

**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, 2015 to December 31, 2015



**FILED**  
05/31/2017



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jeanine M. Xaver	10-01-14 to 12-31-19
Mayor	Mark Senter	01-01-12 to 12-31-19
President of the Board of Public Works and Safety	Mark Senter	01-01-12 to 12-31-19
President Pro Tempore of the Common Council	Michael A. Delp Don Ecker, Jr.	01-01-15 to 12-31-15 01-01-16 to 12-31-17
Superintendent of Utilities	Donnie Davidson	01-01-15 to 12-31-17
Airport Manager	Dave Lattimer	01-01-15 to 12-31-17
President of the Board of Aviation	Phil Bockman	01-01-15 to 12-31-17



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INDEPENDENT AUDITOR'S REPORT

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

**Report on the Financial Statement**

We have audited the accompanying financial statement of the City of Plymouth (City), which comprises the financial position and results of operations for the year ended December 31, 2015, 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 (Indiana Code 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 from 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 to 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, 2015.

***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, 2015, 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 April 12, 2017, 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

April 12, 2017



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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 PLYMOUTH, MARSHALL 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 Plymouth (City), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement, and have issued our report thereon dated April 12, 2017, 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.

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 City's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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


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)

**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*.

**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

April 12, 2017

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## 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 PLYMOUTH  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2015

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
GENERAL FUND	\$ 4,273,761	\$ 6,983,660	\$ 6,352,793	\$ 4,904,628
MVH	939,328	1,989,461	1,962,263	966,526
LOCAL ROAD & STREET	210,299	47,847	-	258,146
AVIATION	322,451	199,038	240,003	281,486
PARK/ NON-REVERTING OPERATING FUND	39,051	63,798	61,195	41,654
TRANSPORTATION FUND	-	8,000	8,000	-
LAW ENFORCEMENT- CONT'D EDUCATION	37,350	11,731	6,822	42,259
UNSAFE BUILDING FUND	37,054	-	-	37,054
PARK & RECREATION	612,683	700,554	823,981	489,256
RAINY DAY FUND	6,991,615	104,798	-	7,096,413
CRIME PREVENTION K-9	2,031	500	105	2,426
LEVY EXCESS	212	-	-	212
CUMULATIVE CAPITAL IMPROVEMENT	549,043	15,362	375,000	189,405
CUMULATIVE CAPITAL DEVELOPMENT	1,136,802	145,939	476,401	806,340
PARK/ NON-REVERTING CAPITAL IMPROVEMENTS	9,869	10,000	12,500	7,369
POLICE PENSIONS	262,210	203,673	189,845	276,038
FIREMEN PENSIONS	52,369	55,192	55,638	51,923
RIVERBOAT WAGERING TAX REVENUE SHARING	174,035	60,390	59,511	174,914
LARE GRANT	-	12,500	-	12,500
TENNIS COURT PROJECT	-	750,000	36,180	713,820
PARK DEPOSITS/ CEMETERY DEPOSITS	3,600	15,200	14,200	4,600
CEMETERY	261,135	370,803	319,030	312,908
2000 TIF TAX MONEY	391,196	228,892	363,518	256,570
TIF PRINCIPAL AND INTEREST FUND	67,240	132,320	133,760	65,800
TIF DEBT SERVICE RESERVE FUND	132,840	2,653	-	135,493
COMMUNITY IMPROVEMENT	-	1,459	1,459	-
CEMETERY TRUST	8,381	29	105	8,305
CEMETERY PERPETUAL CARE FUND	447,249	26,110	-	473,359
DRUG FREE COMMUNITY FUND	82	-	-	82
COMMON CENTS FUND	184,082	-	225	183,857
POLICE DEPT FEDERAL EQUITABLE SHARING	1,775	-	-	1,775
REDEVELOPMENT DISTRICT CAPITAL FUND	5,506	-	5,506	-
HOME IMPROVEMENT GRANT	137,839	-	-	137,839
PARK GIFT FUND	17,889	60,629	47,007	31,511
2005 TIF TAX MONEY	2,184,407	701,900	325,541	2,560,766
FEMA GARRO ST PROJECT FUND	28,555	323,892	198,712	153,735
1993 TIF TAX MONEY	2,306,869	250,543	103,190	2,454,222
PAYROLL	108	1,837,141	1,836,901	348
200 S. MICHIGAN ST. SETTLEMENT FUND	63,497	-	40,996	22,501
FEMA FLOOD MITIGATION GRANT FUND	24,337	-	-	24,337
FINANCIAL GUARANTEE FUND	98,927	29,676	57,041	71,562
FEMA PLUM ST PROJECT FUND	129,399	-	-	129,399
AVIATION ROTARY FUND	12,633	119,688	111,759	20,562
CITY DEVELOPMENT FUND	1,307,741	287,044	369,345	1,225,440
BROWNSFIELD EPA GRANT	11,552	224,834	218,869	17,517
AVIATION GRANT FUND	125,116	2,071,066	2,184,614	11,568
RESTITUTION FUND	5,553	-	-	5,553
DEFERRAL AND DIVERSION FUND	8,745	3,250	3,250	8,745
D.A.R.E.	16	-	-	16
PLYMOUTH GREENWAYS TRAIL PROJECT FUND	111,376	32,005	70,265	73,116
FREEDOM PARK GRANT FUND	188,199	-	180,686	7,513
CITY MONETARY GIFT FUND	34,885	4,700	23,376	16,209
METRONET PROJECT CAPITAL FUND	82,074	37,514	119,588	-
OLD FIRE HOUSE HPF GRANT FUND	10,196	6,607	11,202	5,601
SAFE ROUTES TO SCHOOL PROJECT FUND	82,491	10,918	33,582	59,827
WASTEWATER CASH - OPERATING	361,653	4,251,923	4,217,169	396,407
WASTEWATER CASH - SINKING	506,043	3,396,921	3,639,564	263,400
WASTEWATER CASH - DEPRECIATION	4,809,247	2,850,280	2,237,775	5,421,752
WASTEWATER CASH - PRE-TREATMENT PROGRAM	75,765	73,107	46,934	101,938
WATER CASH - OPERATING	862,714	2,396,034	2,756,709	502,039
WATER CASH - METER DEPOSITS	167,713	42,805	31,762	178,756
WATER CONSTRUCTION	-	5,571,519	2,499,939	3,071,580
WATER CASH - BOND & INTEREST	166,600	272,967	370,945	68,622
WATER CASH - DEPRECIATION	478,278	1,121,874	577,655	1,022,497
WATER CASH - CHANGE	100	-	-	100
STORMWATER OPERATING	269,560	177,973	145,249	302,284
STORMWATER DEPRECIATION	187,177	-	-	187,177
Totals	<u>\$ 32,010,503</u>	<u>\$ 38,296,719</u>	<u>\$ 33,957,665</u>	<u>\$ 36,349,557</u>

The notes to the financial statement are 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, 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.* Amounts received from 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.* Amounts received from businesses, occupations, or non-businesses 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, animal licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Intergovernmental receipts.* Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental 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.* Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines 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.* Amounts received 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.* Amounts received from charges for current services.

*Penalties.* Amounts received from late payment fees.

*Other receipts.* 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.* Amounts disbursed 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.* Amounts disbursed for 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, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

*Other services and charges.* Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Debt service - principal and interest.* Amounts disbursed for 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.* Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

*Utility operating expenses.* Amounts disbursed for operating the utilities.

*Other disbursements.* Amounts disbursed for various other purposes including, but 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, make transfers 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 amounts 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 amounts 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

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

**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.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

*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.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*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.

*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. Subsequent Events**

Wastewater Utility Revenue Bonds of 2016

The Wastewater Utility issued Revenue Bonds in the amount of \$12,505,000 for additions, extensions, and improvements to the Wastewater Utility. These bonds were sold on June 16, 2016, with the closing on June 30, 2016, at a 2 percent to 3 percent interest rate. The bonds mature over a period of approximately 20 years with a final payment due on July 1, 2036.

Wastewater Utility Rates and Charges

The Wastewater Utility adopted ordinance 2016-2099 to adjust the Utility's rates and charges to support the increased revenue requirements associated with inflation and the issuance of the Wastewater Utility Revenue Bonds of 2016. The new schedule of rates and charges went into effect on May 23, 2016.

CITY OF PLYMOUTH  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 8. Other Postemployment Benefits**

The City provides Dental-flex pay 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.

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#### 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 PLYMOUTH  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015

	GENERAL FUND	MVH	LOCAL ROAD & STREET	AVIATION	PARK/ NON-REVERTING OPERATING FUND	TRANSPORTATION FUND	LAW ENFORCEMENT- CONT'D EDUCATION
Cash and investments - beginning	\$ 4,273,761	\$ 939,328	\$ 210,299	\$ 322,451	\$ 39,051	\$ -	\$ 37,350
Receipts:							
Taxes	3,270,619	1,611,518	47,847	124,114	1,507	-	-
Licenses and permits	48,591	972	-	-	-	-	-
Intergovernmental receipts	2,121,697	367,440	-	1,028	-	-	-
Charges for services	1,246,017	6,242	-	44,432	42,038	-	8,663
Fines and forfeits	-	-	-	-	-	-	2,978
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	296,736	3,289	-	29,464	20,253	8,000	90
Total receipts	<u>6,983,660</u>	<u>1,989,461</u>	<u>47,847</u>	<u>199,038</u>	<u>63,798</u>	<u>8,000</u>	<u>11,731</u>
Disbursements:							
Personal services	3,722,100	867,501	-	97,127	18,937	-	-
Supplies	350,942	205,135	-	23,012	7,419	-	-
Other services and charges	1,674,378	163,581	-	80,064	23,347	8,000	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	401,083	726,046	-	11,800	-	-	6,822
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	204,290	-	-	28,000	11,492	-	-
Total disbursements	<u>6,352,793</u>	<u>1,962,263</u>	<u>-</u>	<u>240,003</u>	<u>61,195</u>	<u>8,000</u>	<u>6,822</u>
Excess (deficiency) of receipts over disbursements	<u>630,867</u>	<u>27,198</u>	<u>47,847</u>	<u>(40,965)</u>	<u>2,603</u>	<u>-</u>	<u>4,909</u>
Cash and investments - ending	<u>\$ 4,904,628</u>	<u>\$ 966,526</u>	<u>\$ 258,146</u>	<u>\$ 281,486</u>	<u>\$ 41,654</u>	<u>\$ -</u>	<u>\$ 42,259</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (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	\$ 37,054	\$ 612,683	\$ 6,991,615	\$ 2,031	\$ 212	\$ 549,043	\$ 1,136,802
Receipts:							
Taxes	-	624,565	-	-	-	-	140,610
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	5,155	-	-	-	15,362	1,165
Charges for services	-	69,262	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	1,572	104,798	500	-	-	4,164
Total receipts	-	700,554	104,798	500	-	15,362	145,939
Disbursements:							
Personal services	-	476,220	-	-	-	-	-
Supplies	-	39,138	-	-	-	-	-
Other services and charges	-	91,430	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	217,193	-	-	-	-	101,401
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	105	-	375,000	375,000
Total disbursements	-	823,981	-	105	-	375,000	476,401
Excess (deficiency) of receipts over disbursements	-	(123,427)	104,798	395	-	(359,638)	(330,462)
Cash and investments - ending	\$ 37,054	\$ 489,256	\$ 7,096,413	\$ 2,426	\$ 212	\$ 189,405	\$ 806,340

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	PARK/ NON-REVERTING CAPITAL IMPROVEMENTS	POLICE PENSIONS	FIREMEN PENSIONS	RIVERBOAT WAGERING TAX REVENUE SHARING	LARE GRANT	TENNIS COURT PROJECT	PARK DEPOSITS/ CEMETERY DEPOSITS
Cash and investments - beginning	\$ 9,869	\$ 262,210	\$ 52,369	\$ 174,035	\$ -	\$ -	\$ 3,600
Receipts:							
Taxes	-	203,673	55,192	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	59,435	-	-	-
Charges for services	-	-	-	-	-	-	15,200
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	10,000	-	-	955	12,500	750,000	-
Total receipts	<u>10,000</u>	<u>203,673</u>	<u>55,192</u>	<u>60,390</u>	<u>12,500</u>	<u>750,000</u>	<u>15,200</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	200	317	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	59,511	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	12,500	189,645	55,321	-	-	36,180	14,200
Total disbursements	<u>12,500</u>	<u>189,845</u>	<u>55,638</u>	<u>59,511</u>	<u>-</u>	<u>36,180</u>	<u>14,200</u>
Excess (deficiency) of receipts over disbursements	<u>(2,500)</u>	<u>13,828</u>	<u>(446)</u>	<u>879</u>	<u>12,500</u>	<u>713,820</u>	<u>1,000</u>
Cash and investments - ending	<u>\$ 7,369</u>	<u>\$ 276,038</u>	<u>\$ 51,923</u>	<u>\$ 174,914</u>	<u>\$ 12,500</u>	<u>\$ 713,820</u>	<u>\$ 4,600</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	CEMETERY	2000 TIF TAX MONEY	TIF PRINCIPAL AND INTEREST FUND	TIF DEBT SERVICE RESERVE FUND	COMMUNITY IMPROVEMENT	CEMETERY TRUST	CEMETERY PERPETUAL CARE FUND
Cash and investments - beginning	\$ 261,135	\$ 391,196	\$ 67,240	\$ 132,840	\$ -	\$ 8,381	\$ 447,249
Receipts:							
Taxes	242,337	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	2,007	6,113	-	-	-	-	-
Charges for services	117,756	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	8,703	222,779	132,320	2,653	1,459	29	26,110
Total receipts	<u>370,803</u>	<u>228,892</u>	<u>132,320</u>	<u>2,653</u>	<u>1,459</u>	<u>29</u>	<u>26,110</u>
Disbursements:							
Personal services	236,138	-	-	-	-	-	-
Supplies	13,269	-	-	-	-	105	-
Other services and charges	46,118	3,245	-	-	-	-	-
Debt service - principal and interest	-	-	133,760	-	-	-	-
Capital outlay	23,505	233,459	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	126,814	-	-	1,459	-	-
Total disbursements	<u>319,030</u>	<u>363,518</u>	<u>133,760</u>	<u>-</u>	<u>1,459</u>	<u>105</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>51,773</u>	<u>(134,626)</u>	<u>(1,440)</u>	<u>2,653</u>	<u>-</u>	<u>(76)</u>	<u>26,110</u>
Cash and investments - ending	<u>\$ 312,908</u>	<u>\$ 256,570</u>	<u>\$ 65,800</u>	<u>\$ 135,493</u>	<u>\$ -</u>	<u>\$ 8,305</u>	<u>\$ 473,359</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	DRUG FREE COMMUNITY FUND	COMMON CENTS FUND	POLICE DEPT FEDERAL EQUITABLE SHARING	REDEVELOPMENT DISTRICT CAPITAL FUND	HOME IMPROVEMENT GRANT	PARK GIFT FUND	2005 TIF TAX MONEY
Cash and investments - beginning	\$ 82	\$ 184,082	\$ 1,775	\$ 5,506	\$ 137,839	\$ 17,889	\$ 2,184,407
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	60,629	701,900
Total receipts	-	-	-	-	-	60,629	701,900
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	225	-	-	-	-	641
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	151,200
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	5,506	-	47,007	173,700
Total disbursements	-	225	-	5,506	-	47,007	325,541
Excess (deficiency) of receipts over disbursements	-	(225)	-	(5,506)	-	13,622	376,359
Cash and investments - ending	<u>\$ 82</u>	<u>\$ 183,857</u>	<u>\$ 1,775</u>	<u>\$ -</u>	<u>\$ 137,839</u>	<u>\$ 31,511</u>	<u>\$ 2,560,766</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	FEMA GARRO ST PROJECT FUND	1993 TIF TAX MONEY	PAYROLL	200 S. MICHIGAN ST. SETTLEMENT FUND	FEMA FLOOD MITIGATION GRANT FUND	FINANCIAL GUARANTEE FUND	FEMA PLUM ST PROJECT FUND
Cash and investments - beginning	\$ 28,555	\$ 2,306,869	\$ 108	\$ 63,497	\$ 24,337	\$ 98,927	\$ 129,399
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	323,892	250,543	1,837,141	-	-	29,676	-
Total receipts	<u>323,892</u>	<u>250,543</u>	<u>1,837,141</u>	<u>-</u>	<u>-</u>	<u>29,676</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	156,754	15,641	-	40,996	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	60,049	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	41,958	27,500	1,836,901	-	-	57,041	-
Total disbursements	<u>198,712</u>	<u>103,190</u>	<u>1,836,901</u>	<u>40,996</u>	<u>-</u>	<u>57,041</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>125,180</u>	<u>147,353</u>	<u>240</u>	<u>(40,996)</u>	<u>-</u>	<u>(27,365)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 153,735</u>	<u>\$ 2,454,222</u>	<u>\$ 348</u>	<u>\$ 22,501</u>	<u>\$ 24,337</u>	<u>\$ 71,562</u>	<u>\$ 129,399</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	AVIATION ROTARY FUND	CITY DEVELOPMENT FUND	BROWNSFIELD EPA GRANT	AVIATION GRANT FUND	RESTITUTION FUND	DEFERRAL AND DIVERSION FUND	D.A.R.E.
Cash and investments - beginning	\$ 12,633	\$ 1,307,741	\$ 11,552	\$ 125,116	\$ 5,553	\$ 8,745	\$ 16
Receipts:							
Taxes	2,151	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	46,349	189,834	2,071,066	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	117,537	240,695	35,000	-	-	3,250	-
Total receipts	<u>119,688</u>	<u>287,044</u>	<u>224,834</u>	<u>2,071,066</u>	<u>-</u>	<u>3,250</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	78,472	-	-	-	-	-	-
Other services and charges	811	-	218,869	155,455	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	2,029,159	-	3,250	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	32,476	369,345	-	-	-	-	-
Total disbursements	<u>111,759</u>	<u>369,345</u>	<u>218,869</u>	<u>2,184,614</u>	<u>-</u>	<u>3,250</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>7,929</u>	<u>(82,301)</u>	<u>5,965</u>	<u>(113,548)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 20,562</u>	<u>\$ 1,225,440</u>	<u>\$ 17,517</u>	<u>\$ 11,568</u>	<u>\$ 5,553</u>	<u>\$ 8,745</u>	<u>\$ 16</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	PLYMOUTH GREENWAYS TRAIL PROJECT FUND	FREEDOM PARK GRANT FUND	CITY MONETARY GIFT FUND	METRONET PROJECT CAPITAL FUND	OLD FIRE HOUSE HPF GRANT FUND	SAFE ROUTES TO SCHOOL PROJECT FUND	WASTEWATER CASH - OPERATING
Cash and investments - beginning	\$ 111,376	\$ 188,199	\$ 34,885	\$ 82,074	\$ 10,196	\$ 82,491	\$ 361,653
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	31,955	-	-	-	5,601	10,918	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	2,923,489
Penalties	-	-	-	-	-	-	21,914
Other receipts	50	-	4,700	37,514	1,006	-	1,306,520
Total receipts	<u>32,005</u>	<u>-</u>	<u>4,700</u>	<u>37,514</u>	<u>6,607</u>	<u>10,918</u>	<u>4,251,923</u>
Disbursements:							
Personal services	-	-	-	-	-	-	676,459
Supplies	-	-	-	-	-	-	-
Other services and charges	70,265	10,252	-	713	11,202	33,582	192,189
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	170,434	-	44,930	-	-	-
Utility operating expenses	-	-	-	-	-	-	697,310
Other disbursements	-	-	23,376	73,945	-	-	2,651,211
Total disbursements	<u>70,265</u>	<u>180,686</u>	<u>23,376</u>	<u>119,588</u>	<u>11,202</u>	<u>33,582</u>	<u>4,217,169</u>
Excess (deficiency) of receipts over disbursements	<u>(38,260)</u>	<u>(180,686)</u>	<u>(18,676)</u>	<u>(82,074)</u>	<u>(4,595)</u>	<u>(22,664)</u>	<u>34,754</u>
Cash and investments - ending	<u>\$ 73,116</u>	<u>\$ 7,513</u>	<u>\$ 16,209</u>	<u>\$ -</u>	<u>\$ 5,601</u>	<u>\$ 59,827</u>	<u>\$ 396,407</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	WASTEWATER CASH - SINKING	WASTEWATER CASH - DEPRECIATION	WASTEWATER CASH - PRE-TREATMENT PROGRAM	WATER CASH - OPERATING	WATER CASH - METER DEPOSITS	WATER CONSTRUCTION
Cash and investments - beginning	\$ 506,043	\$ 4,809,247	\$ 75,765	\$ 862,714	\$ 167,713	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	2,207,645	-	-
Penalties	-	-	964	16,165	-	-
Other receipts	3,396,921	2,850,280	72,143	172,224	42,805	5,571,519
<b>Total receipts</b>	<b>3,396,921</b>	<b>2,850,280</b>	<b>73,107</b>	<b>2,396,034</b>	<b>42,805</b>	<b>5,571,519</b>
Disbursements:						
Personal services	-	-	34,084	575,454	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	29,230	-	-
Debt service - principal and interest	3,281,771	-	-	-	-	-
Capital outlay	-	559,639	-	-	-	2,499,939
Utility operating expenses	-	-	9,251	748,069	-	-
Other disbursements	357,793	1,678,136	3,599	1,403,956	31,762	-
<b>Total disbursements</b>	<b>3,639,564</b>	<b>2,237,775</b>	<b>46,934</b>	<b>2,756,709</b>	<b>31,762</b>	<b>2,499,939</b>
Excess (deficiency) of receipts over disbursements	(242,643)	612,505	26,173	(360,675)	11,043	3,071,580
Cash and investments - ending	<u>\$ 263,400</u>	<u>\$ 5,421,752</u>	<u>\$ 101,938</u>	<u>\$ 502,039</u>	<u>\$ 178,756</u>	<u>\$ 3,071,580</u>

CITY OF PLYMOUTH  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	WATER CASH - BOND & INTEREST	WATER CASH - DEPRECIATION	WATER CASH - CHANGE	STORMWATER OPERATING	STORMWATER DEPRECIATION	Totals
Cash and investments - beginning	\$ 166,600	\$ 478,278	\$ 100	\$ 269,560	\$ 187,177	\$ 32,010,503
Receipts:						
Taxes	-	-	-	-	-	6,324,133
Licenses and permits	-	-	-	-	-	49,563
Intergovernmental receipts	-	-	-	-	-	4,935,125
Charges for services	-	-	-	-	-	1,549,610
Fines and forfeits	-	-	-	-	-	2,978
Utility fees	-	-	-	176,075	-	5,307,209
Penalties	-	-	-	1,881	-	40,924
Other receipts	272,967	1,121,874	-	17	-	20,087,177
Total receipts	<u>272,967</u>	<u>1,121,874</u>	<u>-</u>	<u>177,973</u>	<u>-</u>	<u>38,296,719</u>
Disbursements:						
Personal services	-	-	-	82,266	-	6,786,286
Supplies	-	-	-	-	-	717,492
Other services and charges	-	-	-	7,823	-	3,035,328
Debt service - principal and interest	369,088	-	-	-	-	3,784,619
Capital outlay	-	243,884	-	-	-	7,543,304
Utility operating expenses	-	-	-	19,316	-	1,473,946
Other disbursements	1,857	333,771	-	35,844	-	10,616,690
Total disbursements	<u>370,945</u>	<u>577,655</u>	<u>-</u>	<u>145,249</u>	<u>-</u>	<u>33,957,665</u>
Excess (deficiency) of receipts over disbursements	<u>(97,978)</u>	<u>544,219</u>	<u>-</u>	<u>32,724</u>	<u>-</u>	<u>4,339,054</u>
Cash and investments - ending	<u>\$ 68,622</u>	<u>\$ 1,022,497</u>	<u>\$ 100</u>	<u>\$ 302,284</u>	<u>\$ 187,177</u>	<u>\$ 36,349,557</u>

CITY OF PLYMOUTH  
 SCHEDULE OF PAYABLES AND RECEIVABLES  
 December 31, 2015

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental Activities	\$ 151,023	\$ 70,007
Water	30	86,046
Wastewater	1,681	182,948
Stormwater	<u>6,169</u>	<u>7,179</u>
Totals	<u>\$ 158,903</u>	<u>\$ 346,180</u>

CITY OF PLYMOUTH  
SCHEDULE OF LEASES AND DEBT  
December 31, 2015

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Marshall County Economic Development Corporation	Lease of Land and Improvements in TIF District	\$ <u>123,676</u>	10/22/2013	12/9/2024

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
TIF Loan	Technology Park in the TIF District	\$ 303,000	\$ 166,150
Redevelopment District Bonds of 2012	Construction of River Park Square	<u>1,300,000</u>	<u>130,880</u>
Total governmental activities		<u>1,603,000</u>	<u>297,030</u>
Wastewater:			
Refunding Bonds of 2015	Additions, Extensions and Improvements	<u>2,635,000</u>	<u>263,400</u>
Water:			
Revenue Bonds of 2015	Additions, Extensions and Improvements	<u>5,455,000</u>	<u>342,610</u>
Totals		<u>\$ 9,693,000</u>	<u>\$ 903,040</u>

CITY OF PLYMOUTH  
SCHEDULE OF CAPITAL ASSETS  
December 31, 2015

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	\$ 3,598,748
Infrastructure	26,514,362
Buildings	5,876,454
Improvements other than buildings	6,511,617
Machinery, equipment, and vehicles	7,872,120
Construction in progress	1,149,077
Total governmental activities	51,522,378
Wastewater:	
Land	164,463
Buildings	12,513,983
Improvements other than buildings	14,973,950
Machinery, equipment, and vehicles	3,309,661
Construction in progress	515,000
Total Wastewater	31,477,057
Water:	
Land	177,016
Buildings	6,463,582
Improvements other than buildings	8,749,986
Machinery, equipment, and vehicles	1,761,562
Construction in progress	3,333,693
Total Water	20,485,839
Total capital assets	\$ 103,485,274

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

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

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

We have audited the City of Plymouth's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2015. 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.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the City's major federal program 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the major federal program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on the 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 its major federal program for the year ended December 31, 2015.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE 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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 a 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 a 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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001 that we consider to be a material weakness.

The City's response to the internal control over compliance 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 compliance and, accordingly, we express no opinion on the response.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

April 12, 2017

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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 PLYMOUTH  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2015

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 the Interior</u>					
Historic Preservation Fund Grants-In-Aid Historic Firehouse Grant	Indiana Department of Natural Resources	15.904	2014 HPF Grant	\$ -	\$ 4,462
Total - Department of the Interior				-	4,462
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Indiana Transportation Enhancement Greenways Trail Phase II Baker Street - Safe Routes to School	Indiana Department of Transportation	20.205	DES 0600381 DES 1383475 DES 1400773	- - -	6,083 31,955 10,918
Total - Highway Planning and Construction Cluster				-	48,956
Highway Safety Cluster State and Community Highway Safety Operation Pull Over Enforcement Grant	Indiana Criminal Justice Institute	20.600	FY2015	-	4,418
Alcohol Impaired Driving Countermeasures Incentive Grants I DUI-Task Force	Marshall County	20.601	FY2015	-	4,635
Total - Highway Safety Cluster				-	9,053
Airport Improvement Program Airport Improvement Program	Direct	20.106	AIP 3-18-0067-17	-	1,966,152
Total - Department of Transportation				-	2,024,161
<u>Environmental Protection Agency</u>					
Brownfields Assessment and Cleanup Cooperative Agreements Brownfields Grant	Direct	66.818	P2014-10-128	-	189,834
Total - Environmental Protection Agency				-	189,834
Total federal awards expended				\$ -	\$ 2,218,457

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 (SEFA) includes the federal grant activity of the City under programs of the federal government for the year ended December 31, 2015. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 the Uniform Guidance 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. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF PLYMOUTH  
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 weakness identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major program:	
Material weakness identified?	yes
Significant deficiency identified?	none reported
Any audit finding disclosed that is required to be reported in accordance with section 2 CFR 200.516(a)?	yes

Identification of Major Program and type of auditor's report issued on compliance for it:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
20.106	Airport Improvement Program	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

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

No matters are reportable.

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

**FINDING 2015-001 - DAVIS-BACON ACT**

Federal Agency: Department of Transportation  
 Federal Program: Airport Improvement Program  
 CFDA Number: 20.106  
 Federal Award Number and Year (or Other Identifying Number): AIP 3-18-0067-17

CITY OF PLYMOUTH  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Condition*

An effective internal control system was not in place at the City in order to ensure compliance with requirements related to the grant agreement and the Davis-Bacon Act wage rate requirements.

The City relied on a consultant to ensure compliance with the Davis-Bacon Act wage rate requirements. There were no controls in place to ensure that the City verified that the consultant received weekly payrolls from the contractors who worked on the airport project.

*Context*

The City did not monitor the consultant to confirm if the two contractors used during the project provided weekly payrolls.

*Criteria*

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs. . . ."

*Cause*

Management had not developed a system of internal controls that segregated key functions.

*Effect*

The failure to establish an effective internal control system placed the City at risk of noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the City's management establish controls, including segregation of duties, related to the grant agreement and Davis-Bacon Act wage rate requirements.

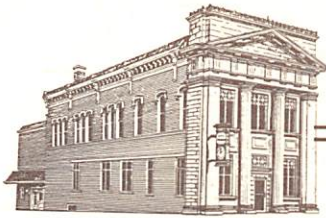
*Views of Responsible Officials*

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

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AUDITEE-PREPARED DOCUMENT

The subsequent document was provided by management of the City. The document is presented as intended by the City.



# City of Plymouth

Mark Senter  
Mayor

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www.plymouthin.com

Jeanine M. Xaver  
Clerk-Treasurer

City Attorney  
Sean Surrisi  
124 N. Michigan Street  
P.O. Box 492  
Plymouth, Indiana 46563  
Telephone (574) 936-2948

Council  
Bill Walters  
Jeff Houin  
Gary Cook  
Duane Culp  
Don Ecker, Jr.  
Shiloh Fonseca  
Shawn Grobe

## CORRECTIVE ACTION PLAN

### **FINDING 2015-001**

Contact Person Responsible for Corrective Action: Airport Manager David Lattimer; Board of Aviation Commissioners President Phil Bockman  
Contact Phone Number: 574-935-5152

#### Views of Responsible Official:

We understand the need to provide reasonable assurance that the airport engineer is managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its federal programs. We appreciate the opportunity to comply with the criteria in the future.

#### Description of Corrective Action Plan:


According to IC 8-22-2-17 Federal, public, or private grants Sec. 17. (a) An eligible entity acting by and through its board under IC 8-21-8 may accept, receive, and receipt for federal monies and other monies, either public or private, for the acquisition, construction, enlargement, improvement, maintenance, equipment, or operation of airports and other air navigation facilities, and sites for them, and comply with federal law and rules and regulations made under them for the expenditure of federal monies on airports and other air navigation facilities.

(b) Subject to IC 8-21-8, **the board has exclusive power** on behalf of the entity to submit to the proper state and federal agencies applications for grants of funds for airport development and **to make or execute representations, assurances, and contracts** and to enter into agreements with state or federal agencies relative to the development of a municipal airport. As added by Acts 1980, P.L.8, SEC.73.


In order to correct the non-compliance with the Davis Bacon Act, the Board of Aviation Commissioners will begin accepting reports from the Grant Administrator at public meetings. The Clerk-Treasurer and the Aviation Board President will see that the Airport Manager has confirmed in writing that he has monitored the Grant Administrator to verify they are receiving and reviewing weekly payrolls from the contractors.


#### Anticipated Completion Date:

Immediately

Signed:   
Title: BOAC President  
Date: April 12, 2017

Signed:   
Title: Airport Manager  
Date: April 12, 2017

Signed:   
Title: Clerk-Treasurer  
Date: April 12, 2017

Signed:   
Title: Mayor  
Date: April 12, 2017

#### 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/>.