

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

CITY OF WEST LAFAYETTE  
TIPPECANOE COUNTY, INDIANA

January 1, 2014 to December 31, 2014



**FILED**  
12/07/2016



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-5
Independent Auditor's 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 <i>Government Auditing Standards</i> .....	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	10
Notes to Financial Statement .....	11-17
Other Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	20-31
Schedule of Payables and Receivables .....	32
Schedule of Leases and Debt .....	33
Schedule of Capital Assets.....	34
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance .....	36-37
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	40
Notes to Schedule of Expenditures of Federal Awards .....	41
Schedule of Findings and Questioned Costs .....	42-43
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	46
Corrective Action Plan .....	47
Other Reports.....	48

### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Judith C. Rhodes	01-01-12 to 12-31-15
City Controller	Peter L. Gray	01-01-16 to 12-31-16
Mayor	John R. Dennis	01-01-12 to 12-31-19
President of the Board of Public Works and Safety	John R. Dennis Sana G. Booker	01-01-12 to 12-31-15 01-01-16 to 12-31-16
President of the Common Council	Ann H. Hunt Peter Bunder	01-01-14 to 12-31-14 01-01-15 to 12-31-16
Wastewater Utility Director	David Henderson	01-01-14 to 12-31-16



## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF WEST LAFAYETTE, TIPPECANOE COUNTY, INDIANA

### **Report on the Financial Statement**

We have audited the accompanying financial statement of the City of West Lafayette (City), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement as listed in the Table of Contents.

### ***Management's Responsibility for the Financial Statement***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

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

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 2014.

***Opinion on Regulatory Basis of Accounting***

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, 2014, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Matters***

*Supplementary Information*

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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.


*Other Information*

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, as listed in the Table of Contents, 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.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated October 20, 2016, 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* in considering the City's internal control over financial reporting and compliance.

  
Paul D. Joyce, CPA  
State Examiner

October 20, 2016



**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](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S 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 WEST LAFAYETTE, TIPPECANOE COUNTY, INDIANA

We have audited, 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, the financial statement of the City of West Lafayette (City), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement, and have issued our report thereon dated October 20, 2016, wherein we noted the City followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statement, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of the internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001 to be a material weakness.

**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



INDEPENDENT AUDITOR'S 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)


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*.

**City of West Lafayette's Response to Findings**

The City's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The City's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

October 20, 2016

(This page intentionally left blank.)

FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

CITY OF WEST LAFAYETTE  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2014

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
General	\$ 2,591,576	\$ 13,189,834	\$ 13,289,889	\$ 2,491,521
Motor Vehicle Highway	1,462,219	1,744,295	942,816	2,263,698
Local Road And Street	377,756	231,795	244,798	364,753
Law Enforcement Continuing Ed	14,823	14,961	17,326	12,458
Clerk's Record Perpetuation	23,584	215	17,000	6,799
Firefighting	42,354	17,197	28,638	30,913
Rainy Day	743,176	1,447	390,000	354,623
Levy Excess	-	576	-	576
Certified Technology Park	126,766	263	-	127,029
Cumulative Capital Development	632,973	481,152	855,240	258,885
Cumulative Building & Firefighting Equipment	48,946	24,115	29,757	43,304
Co Economic Development Income Tax	941,507	1,639,233	1,888,755	691,985
Cumulative Capital Improvement	79,503	78,562	158,031	34
Self Insurance Fund	-	22,537	22,919	(382)
Police Pension	249,435	763,242	791,602	221,075
Fire Pension	325,101	563,343	611,378	277,066
Sales Tax	2,155	7,438	7,718	1,875
Rental Housing Inspection	92,212	146,717	171,560	67,369
2011 Redevelop Com Cert of Participation- Fire Station	2	133,341	133,343	-
Levee/Village Allocation	5,648,859	4,996,068	6,296,096	4,348,831
2011 WL Building Corp Refunding Bonds - Police Station	230,956	447,001	448,548	229,409
2012 Redevelop Authority Refunding Bonds-Trails	215,879	489,025	487,750	217,154
Payroll Fund	56,857	3,647,009	3,644,088	59,778
KCB Allocation	3,107,625	2,815,763	3,304,631	2,618,757
SAFER Grant Fund	-	274,417	257,775	16,642
Faith West Properties Escrow	63,469	21	63,490	-
State Court User Fee	-	6,441	6,441	-
INPRS Fund	-	1,280,564	1,280,564	-
Donations	1,262	3	313	952
Community Development Block Grant	7,281	350,628	356,019	1,890
Police Grants Projects	12,301	27,990	26,062	14,229
Public Safety	7,267	1,887	4,584	4,570
Police Unclaimed Property	8,156	22	-	8,178
Fire Safety	3,267	1,109	587	3,789
Perimeter Parkway	180,973	36,703	45,965	171,711
Lindberg/Mccormick Road Improvement	70,191	167	-	70,358
Go Greener Commission	1,426	4	267	1,163
Parks Nonreverting Operating	108,626	475,365	501,427	82,564
Wabash Heritage Corridor	8,513	21	-	8,534
Parks Nonreverting Gift	133,023	35,212	34,565	133,670
Celery Bog	16,294	6,605	7,625	15,274
Parks and Recreation	127,341	1,525,854	1,530,083	123,112
Court Credit Card Service Fee	30	69	63	36
Imprest Cash	1,500	-	1,500	-
Online Credit Card Transaction	6,832	12,555	10,938	8,449
2010 Redevelop Authority Refunding Bonds - Garage	595,287	588,073	585,170	598,190
2005 Redevelopment Commission Bonds - Ross PRP	-	431,400	431,400	-
Sagamore Parkway Allocation	838,121	388,568	693,655	533,034
Build Indiana Wabash Landing	9,412	22	-	9,434
Parks Nonreverting Capital - Pool	240,524	1,302	14,360	227,466
Fuel Internal Service	1,215	349,140	341,606	8,749
City Court Trust	4,887	33,387	35,925	2,349
Law Enforcement Cont Ed (Court)	7,075	2,925	365	9,635
Medical Insurance Payment	2,393	-	2,393	-
North Side Regional Lift Station Escrow	123,783	115,060	-	238,843
Aeration Tank Addition Escrow	29,605	-	29,605	-
Huntington Lse/Purch Escrow (Cash w/Fiscal Agent)	5	-	5	-
SRF Construction Fund	-	1,769,071	1,769,071	-
Centier WW 14 Refunding Agent	-	12,824,000	12,824,000	-
WL 2004 SRF Bonds Escrow	-	12,815,131	-	12,815,131
WW 14 PRV Construction	-	4,004,078	1,756,357	2,247,721
WW 13 Refunding Bond & Interest	-	3,485,010	2,321,377	1,163,633
WW 14 PRV Bond & Interest	-	185,639	-	185,639
WW 14 Refunding Bond & Interest	-	50,893	-	50,893
WW Plant Projects Escrow	-	41,409	-	41,409
Cumberland Sewer Escrow	-	101,460	-	101,460
WW SRF Bond & Interest	-	1,135,721	949,995	185,726
WW Stormwater Revenue	-	1,117,816	647,983	469,833
Wastewater Utility-Operating	826,499	9,452,563	9,276,934	1,002,128
Wastewater Util - Bond And Interest	1,461,701	-	1,461,701	-
Wastewater Util - Debt Service Reserve	3,197,976	59,396	-	3,257,372
Wastewater Utility - Improvement	4,823,108	3,308,841	4,526,185	3,605,764
Wastewater Utility - Imprest Cash	150	-	150	-
<b>Totals</b>	<b>\$ 29,933,757</b>	<b>\$ 87,751,671</b>	<b>\$ 75,578,388</b>	<b>\$ 42,107,040</b>

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

CITY OF WEST LAFAYETTE  
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 Indiana 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. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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 include the following sources:

Taxes, which can include one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's 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 the following: peddler licenses, dog tax licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF WEST LAFAYETTE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Intergovernmental receipts, which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of these types of receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions 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.

Penalties, which include fees received for late payments.

Other receipts, which include amounts received from various sources including, but 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 include the following uses:

Personal services, which 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, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service - principal and interest, which includes 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.

CITY OF WEST LAFAYETTE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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 WEST LAFAYETTE  
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, the following: 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.

**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 a cost-sharing 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  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687



CITY OF WEST LAFAYETTE  
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 WEST LAFAYETTE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*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  
One North Capitol, 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. Holding Corporations**

The City has entered into capital leases with the West Lafayette Redevelopment Authority and the West Lafayette Building Corporation (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the City. The lessors have been determined to be related-parties of the City. Lease payments during the year 2014 totaled \$1,077,000 and \$447,000; respectively.

**Note 8. Subsequent Events**

- A. City Hall, which was closed in February 2014, is scheduled to be demolished in 2016.
- B. A Combined Sewer Overflow (CSO) project commenced in January 2016 to increase the storage capacity of untreated wastewater/storm water. This will significantly decrease the number of events when untreated wastewater overflows into the Wabash River. In addition to maintaining a clean environment for the citizens and wildlife in the surrounding area, this will also meet upcoming environmental guidelines. A revenue bond for \$22,213,500 was issued on January 29, 2016.

CITY OF WEST LAFAYETTE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

- C. West Lafayette and Purdue University have joined together to redevelop State Street and the surrounding infrastructure.
- a. Benefits include:
    - i. a safe, pedestrian-friendly, hub with extra-wide sidewalks, greenspace and ample bike paths.
    - ii. increase consumer traffic along the State Street corridor while diverting through-traffic around this consumer/pedestrian hub.
  - b. This is a public-private partnership, where the developer will build and operate the project for 22 years and then transfer ownership over to the City; known as Build-Operate-Transfer (BOT).
  - c. After construction, annual "availability payments" are anticipated to be \$4.5M to \$4.8M.
  - d. Approximately half of the project will be supported by tax increment funding (TIF) revenues. The remaining amount will be funded by the Purdue Research Foundation through a credit facility until such time that new development is sufficient to make the payments.
  - e. Construction costs are estimated to be between \$60M and \$70M.
  - f. The project started in May 2016 with an estimated completion date of May 2019.
- D. The Williams Street project is related to the diverting through-traffic away from the State Street consumer hub. It is also in conjunction with the CSO project. After the CSO pipe is laid under River Road, Williams Street will be re-graded to be more traffic friendly and a round-about will be installed at the Williams Street/River Road intersection. A lease revenue bond for \$8,922,010 was issued on March 10, 2016.

**Note 9. Other Postemployment Benefits**

The City provides health insurance benefits to eligible retirees and their spouses. These benefits pose a liability to the City for this year and in future years. Information regarding the benefits can be obtained by contacting the City.

(This page intentionally left blank.)

#### OTHER INFORMATION - UNAUDITED

The City's Annual Financial 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 City's Annual Financial Report 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 other information presented was approved by management of the City. It is presented as intended by the City.

CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014

	General	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Ed	Clerk's Record Perpetuation	Firefighting	Rainy Day
Cash and investments - beginning	\$ 2,591,576	\$ 1,462,219	\$ 377,756	\$ 14,823	\$ 23,584	\$ 42,354	\$ 743,176
Receipts:							
Taxes	6,459,533	-	-	1,472	-	-	-
Licenses and permits	363,260	-	-	2,590	-	-	-
Intergovernmental receipts	3,285,647	1,414,447	226,739	-	-	-	-
Charges for services	53,983	-	-	10,486	-	17,071	-
Fines and forfeits	625,148	-	-	-	178	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	<u>2,402,263</u>	<u>329,848</u>	<u>5,056</u>	<u>413</u>	<u>37</u>	<u>126</u>	<u>1,447</u>
Total receipts	<u>13,189,834</u>	<u>1,744,295</u>	<u>231,795</u>	<u>14,961</u>	<u>215</u>	<u>17,197</u>	<u>1,447</u>
Disbursements:							
Personal services	9,394,722	402,371	-	-	-	-	-
Supplies	358,009	114,956	205,849	150	-	-	-
Other services and charges	1,558,297	109,480	372	17,176	-	28,638	-
Debt service - principal and interest	3,861	-	-	-	-	-	-
Capital outlay	-	316,009	38,577	-	17,000	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	<u>1,975,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>390,000</u>
Total disbursements	<u>13,289,889</u>	<u>942,816</u>	<u>244,798</u>	<u>17,326</u>	<u>17,000</u>	<u>28,638</u>	<u>390,000</u>
Excess (deficiency) of receipts over disbursements	<u>(100,055)</u>	<u>801,479</u>	<u>(13,003)</u>	<u>(2,365)</u>	<u>(16,785)</u>	<u>(11,441)</u>	<u>(388,553)</u>
Cash and investments - ending	<u>\$ 2,491,521</u>	<u>\$ 2,263,698</u>	<u>\$ 364,753</u>	<u>\$ 12,458</u>	<u>\$ 6,799</u>	<u>\$ 30,913</u>	<u>\$ 354,623</u>

CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Levy Excess	Certified Technology Park	Cumulative Capital Development	Cumulative Building & Firefighting Equipment	Co Economic Development Income Tax	Cumulative Capital Improvement	Self Insurance Fund
Cash and investments - beginning	\$ -	\$ 126,766	\$ 632,973	\$ 48,946	\$ 941,507	\$ 79,503	\$ -
Receipts:							
Taxes	576	-	445,669	22,283	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	34,130	1,707	1,603,418	78,286	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	263	1,353	125	35,815	276	22,537
Total receipts	<u>576</u>	<u>263</u>	<u>481,152</u>	<u>24,115</u>	<u>1,639,233</u>	<u>78,562</u>	<u>22,537</u>
Disbursements:							
Personal services	-	-	110,592	-	246,195	-	-
Supplies	-	-	76,915	-	5,310	-	-
Other services and charges	-	-	300,614	3,420	964,310	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	367,119	26,337	175,940	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	497,000	158,031	22,919
Total disbursements	<u>-</u>	<u>-</u>	<u>855,240</u>	<u>29,757</u>	<u>1,888,755</u>	<u>158,031</u>	<u>22,919</u>
Excess (deficiency) of receipts over disbursements	<u>576</u>	<u>263</u>	<u>(374,088)</u>	<u>(5,642)</u>	<u>(249,522)</u>	<u>(79,469)</u>	<u>(382)</u>
Cash and investments - ending	<u>\$ 576</u>	<u>\$ 127,029</u>	<u>\$ 258,885</u>	<u>\$ 43,304</u>	<u>\$ 691,985</u>	<u>\$ 34</u>	<u>\$ (382)</u>

CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Police Pension	Fire Pension	Sales Tax	Rental Housing Inspection	2011 Redevelop Com Cert of Participation- Fire Station	Levee/Village Allocation
Cash and investments - beginning	\$ 249,435	\$ 325,101	\$ 2,155	\$ 92,212	\$ 2	\$ 5,648,859
Receipts:						
Taxes	-	-	-	-	-	4,258,408
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	711,861	562,577	-	-	-	74,519
Charges for services	-	-	-	86,568	-	-
Fines and forfeits	-	-	-	10,000	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	51,381	766	7,438	50,149	133,341	663,141
Total receipts	763,242	563,343	7,438	146,717	133,341	4,996,068
Disbursements:						
Personal services	22,702	22,983	-	132,222	-	-
Supplies	-	-	-	2,100	-	-
Other services and charges	718,145	588,395	-	37,238	-	798,357
Debt service - principal and interest	-	-	-	-	133,343	-
Capital outlay	-	-	-	-	-	4,909,739
Utility operating expenses	-	-	-	-	-	-
Other disbursements	50,755	-	7,718	-	-	588,000
Total disbursements	791,602	611,378	7,718	171,560	133,343	6,296,096
Excess (deficiency) of receipts over disbursements	(28,360)	(48,035)	(280)	(24,843)	(2)	(1,300,028)
Cash and investments - ending	\$ 221,075	\$ 277,066	\$ 1,875	\$ 67,369	\$ -	\$ 4,348,831



CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	2011 WL Building Corp Refunding Bonds - Police Station	2012 Redevelop Authority Refunding Bonds-Trails	Payroll Fund	KCB Allocation	SAFER Grant Fund	Faith West Properties Escrow
Cash and investments - beginning	\$ 230,956	\$ 215,879	\$ 56,857	\$ 3,107,625	\$ -	\$ 63,469
Receipts:						
Taxes	-	-	-	2,786,587	191,989	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	447,001	489,025	3,647,009	29,176	82,428	21
Total receipts	447,001	489,025	3,647,009	2,815,763	274,417	21
Disbursements:						
Personal services	-	-	-	-	207,775	-
Supplies	-	-	-	885	-	-
Other services and charges	-	-	-	407,702	-	-
Debt service - principal and interest	446,548	485,750	-	-	-	-
Capital outlay	-	-	-	1,840,557	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	2,000	2,000	3,644,088	1,055,487	50,000	63,490
Total disbursements	448,548	487,750	3,644,088	3,304,631	257,775	63,490
Excess (deficiency) of receipts over disbursements	(1,547)	1,275	2,921	(488,868)	16,642	(63,469)
Cash and investments - ending	\$ 229,409	\$ 217,154	\$ 59,778	\$ 2,618,757	\$ 16,642	\$ -

CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	State Court User Fee	INPRS Fund	Donations	Community Development Block Grant	Police Grants Projects	Public Safety
Cash and investments - beginning	\$ -	\$ -	\$ 1,262	\$ 7,281	\$ 12,301	\$ 7,267
Receipts:						
Taxes	-	-	-	350,628	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	27,990	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	6,441	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	1,280,564	3	-	-	1,887
Total receipts	<u>6,441</u>	<u>1,280,564</u>	<u>3</u>	<u>350,628</u>	<u>27,990</u>	<u>1,887</u>
Disbursements:						
Personal services	-	-	-	34,938	26,062	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	313	138,521	-	4,584
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	182,560	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	6,441	1,280,564	-	-	-	-
Total disbursements	<u>6,441</u>	<u>1,280,564</u>	<u>313</u>	<u>356,019</u>	<u>26,062</u>	<u>4,584</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(310)</u>	<u>(5,391)</u>	<u>1,928</u>	<u>(2,697)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 952</u>	<u>\$ 1,890</u>	<u>\$ 14,229</u>	<u>\$ 4,570</u>

CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Police Unclaimed Property	Fire Safety	Perimeter Parkway	Lindberg/ McCormick Road Improvement	Go Greener Commission	Parks Nonreverting Operating
Cash and investments - beginning	\$ 8,156	\$ 3,267	\$ 180,973	\$ 70,191	\$ 1,426	\$ 108,626
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	10,073	-	-	-
Charges for services	-	-	-	-	-	468,642
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	<u>22</u>	<u>1,109</u>	<u>26,630</u>	<u>167</u>	<u>4</u>	<u>6,723</u>
Total receipts	<u>22</u>	<u>1,109</u>	<u>36,703</u>	<u>167</u>	<u>4</u>	<u>475,365</u>
Disbursements:						
Personal services	-	-	-	-	-	232,189
Supplies	-	-	-	-	267	13,994
Other services and charges	-	587	45,965	-	-	252,463
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	2,781
Utility operating expenses	-	-	-	-	-	-
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>-</u>	<u>587</u>	<u>45,965</u>	<u>-</u>	<u>267</u>	<u>501,427</u>
Excess (deficiency) of receipts over disbursements	<u>22</u>	<u>522</u>	<u>(9,262)</u>	<u>167</u>	<u>(263)</u>	<u>(26,062)</u>
Cash and investments - ending	<u>\$ 8,178</u>	<u>\$ 3,789</u>	<u>\$ 171,711</u>	<u>\$ 70,358</u>	<u>\$ 1,163</u>	<u>\$ 82,564</u>

CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Wabash Heritage Corridor	Parks Nonreverting Gift	Celery Bog	Parks and Recreation	Court Credit Card Service Fee	Imprest Cash
Cash and investments - beginning	\$ 8,513	\$ 133,023	\$ 16,294	\$ 127,341	\$ 30	\$ 1,500
Receipts:						
Taxes	-	-	-	918,970	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	70,375	-	-
Charges for services	-	2,267	-	179,241	-	-
Fines and forfeits	-	-	-	-	69	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	21	32,945	6,605	357,268	-	-
Total receipts	21	35,212	6,605	1,525,854	69	-
Disbursements:						
Personal services	-	-	-	1,010,030	-	-
Supplies	-	3,327	-	70,701	-	-
Other services and charges	-	18,281	245	94,377	63	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	12,957	7,380	1,975	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	353,000	-	1,500
Total disbursements	-	34,565	7,625	1,530,083	63	1,500
Excess (deficiency) of receipts over disbursements	21	647	(1,020)	(4,229)	6	(1,500)
Cash and investments - ending	\$ 8,534	\$ 133,670	\$ 15,274	\$ 123,112	\$ 36	\$ -

CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Online Credit Card Transaction	2010 Redevelop Authority Refunding Bonds - Garage	2005 Redevelopment Commission Bonds - Ross PRP	Sagamore Parkway Allocation	Build Indiana Wabash Landing	Parks Nonreverting Capital - Pool
Cash and investments - beginning	\$ 6,832	\$ 595,287	\$ -	\$ 838,121	\$ 9,412	\$ 240,524
Receipts:						
Taxes	-	-	-	386,925	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	12,555	-	-	-	-	529
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	588,073	431,400	1,643	22	773
<b>Total receipts</b>	<b>12,555</b>	<b>588,073</b>	<b>431,400</b>	<b>388,568</b>	<b>22</b>	<b>1,302</b>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	990
Other services and charges	10,938	-	-	63,594	-	665
Debt service - principal and interest	-	583,170	431,400	-	-	-
Capital outlay	-	-	-	630,061	-	12,705
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	2,000	-	-	-	-
<b>Total disbursements</b>	<b>10,938</b>	<b>585,170</b>	<b>431,400</b>	<b>693,655</b>	<b>-</b>	<b>14,360</b>
Excess (deficiency) of receipts over disbursements	1,617	2,903	-	(305,087)	22	(13,058)
Cash and investments - ending	<u>\$ 8,449</u>	<u>\$ 598,190</u>	<u>\$ -</u>	<u>\$ 533,034</u>	<u>\$ 9,434</u>	<u>\$ 227,466</u>

CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Fuel Internal Service	City Court Trust	Law Enforcement Cont Ed (Court)	Medical Insurance Payment	North Side Regional Lift Station Escrow	Aeration Tank Addition Escrow
Cash and investments - beginning	\$ 1,215	\$ 4,887	\$ 7,075	\$ 2,393	\$ 123,783	\$ 29,605
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	33,287	2,925	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	349,140	100	-	-	115,060	-
Total receipts	349,140	33,387	2,925	-	115,060	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	341,606	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	29,600
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	35,925	365	2,393	-	5
Total disbursements	341,606	35,925	365	2,393	-	29,605
Excess (deficiency) of receipts over disbursements	7,534	(2,538)	2,560	(2,393)	115,060	(29,605)
Cash and investments - ending	\$ 8,749	\$ 2,349	\$ 9,635	\$ -	\$ 238,843	\$ -

CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Huntington Lse/Purch Escrow (Cash w/Fiscal Agent)	SRF Construction Fund	Centier WW 14 Refunding Agent	WL 2004 SRF Bonds Escrow	WW 14 PRV Construction	WW 13 Refunding Bond & Interest
Cash and investments - beginning	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	1,769,071	12,824,000	12,815,131	4,004,078	3,485,010
Total receipts	-	1,769,071	12,824,000	12,815,131	4,004,078	3,485,010
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	5	-	-	-	-	2,321,377
Capital outlay	-	1,486,492	-	-	1,703,795	-
Utility operating expenses	-	-	70,000	-	4,155	-
Other disbursements	-	282,579	12,754,000	-	48,407	-
Total disbursements	5	1,769,071	12,824,000	-	1,756,357	2,321,377
Excess (deficiency) of receipts over disbursements	(5)	-	-	12,815,131	2,247,721	1,163,633
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 12,815,131	\$ 2,247,721	\$ 1,163,633

CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	WW 14 PRV Bond & Interest	WW 14 Refunding Bond & Interest	WW Plant Projects Escrow	Cumberland Sewer Escrow	WW SRF Bond & Interest	WW Stormwater Revenue
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	1,117,102
Penalties	-	-	-	-	-	-
Other receipts	<u>185,639</u>	<u>50,893</u>	<u>41,409</u>	<u>101,460</u>	<u>1,135,721</u>	<u>714</u>
Total receipts	<u>185,639</u>	<u>50,893</u>	<u>41,409</u>	<u>101,460</u>	<u>1,135,721</u>	<u>1,117,816</u>
Disbursements:						
Personal services	-	-	-	-	-	205,099
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	11,590
Debt service - principal and interest	-	-	-	-	798,664	-
Capital outlay	-	-	-	-	-	77,620
Utility operating expenses	-	-	-	-	-	353,572
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,331</u>	<u>102</u>
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>949,995</u>	<u>647,983</u>
Excess (deficiency) of receipts over disbursements	<u>185,639</u>	<u>50,893</u>	<u>41,409</u>	<u>101,460</u>	<u>185,726</u>	<u>469,833</u>
Cash and investments - ending	<u>\$ 185,639</u>	<u>\$ 50,893</u>	<u>\$ 41,409</u>	<u>\$ 101,460</u>	<u>\$ 185,726</u>	<u>\$ 469,833</u>



CITY OF WEST LAFAYETTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Wastewater Utility-Operating	Wastewater Util - Bond And Interest	Wastewater Util - Debt Service Reserve	Wastewater Utility - Improvement	Wastewater Utility - Imprest Cash	Totals
Cash and investments - beginning	\$ 826,499	\$ 1,461,701	\$ 3,197,976	\$ 4,823,108	\$ 150	\$ 29,933,757
Receipts:						
Taxes	-	-	-	-	-	15,823,040
Licenses and permits	-	-	-	-	-	365,850
Intergovernmental receipts	-	-	-	-	-	8,101,769
Charges for services	-	-	-	-	-	831,342
Fines and forfeits	-	-	-	-	-	678,048
Utility fees	8,950,710	-	-	82,034	-	10,149,846
Penalties	33,000	-	-	-	-	33,000
Other receipts	468,853	-	59,396	3,226,807	-	51,768,776
Total receipts	<u>9,452,563</u>	<u>-</u>	<u>59,396</u>	<u>3,308,841</u>	<u>-</u>	<u>87,751,671</u>
Disbursements:						
Personal services	1,861,533	-	-	-	-	13,909,413
Supplies	-	-	-	-	-	1,195,059
Other services and charges	146,654	-	-	-	-	6,320,984
Debt service - principal and interest	-	-	-	144,309	-	5,348,427
Capital outlay	-	-	-	1,340,580	-	13,179,784
Utility operating expenses	2,603,086	-	-	93,545	-	3,124,358
Other disbursements	4,665,661	1,461,701	-	2,947,751	150	32,500,363
Total disbursements	<u>9,276,934</u>	<u>1,461,701</u>	<u>-</u>	<u>4,526,185</u>	<u>150</u>	<u>75,578,388</u>
Excess (deficiency) of receipts over disbursements	<u>175,629</u>	<u>(1,461,701)</u>	<u>59,396</u>	<u>(1,217,344)</u>	<u>(150)</u>	<u>12,173,283</u>
Cash and investments - ending	<u>\$ 1,002,128</u>	<u>\$ -</u>	<u>\$ 3,257,372</u>	<u>\$ 3,605,764</u>	<u>\$ -</u>	<u>\$ 42,107,040</u>

CITY OF WEST LAFAYETTE  
 SCHEDULE OF PAYABLES AND RECEIVABLES  
 December 31, 2014

Government or Enterprise	Accounts Payable	Accounts Receivable
Wastewater	\$ 1,079,165	\$ 809,114
Governmental activities	<u>1,388,671</u>	<u>704,410</u>
Totals	<u>\$ 2,467,836</u>	<u>\$ 1,513,524</u>

CITY OF WEST LAFAYETTE  
SCHEDULE OF LEASES AND DEBT  
December 31, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
IKON Office Solutions	Copier Lease Purchase	\$ 2,175	01/01/11	01/01/16
West Lafayette Redevelopment Authority	2010 WL Redevelopment Authority Lease Rental Refunding Bonds - Wabash Landing Garage	582,425	02/01/11	02/01/22
West Lafayette Redevelopment Authority	2012 WL Redevelopment Authority Lease Rental Revenue Refunding Bonds - Greenway Trails & PRP Infrastructure	482,700	01/15/13	01/15/17
West Lafayette Building Corporation	2011 WL Building Corp. First Mortgage Lease Rental Refunding Bonds - Police Station	<u>441,193</u>	01/12/12	01/15/23
Total governmental activities		<u>1,508,493</u>		
Wastewater:				
Huntington Public Capital Corp	2013 Refuse Truck Equipment Lease Purchase	78,150	03/01/14	09/01/16
IKON Office Solutions	Copier Lease (Capital Lease)	<u>613</u>	03/25/10	03/25/15
Total Wastewater		<u>78,763</u>		
Total of annual lease payments		<u>\$ 1,587,256</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	2005 Redevelopment District Tax Increment Revenue Bonds - Ross Enterprise Center Renovation	\$ 1,385,000	\$ 426,700
Revenue bonds	2012 WL Economic Development Revenue Bonds (Metro FiberNet Project)	2,500,000	135,000
Notes and loans payable	2011 WL Redevelopment District Certificates of Participation - Conditional Installment Sales Contract - Fire Station #3 Design & Construction	<u>2,410,000</u>	<u>132,065</u>
Total governmental activities		<u>6,295,000</u>	<u>693,765</u>
Wastewater:			
Revenue bonds	Sewage Works Revenue Bonds 2014 - Main Extension & Treatment Plant Upgrades	4,000,000	350,840
Revenue bonds	Sewage Works Refunding Revenue Bonds 2014 - Refunded 2004B Bonds	12,824,000	212,951
Revenue bonds	Sewage Works Revenue Bonds 2014B - Lift Station & Force Main	2,555,000	84,841
Revenue bonds	Sewage Works SRF 2006 - Digester Renovation	8,275,000	302,108
Revenue bonds	Sewage Works SRF 2012 - Regional Lift Station & Force Main	3,802,337	67,925
Revenue bonds	Sewage Works Refunding Bonds 2013 - Refunded 1994 1998 & 2001 Sewage Works SRF Loans	<u>9,090,000</u>	<u>2,322,256</u>
Total Wastewater		<u>40,546,337</u>	<u>3,340,921</u>
Totals		<u>\$ 46,841,337</u>	<u>\$ 4,034,686</u>

CITY OF WEST LAFAYETTE  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2014

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	\$ 17,505,808
Infrastructure	60,246,385
Buildings	20,051,400
Improvements other than buildings	3,293,808
Machinery, equipment, and vehicles	8,110,770
Construction in progress	9,729,707
Total governmental activities	118,937,878
Wastewater:	
Land	604,120
Infrastructure	40,407,210
Buildings	27,217,466
Improvements other than buildings	26,165
Machinery, equipment, and vehicles	1,749,920
Construction in progress	6,663,652
Total Wastewater	76,668,533
Total capital assets	\$ 195,606,411

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE CITY OF WEST LAFAYETTE, TIPPECANOE COUNTY, INDIANA

**Report on Compliance for Each Major Federal Program**

We have audited the City of West Lafayette's (City) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
(Continued)


**Report on Internal Control over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program 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.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

October 20, 2016

(This page intentionally left blank.)



SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

CITY OF WEST LAFAYETTE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2014

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Housing and Urban Development</u>					
CDBG - Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants Direct Grant					
CDBG 2010-2011		14.218	B-10-MC-18-0009	\$ -	\$ 12,527
CDBG 2011-2012		14.218	B-11-MC-18-0009	-	5,575
CDBG 2012-2013		14.218	B-12-MC-18-0009	35,155	74,710
CDBG 2013-2014		14.218	B-13-MC-18-0009	81,450	112,402
CDBG 2014-2015		14.218	B-14-MC-18-0009	7,225	150,807
CDBG Program Income		14.218	N/A	65,195	65,195
Total - CDBG - Entitlement Grants Cluster				<u>189,026</u>	<u>421,216</u>
Total - Department of Housing and Urban Development				<u>189,026</u>	<u>421,216</u>
<u>Department of Justice</u>					
Bulletproof Vest Partnership Program Indiana Criminal Justice Institute					
Bulletproof Vest Partnership Program FY2012		16.607	BUBX12061404	-	1,043
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Indiana Department of Transportation					
Highway Planning and Construction					
Perimeter Parkway Ph1 Pt 1		20.205	DES 0501 163	-	10,073
Happy Hollow Road Reconstruction		20.205	DES 0900002	-	108,338
Total - Highway Planning and Construction Cluster				<u>-</u>	<u>118,411</u>
Highway Safety Cluster					
Alcohol Impaired Driving Countermeasures Incentive Grants I City of Lafayette					
Operation Pull Over 2014		20.601	2463	-	15,987
Operation Pull Over 2015		20.601	3000	-	2,879
DUI Task Force 2014		20.601	24632	-	9,124
Total - Highway Safety Cluster				<u>-</u>	<u>27,990</u>
Total - Department of Transportation				<u>-</u>	<u>146,401</u>
<u>Environmental Protection Agency</u>					
Clean Water State Revolving Fund Cluster					
Capitalization Grants for Clean Water State Revolving Funds Indiana Finance Authority					
Wastewater SRF 2012		66.458	WW12792206	-	421,643
Wastewater SRF 2014		66.458	WW14107907	-	74,620
Total - Clean Water State Revolving Fund Cluster				<u>-</u>	<u>496,263</u>
Total - Environmental Protection Agency				<u>-</u>	<u>496,263</u>
<u>Department of Homeland Security</u>					
Staffing for Adequate Fire and Emergency Response (SAFER) Direct Grant					
SAFER Grant		97.083	EMW-2013-FH-00271	-	191,989
Total federal awards expended				<u>\$ 189,026</u>	<u>\$ 1,256,912</u>

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

CITY OF WEST LAFAYETTE  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. *Basis of Presentation***

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the City under programs of the federal government for the year ended December 31, 2014. The information in the SEFA is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the SEFA presents only a select portion of the operations of the City, it is not intended to and does not present the financial position of the City.

**Note 2. *Summary of Significant Accounting Policies***

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

CITY OF WEST LAFAYETTE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified

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

Identification of Major Programs:

Name of Federal Program or Cluster

CDBG - Entitlement Grants Cluster  
Clean Water State Revolving Fund Cluster

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 2014-001 - MAJOR CUSTOMER WASTEWATER BILLINGS**

*Condition*

There was a deficiency in the internal control system related to the billing procedures for the Wastewater Utility's major customer (Purdue University) that is considered a material weakness. Purdue University, which provided approximately 38 percent of the Wastewater Utility's receipts for 2014, read their

CITY OF WEST LAFAYETTE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

own water meters and calculated their own wastewater bill (based on water consumption) for each of their water meters. They calculated and presented their total wastewater bill, along with their payment, to the Wastewater Utility each month. The Wastewater Utility did not implement internal control procedures to ensure that the meter readings or the calculation of Purdue University's bill were accurate.

*Criteria*

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.

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

*Cause*

The Wastewater Utility did not establish a system of internal control for the receipts from Purdue University to ensure the accuracy of the meter readings or the accuracy of the calculated billing.

*Effect*

Without a proper system of internal control in place that operated effectively, material errors in receipts from inaccurate billings could have remained undetected.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

**Section III - Federal Award Findings and Questioned Costs**

No matters are reportable.

(This page intentionally left blank.)

#### AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the City. The documents are presented as intended by the City.



**Finance Department**

Peter L. Gray, City Controller  
711 West Navajo Street  
West Lafayette, Indiana 47906  
765.775.5150  
Controller@WestLafayette.in.gov

25 August 2016

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
2013-003 & 2013-004

***FINDING 2013-003***

Fiscal year in which the finding initially occurred: 2013  
Federal Grantor Agency: Housing and Urban Development  
Contact Person Responsible for Corrective Action: Dale Dixon, Housing Program Coordinator  
Contact Phone Number: 765-775-5100

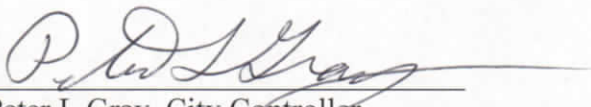
Status of Audit Finding: The Corrective Action Plan has been completed. Communication and segregation of duties has been established.

***FINDING 2013-004***

Fiscal year in which the finding initially occurred: 2013  
Federal Grantor Agency: Housing and Urban Development  
Contact Person Responsible for Corrective Action: Dale Dixon, Housing Program Coordinator  
Contact Phone Number: 765-775-5100

Status of Audit Finding: The Corrective Action Plan has been completed. Questions pertaining to Davis-Bacon compliance is included on a checklist that is completed for each project.

Respectfully submitted by,

  
Peter L. Gray, City Controller





**Finance Department**  
Peter L. Gray, City Controller  
711 West Navajo Street  
West Lafayette, Indiana 47906  
765.775.5150  
Controller@WestLafayette.in.gov

20 October 2016

### CORRECTIVE ACTION PLAN

***FINDING 2014-001***

Contact Person Responsible for Corrective Action: David S. Henderson, Utility Director  
Contact Phone Number: (765) 775-5145

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

Officials from West Lafayette and Purdue University will meet to determine the appropriate procedure to verify meter reading accuracy. It will cover verifying 100% of the meters over the course of the next 12 months. This procedure will be reviewed, at least, on an annual basis to incorporate any changes in the billing or meter reading structure.

Anticipated Completion Date:

First group of meters to be verified by 11/30/2016.

Respectfully submitted by,



---

Peter L Gray, City Controller

#### OTHER REPORTS

In addition to this report, other reports may have been issued for the City. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.