,677	\$ 1,212,993	\$ 100	\$ 28,802,314

CITY OF PLYMOUTH
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 83,429	\$ 510,713
Wastewater	163,615	144,818
Stormwater	-	7,530
Water	<u>534,065</u>	<u>111,350</u>
Totals	<u>\$ 781,109</u>	<u>\$ 774,411</u>

CITY OF PLYMOUTH
SCHEDULE OF LEASES AND DEBT
December 31, 2011

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Notes and loans	To capitalize the TIF District so it could meet financial obligations related to the construction costs of a technology park built within the TIF District.	\$ 909,000	\$ 197,450
Wastewater:			
Revenue bonds	Cost of certain additions, extensions and improvements to the City's municipal sewage works.	3,140,000	319,558
Water:			
Revenue bonds	The refunding will enable the City to realize an annual reduction of debt service payments.	1,320,000	396,670
Totals		\$ 5,369,000	\$ 913,678

CITY OF PLYMOUTH
SCHEDULE OF CAPITAL ASSETS
December 31, 2011

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

	Ending Balance
Governmental activities:	
Land	\$ 3,340,212
Infrastructure	26,492,042
Buildings	5,330,714
Improvements other than buildings	5,652,899
Machinery, equipment and vehicles	6,825,392
Total governmental activities	47,641,259
Wastewater:	
Land	164,463
Buildings	12,461,256
Improvements other than buildings	13,858,681
Machinery, equipment and vehicles	2,745,097
Total Wastewater	29,229,497
Water:	
Land	177,016
Buildings	4,461,603
Improvements other than buildings	8,163,929
Machinery, equipment and vehicles	1,115,048
Construction in progress	300,786
Total Water	14,218,382
Total capital assets	\$ 91,089,138

CITY OF PLYMOUTH
OTHER REPORT

The annual report presented herein was prepared in addition to another official report prepared for the individual City offices listed below:

Water and Wastewater Utilities

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 THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

We have audited the compliance of the City of Plymouth (City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended December 31, 2011. The City's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A deficiency in 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 and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

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

This report is intended solely for the information and use of the City's management, Common Council, others within the entity, 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 13, 2012

(This page intentionally left blank.)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying notes presented were prepared by management of the City. The schedule and notes are presented as intended by the City.

CITY OF PLYMOUTH
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2011

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF COMMERCE</u>			
Direct Grant			
Economic Development Cluster			
ARRA - Economic Adjustment Assistance	11.307		
TechFarm		07-79-0547	\$ 59,993
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Bulletproof Vest Partnership Program	16.607		1,498
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Direct Grant			
Airport Improvement Program	20.106	3-18-067-15	44,221
Pass-Through Indiana Department of Transportation			
Highway Planning and Construction Cluster			
ARRA - Highway Planning and Construction	20.205		
Indiana Transportation Enhancement (South Gateway)		0600381	8,744
Highway Planning and Construction (Oak Road Project)		0400011	36,976
Total for cluster			45,720
Pass-Through Indiana Criminal Justice Institute			
Highway Safety Cluster			
Alcohol Impaired Driving Countermeasures Incentive Grant I	20.601	OP-11-02-01-26	3,525
Total for federal grantor agency			93,466
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Direct Grant			
Assistance to Firefighters Grant	97.044	EMW-2009-FR-00447	708,423
Total federal awards expended			\$ 863,380

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF PLYMOUTH
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Plymouth (City) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. 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.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the City provided federal awards to subrecipients as follows for the year ended December 31, 2011:

<u>Program Title</u>	<u>Federal CFDA Number</u>	
Assistance to Firefighters Grant	97.044	<u>\$ 606,712</u>

CITY OF PLYMOUTH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Noncompliance material to the financial statement noted?	no

Federal Awards:

Internal control over major program:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Type of auditor's report issued on compliance for major program:	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 Program:

CFDA Number	Name of Federal Program
97.044	Assistance to Firefighters Grant

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

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

CITY OF PLYMOUTH
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CITY OF PLYMOUTH
EXIT CONFERENCE

The contents of this report were discussed on August 13, 2012, with Toni L. Hutchings, Clerk-Treasurer; Mark Senter, Mayor; and Mike Delp, President of the Common Council. Our audit disclosed no material items that warrant comment at this time.