

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, 2016 to December 31, 2016



FILED

11/21/2018

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	11-16
Other Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	18-30
Schedule of Payables and Receivables	31
Schedule of Leases and Debt	32
Schedule of Capital Assets.....	33
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for the 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
Auditee-Prepared Document:	
Summary Schedule of Prior Audit Findings.....	44
Other Reports.....	45

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
City Controller	Peter L. Gray	01-01-16 to 12-31-18
City Clerk	Sana G. Booker	01-01-16 to 12-31-19
Mayor	John R. Dennis	01-01-16 to 12-31-19
President of the Board of Public Works and Safety	Sana G. Booker	01-01-16 to 12-31-18
President of the Common Council	Peter Bunder	01-01-16 to 12-31-18
Wastewater Utility Director	David Henderson	01-01-16 to 12-31-18



STATE OF INDIANA
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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, 2016, 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 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, 2016.

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, 2016, 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 October 9, 2018, 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 solely 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 effectiveness of the City's 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 9, 2018



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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 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, 2016, and the related notes to the financial statement, and have issued our report thereon dated October 9, 2018, 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

October 9, 2018

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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 WEST LAFAYETTE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2016

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16
General	\$ 2,549,765	\$ 13,805,946	\$ 13,292,538	\$ 3,063,173
Motor Vehicle Highway	2,251,572	2,165,093	1,550,719	2,865,946
Local Road And Street	355,809	323,869	209,016	470,662
Law Enforcement Continuing Ed	12,165	19,929	18,980	13,114
Clerk's Record Perpetuation	3,462	78	-	3,540
Fire Fighting	33,123	8,707	33,648	8,182
Rainy Day	355,366	1,250,291	1,247,719	357,938
Levy Excess	576	-	576	-
Certified Technology Park	127,277	256	-	127,533
Cumulative Capital Development	223,119	598,807	656,269	165,657
Cumulative Building & Firefighting Equipment	43,880	172,596	173,440	43,036
Co Economic Development Income Tax	652,841	1,744,058	1,489,128	907,771
Cumulative Capital Improvement	15	107,147	107,130	32
Self Insurance Fund	1,352	15,312	16,233	431
Police Pension	195,901	861,871	909,562	148,210
Fire Pension	235,008	629,491	682,465	182,034
Sales Tax	1,781	5,730	5,586	1,925
Rental Housing Inspection	81,661	127,425	149,319	59,767
Redevelopment Commission 2011 COP	-	262,135	262,132	3
Levee/Village Allocation	3,097,544	9,713,785	9,911,473	2,899,856
WL Building Corp 2011 Bonds	233,218	891,321	893,706	230,833
Redevelopment Authority 2012 Bonds	221,481	979,489	973,350	227,620
Payroll Fund	237,924	6,597,769	6,574,070	261,623
KCB Allocation	1,448,776	3,041,300	2,397,197	2,092,879
SAFER Grant Fund	-	1,011,468	1,011,468	-
State Court User Fee	-	2,479	2,479	-
CDBG Escrow	562	-	-	562
Community Events NRG	2,662	7,932	7,362	3,232
Metro FiberNet Bond	21,347	28,317	49,662	2
Metro FiberNet Allocation	-	28,314	28,314	-
US231N	212,541	314,572	362,937	164,176
US231 Purdue	191	622	-	813
Sag Capital	298,456	550	102,709	196,297
KCB Capital	108	-	-	108
LV Capital	158	-	-	158
Community Crossings	-	1,247,719	-	1,247,719
Police Asset Forfeiture	-	42,375	-	42,375
Public Arts Team	-	310	-	310
State Street Joint Board	-	766,085	23,587	742,498
Redevelopment Authority 16 Bond - Sinking	-	8,982,957	5,363,226	3,619,731
LV Retain - CSO Project	-	166,763	-	166,763
Restricted Donations	817	2	-	819
Community Development Block Grant	2,070	189,041	190,905	206
Police Project - Operating Grants	12,132	23,610	19,737	16,005
Public Safety	9,544	22,778	7,460	24,862
Police Unclaimed Property	9,464	2,371	-	11,835
Fire Safety	4,024	203	-	4,227
Perimeter Parkway	171,329	386	-	171,715
Lindberg/McCormick Road Improvement	70,505	159	-	70,664
Go Greener Commission	1,065	2	627	440
Parks Nonreverting Operating	148,548	484,434	422,555	210,427
Wabash Heritage Trail	8,552	19	-	8,571
Parks Nonreverting Gift	139,786	149,810	159,716	129,880
Celery Bog Park	13,165	5,695	1,714	17,146
Parks and Recreation	395,714	1,596,294	1,900,164	91,844
Court Credit Card Fee	36	70	70	36
Online Convenience Fee	9,924	24,794	19,039	15,679
Redevelop Authority 2010 Bonds	600,836	1,174,105	1,170,077	604,864
Redevelopment Commission 2005 Ross Ctr Bonds	-	431,500	431,500	-
Sagamore Parkway TIF	843,286	398,088	394,684	846,690
Build Indiana Wabash Landing	10	-	-	10
Fuel Purchasing Internal Service Fund	15,389	186,077	179,882	21,584
City Court Trust	6,043	19,571	22,751	2,863
City Court User Fee - LECE	9,993	2,980	136	12,837
North Side Regional Lift Station Escrow	239,680	561	240,241	-
WW SRF Construction Fund	-	423,217	423,217	-
WW 14 PRV Construction	1,094,766	323	1,095,089	-
WW 13 Refunding Bond & Interest	1,158,946	1,677,079	2,361,034	474,991
WW 14 PRV Bond & Interest	117,520	331,863	331,558	117,825
WW 14 Refunding Bond & Interest	190,280	641,823	380,512	451,591
Cumberland Sewer Escrow	101,490	4	101,494	-
WW SRF Bond & Interest	283,359	918,507	519,239	682,627
WW Stormwater Revenue	1,202,239	1,549,286	677,029	2,074,496
WW Ret Fk/Sher	196,738	537	197,275	-
WW 2016 Bond and Interest	-	1,025,967	762,954	263,013
WW 2016 BAN Bond and Interest	-	9,689	9,687	2
WW 16 Construction Fund	-	22,244,844	17,012,278	5,232,566
WW 16 BAN Construction Fund	-	1,500,863	-	1,500,863
WW Retainage - CSO Project	-	1,084,592	-	1,084,592
Wastewater Utility - Operating	330,351	11,230,895	10,352,496	1,208,750
WW SRF Debt Service Reserve	3,332,409	1,430,219	-	4,762,628
Wastewater Utility - Improvement	1,802,512	3,934,598	3,788,239	1,948,871
Totals	\$ 25,422,163	\$ 108,639,724	\$ 91,679,359	\$ 42,382,528

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. 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 WEST LAFAYETTE
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.

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.

CITY OF WEST LAFAYETTE
NOTES TO FINANCIAL STATEMENT
(Continued)

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 the preceding year's lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) 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 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 2016 totaled \$1,075,486 and \$445,000, respectively.

Note 8. Subsequent Events

At the August 15, 2018 meeting of the West Lafayette Redevelopment Commission (Commission), the Commission declared its intent to build two large projects. One project is to completely renovate Morton Community Center to be the permanent City Hall for an estimated \$12,000,000. The other project is to build a recreation center for the City in the amount of \$34,000,000. Bonds are anticipated to be issued for these projects with funding originating in the Levee Village TIF District for City Hall and in the Kalberer/Cumberland/Blackbird TIF District for the recreation center.

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.

OTHER INFORMATION - UNAUDITED

The City's Annual Financial Report information can be found on the Indiana Gateway for Government Units 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, 2016

	General	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Ed	Clerk's Record Perpetuation	Fire Fighting	Rainy Day
Cash and investments - beginning	\$ 2,549,765	\$ 2,251,572	\$ 355,809	\$ 12,165	\$ 3,462	\$ 33,123	\$ 355,366
Receipts:							
Taxes	7,492,600	-	-	-	-	-	-
Licenses and permits	305,171	-	-	6,505	-	-	-
Intergovernmental receipts	4,025,039	1,979,419	319,959	-	-	-	1,247,719
Charges for services	68,386	-	-	10,472	-	8,661	-
Fines and forfeits	561,536	-	-	-	70	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	1,353,214	185,674	3,910	2,952	8	46	2,572
Total receipts	13,805,946	2,165,093	323,869	19,929	78	8,707	1,250,291
Disbursements:							
Personal services	10,395,268	404,890	-	-	-	-	-
Supplies	148,915	54,808	191,591	463	-	-	-
Other services and charges	1,543,815	84,180	3,925	18,517	-	33,648	-
Debt service - principal and interest	6,406	443	-	-	-	-	-
Capital outlay	74,154	863,048	13,500	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,123,980	143,350	-	-	-	-	1,247,719
Total disbursements	13,292,538	1,550,719	209,016	18,980	-	33,648	1,247,719
Excess (deficiency) of receipts over disbursements	513,408	614,374	114,853	949	78	(24,941)	2,572
Cash and investments - ending	\$ 3,063,173	\$ 2,865,946	\$ 470,662	\$ 13,114	\$ 3,540	\$ 8,182	\$ 357,938

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	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	\$ 576	\$ 127,277	\$ 223,119	\$ 43,880	\$ 652,841	\$ 15	\$ 1,352
Receipts:							
Taxes	-	-	519,006	170,491	5,110	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	39,973	2,007	1,716,353	107,072	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	256	39,828	98	22,595	75	15,312
Total receipts	-	256	598,807	172,596	1,744,058	107,147	15,312
Disbursements:							
Personal services	-	-	-	-	253,037	-	-
Supplies	-	-	125,944	9,766	61,850	-	-
Other services and charges	-	-	247,543	-	629,054	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	203,382	163,674	100,187	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	576	-	79,400	-	445,000	107,130	16,233
Total disbursements	576	-	656,269	173,440	1,489,128	107,130	16,233
Excess (deficiency) of receipts over disbursements	(576)	256	(57,462)	(844)	254,930	17	(921)
Cash and investments - ending	\$ -	\$ 127,533	\$ 165,657	\$ 43,036	\$ 907,771	\$ 32	\$ 431

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Police Pension	Fire Pension	Sales Tax	Rental Housing Inspection	Redevelopment Commission 2011 COP	Levee/Village Allocation	WL Building Corp 2011 Bonds
Cash and investments - beginning	\$ 195,901	\$ 235,008	\$ 1,781	\$ 81,661	\$ -	\$ 3,097,544	\$ 233,218
Receipts:							
Taxes	-	-	-	-	-	4,319,182	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	745,395	608,837	-	-	-	388,974	-
Charges for services	-	-	-	126,606	-	1	-
Fines and forfeits	-	-	-	650	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	116,476	20,654	5,730	169	262,135	5,005,628	891,321
Total receipts	861,871	629,491	5,730	127,425	262,135	9,713,785	891,321
Disbursements:							
Personal services	43,103	43,103	-	141,080	-	-	-
Supplies	-	-	-	2,770	-	-	-
Other services and charges	750,304	619,117	-	5,469	-	1,419,295	2,000
Debt service - principal and interest	-	-	-	-	131,066	30,143	445,428
Capital outlay	-	-	-	-	-	7,590,215	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	116,155	20,245	5,586	-	131,066	871,820	446,278
Total disbursements	909,562	682,465	5,586	149,319	262,132	9,911,473	893,706
Excess (deficiency) of receipts over disbursements	(47,691)	(52,974)	144	(21,894)	3	(197,688)	(2,385)
Cash and investments - ending	\$ 148,210	\$ 182,034	\$ 1,925	\$ 59,767	\$ 3	\$ 2,899,856	\$ 230,833

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Redevelopment Authority 2012 Bonds	Payroll Fund	KCB Allocation	SAFER Grant Fund	State Court User Fee	CDBG Escrow	Community Events NRG
Cash and investments - beginning	\$ 221,481	\$ 237,924	\$ 1,448,776	\$ -	\$ -	\$ 562	\$ 2,662
Receipts:							
Taxes	-	-	3,039,232	564,191	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	3,000
Charges for services	-	-	-	-	-	-	2,400
Fines and forfeits	-	-	-	-	2,479	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	979,489	6,597,769	2,068	447,277	-	-	2,532
Total receipts	979,489	6,597,769	3,041,300	1,011,468	2,479	-	7,932
Disbursements:							
Personal services	-	-	-	447,277	-	-	-
Supplies	-	-	-	-	-	-	423
Other services and charges	2,000	-	72,897	-	-	-	6,939
Debt service - principal and interest	481,850	-	30,143	-	-	-	-
Capital outlay	-	-	1,218,244	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	489,500	6,574,070	1,075,913	564,191	2,479	-	-
Total disbursements	973,350	6,574,070	2,397,197	1,011,468	2,479	-	7,362
Excess (deficiency) of receipts over disbursements	6,139	23,699	644,103	-	-	-	570
Cash and investments - ending	\$ 227,620	\$ 261,623	\$ 2,092,879	\$ -	\$ -	\$ 562	\$ 3,232

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Metro FiberNet Bond	Metro FiberNet Allocation	US231N	US231 Purdue	Sag Capital	KCB Capital	LV Capital
Cash and investments - beginning	\$ 21,347	\$ -	\$ 212,541	\$ 191	\$ 298,456	\$ 108	\$ 158
Receipts:							
Taxes	-	28,314	314,103	621	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	28,317	-	469	1	550	-	-
Total receipts	28,317	28,314	314,572	622	550	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	1,375	-	7,500	-	24,546	-	-
Debt service - principal and interest	48,287	-	-	-	-	-	-
Capital outlay	-	-	355,437	-	78,163	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	28,314	-	-	-	-	-
Total disbursements	49,662	28,314	362,937	-	102,709	-	-
Excess (deficiency) of receipts over disbursements	(21,345)	-	(48,365)	622	(102,159)	-	-
Cash and investments - ending	\$ 2	\$ -	\$ 164,176	\$ 813	\$ 196,297	\$ 108	\$ 158

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Community Crossings	Police Asset Forfeiture	Public Arts Team	State Street Joint Board	Redevelopment Authority 16 Bond - Sinking	LV Retain - CSO Project
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	1,247,719	42,375	310	766,085	8,982,957	166,763
Total receipts	1,247,719	42,375	310	766,085	8,982,957	166,763
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	23,587	118,691	-
Debt service - principal and interest	-	-	-	-	121,013	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	5,123,522	-
Total disbursements	-	-	-	23,587	5,363,226	-
Excess (deficiency) of receipts over disbursements	1,247,719	42,375	310	742,498	3,619,731	166,763
Cash and investments - ending	\$ 1,247,719	\$ 42,375	\$ 310	\$ 742,498	\$ 3,619,731	\$ 166,763

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Restricted Donations	Community Development Block Grant	Police Project - Operating Grants	Public Safety	Police Unclaimed Property	Fire Safety
Cash and investments - beginning	\$ 817	\$ 2,070	\$ 12,132	\$ 9,544	\$ 9,464	\$ 4,024
Receipts:						
Taxes	-	189,041	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	23,610	20,907	-	-
Charges for services	-	-	-	-	-	194
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	2	-	-	1,871	2,371	9
Total receipts	2	189,041	23,610	22,778	2,371	203
Disbursements:						
Personal services	-	9,974	19,737	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	118,731	-	1,290	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	17,200	-	6,170	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	45,000	-	-	-	-
Total disbursements	-	190,905	19,737	7,460	-	-
Excess (deficiency) of receipts over disbursements	2	(1,864)	3,873	15,318	2,371	203
Cash and investments - ending	\$ 819	\$ 206	\$ 16,005	\$ 24,862	\$ 11,835	\$ 4,227

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Perimeter Parkway	Lindberg/McCormick Road Improvement	Go Greener Commission	Parks Nonreverting Operating	Wabash Heritage Trail	Parks Nonreverting Gift
Cash and investments - beginning	\$ 171,329	\$ 70,505	\$ 1,065	\$ 148,548	\$ 8,552	\$ 139,786
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	9,525
Charges for services	-	-	-	467,844	-	946
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	386	159	2	16,590	19	139,339
Total receipts	386	159	2	484,434	19	149,810
Disbursements:						
Personal services	-	-	-	150,479	-	-
Supplies	-	-	462	25,301	-	2,503
Other services and charges	-	-	165	237,053	-	24,646
Debt service - principal and interest	-	-	-	564	-	-
Capital outlay	-	-	-	2,149	-	132,567
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	7,009	-	-
Total disbursements	-	-	627	422,555	-	159,716
Excess (deficiency) of receipts over disbursements	386	159	(625)	61,879	19	(9,906)
Cash and investments - ending	\$ 171,715	\$ 70,664	\$ 440	\$ 210,427	\$ 8,571	\$ 129,880

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Celery Bog Park	Parks and Recreation	Court Credit Card Fee	Online Convenience Fee	Redevelop Authority 2010 Bonds	Redevelopment Commission 2005 Ross Ctr Bonds
Cash and investments - beginning	\$ 13,165	\$ 395,714	\$ 36	\$ 9,924	\$ 600,836	\$ -
Receipts:						
Taxes	-	899,402	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	69,270	-	-	-	-
Charges for services	-	181,528	-	24,794	-	-
Fines and forfeits	-	-	70	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	5,695	446,094	-	-	1,174,105	431,500
Total receipts	5,695	1,596,294	70	24,794	1,174,105	431,500
Disbursements:						
Personal services	-	1,200,810	-	-	-	-
Supplies	28	48,758	-	-	-	-
Other services and charges	-	150,871	70	19,039	2,000	-
Debt service - principal and interest	-	1,243	-	-	581,264	431,500
Capital outlay	1,686	55,132	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	443,350	-	-	586,813	-
Total disbursements	1,714	1,900,164	70	19,039	1,170,077	431,500
Excess (deficiency) of receipts over disbursements	3,981	(303,870)	-	5,755	4,028	-
Cash and investments - ending	\$ 17,146	\$ 91,844	\$ 36	\$ 15,679	\$ 604,864	\$ -

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Sagamore Parkway TIF	Build Indiana Wabash Landing	Fuel Purchasing Internal Service Fund	City Court Trust	City Court User Fee - LECE	North Side Regional Lift Station Escrow
Cash and investments - beginning	\$ 843,286	\$ 10	\$ 15,389	\$ 6,043	\$ 9,993	\$ 239,680
Receipts:						
Taxes	396,098	-	186,077	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	19,471	2,980	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	1,990	-	-	100	-	561
Total receipts	398,088	-	186,077	19,571	2,980	561
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	179,882	-	-	-
Other services and charges	91,665	-	-	-	-	-
Debt service - principal and interest	30,143	-	-	-	-	-
Capital outlay	272,876	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	240,241
Other disbursements	-	-	-	22,751	136	-
Total disbursements	394,684	-	179,882	22,751	136	240,241
Excess (deficiency) of receipts over disbursements	3,404	-	6,195	(3,180)	2,844	(239,680)
Cash and investments - ending	\$ 846,690	\$ 10	\$ 21,584	\$ 2,863	\$ 12,837	\$ -

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	WW SRF Construction Fund	WW 14 PRV Construction	WW 13 Refunding Bond & Interest	WW 14 PRV Bond & Interest	WW 14 Refunding Bond & Interest	Cumberland Sewer Escrow
Cash and investments - beginning	\$ -	\$ 1,094,766	\$ 1,158,946	\$ 117,520	\$ 190,280	\$ 101,490
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	423,217	323	1,677,079	331,863	641,823	4
Total receipts	423,217	323	1,677,079	331,863	641,823	4
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	2,361,034	331,558	380,512	-
Capital outlay	422,684	-	-	-	-	-
Utility operating expenses	-	839	-	-	-	101,494
Other disbursements	533	1,094,250	-	-	-	-
Total disbursements	423,217	1,095,089	2,361,034	331,558	380,512	101,494
Excess (deficiency) of receipts over disbursements	-	(1,094,766)	(683,955)	305	261,311	(101,490)
Cash and investments - ending	\$ -	\$ -	\$ 474,991	\$ 117,825	\$ 451,591	\$ -

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	WW SRF Bond & Interest	WW Stormwater Revenue	WW Ret Fk/Sher	WW 2016 Bond and Interest	WW 2016 BAN Bond and Interest	WW 16 Construction Fund
Cash and investments - beginning	\$ 283,359	\$ 1,202,239	\$ 196,738	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	1,493,311	-	-	-	-
Penalties	-	10,616	-	-	-	-
Other receipts	918,507	45,359	537	1,025,967	9,689	22,244,844
Total receipts	918,507	1,549,286	537	1,025,967	9,689	22,244,844
Disbursements:						
Personal services	-	209,082	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	13,009	-	-	-	-
Debt service - principal and interest	519,239	-	-	762,954	9,687	-
Capital outlay	-	45,988	-	-	-	14,015,000
Utility operating expenses	-	408,950	197,275	-	-	563,293
Other disbursements	-	-	-	-	-	2,433,985
Total disbursements	519,239	677,029	197,275	762,954	9,687	17,012,278
Excess (deficiency) of receipts over disbursements	399,268	872,257	(196,738)	263,013	2	5,232,566
Cash and investments - ending	\$ 682,627	\$ 2,074,496	\$ -	\$ 263,013	\$ 2	\$ 5,232,566

CITY OF WEST LAFAYETTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	WW 16 BAN Construction Fund	WW Retainage - CSO Project	Wastewater Utility - Operating	WW SRF Debt Service Reserve	Wastewater Utility - Improvement	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 330,351	\$ 3,332,409	\$ 1,802,512	\$ 25,422,163
Receipts:						
Taxes	-	-	-	-	-	18,123,468
Licenses and permits	-	-	-	-	-	311,676
Intergovernmental receipts	-	-	-	-	-	11,307,059
Charges for services	-	-	-	-	-	891,832
Fines and forfeits	-	-	-	-	-	587,256
Utility fees	-	-	10,967,794	-	123,995	12,585,100
Penalties	-	-	60,160	-	-	70,776
Other receipts	1,500,863	1,084,592	202,941	1,430,219	3,810,603	64,762,557
Total receipts	1,500,863	1,084,592	11,230,895	1,430,219	3,934,598	108,639,724
Disbursements:						
Personal services	-	-	2,057,578	-	-	15,375,418
Supplies	-	-	-	-	-	853,464
Other services and charges	-	-	167,076	-	-	6,440,017
Debt service - principal and interest	-	-	-	-	80,479	6,784,956
Capital outlay	-	-	101,235	-	688,429	26,421,120
Utility operating expenses	-	-	2,832,783	-	968,596	5,313,471
Other disbursements	-	-	5,193,824	-	2,050,735	30,490,913
Total disbursements	-	-	10,352,496	-	3,788,239	91,679,359
Excess (deficiency) of receipts over disbursements	1,500,863	1,084,592	878,399	1,430,219	146,359	16,960,365
Cash and investments - ending	\$ 1,500,863	\$ 1,084,592	\$ 1,208,750	\$ 4,762,628	\$ 1,948,871	\$ 42,382,528

CITY OF WEST LAFAYETTE
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2016

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Wastewater	\$ 139,521	\$ 873,793
Governmental activities	<u>1,006,577</u>	<u>74,507</u>
Totals	<u>\$ 1,146,098</u>	<u>\$ 948,300</u>

CITY OF WEST LAFAYETTE
SCHEDULE OF LEASES AND DEBT
December 31, 2016

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Cardinal Copier Solutions	Copier Lease Purchase	\$ 900	2/1/2016	1/1/2021
Cardinal Copier Solutions	Copier Lease Purchase	2,100	2/1/2016	1/1/2021
Cardinal Copier Solutions	Copier Lease Purchase	864	4/1/2016	3/1/2021
Cardinal Copier Solutions	Copier Lease Purchase	1,128	7/1/2016	6/1/2021
Cardinal Copier Solutions	Copier Lease Purchase	2,268	7/1/2016	6/1/2021
Cardinal Copier Solutions	Copier Lease Purchase	2,028	7/1/2016	6/1/2021
Crossroads Bank	Copier Lease Purchase	2,492	5/31/2015	11/30/2019
West Lafayette Redevelopment Authority	Greenway Trails & PRP Infrastructure	244,000	1/15/2013	1/15/2017
West Lafayette Redevelopment Authority	Refund 2001 Lease Rental Bonds	585,500	2/1/2011	2/1/2022
West Lafayette Building Corporation	Police Station	448,000	1/15/2012	1/15/2023
West Lafayette Redevelopment Authority	Construction of William Street	157,000	8/1/2016	2/1/2039
West Lafayette Economic Development Corporation	State Street Project	-	8/1/2018	2/1/2040
Total governmental activities		<u>1,446,280</u>		
Wastewater:				
Crossroads Bank	Copier Lease Purchase	2,329	5/31/2015	11/30/2019
Huntington National Bank	WW/SW/San Truck Lease 2016	<u>263,801</u>	11/22/2016	9/1/2019
Total Wastewater		<u>266,130</u>		
Total of annual lease payments		<u>\$ 1,712,410</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	2012 WL Economic Development Revenue Bonds (Metro FiberNet Project)	\$ 2,395,000	\$ 170,100
Revenue bonds	2015 WL Redevelopment District Tax Increment Revenue Bonds (KCB)	278,000	20,247
Revenue bonds	2015 WL Redevelopment District Tax Increment Revenue Bonds (Levee/Village)	278,000	20,247
Revenue bonds	2015 WL Redevelopment District Tax Increment Revenue Bonds (Sagamore)	278,000	20,247
Revenue bonds	2005 Redevelopment District Tax Increment Revenue Bonds - Ross Enterprise Center Renovation	615,000	425,600
Notes and loans payable	2011 WL Redevelopment District Certificates of Participation - Conditional Installment Sales Contract - Fire Station #3 Design & Construction	<u>2,350,000</u>	<u>144,411</u>
Total governmental activities		<u>6,194,000</u>	<u>800,852</u>
Wastewater:			
Revenue bonds	Sewage Works Refunding Bonds 2013 - Refunded 1994, 1998 & 2001 Sewage Works SRF Loans	4,745,000	1,032,308
Revenue bonds	Sewage Works Refunding Revenue Bonds 2014 - Refunded 2004B Bonds	12,697,000	902,334
Revenue bonds	Sewage Works Revenue Bonds 2014 - Main Extension & Treatment Plant Upgrades	3,540,000	328,456
Revenue bonds	Sewage Works Revenue Bonds 2016	20,095,000	1,352,300
Notes and loans payable	Sewage Works SRF 2006 - Digester Renovation	8,250,000	861,225
Notes and loans payable	Sewage Works SRF 2012 - Regional Lift Station & Force Main	4,185,000	282,775
Notes and loans payable	Sewage Works Revenue Bonds 2014B - Lift Station & Force Main	2,445,000	166,345
Notes and loans payable	Bond Anticipation Notes 2016	<u>1,500,000</u>	<u>37,500</u>
Total Wastewater		<u>57,457,000</u>	<u>4,963,243</u>
Totals		<u>\$ 63,651,000</u>	<u>\$ 5,764,095</u>

CITY OF WEST LAFAYETTE
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2016

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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 16,654,728
Infrastructure	63,526,139
Buildings	19,714,633
Improvements other than buildings	3,303,308
Machinery, equipment, and vehicles	10,062,075
Construction in progress	<u>22,610,628</u>
Total governmental activities	<u>135,871,511</u>
Wastewater:	
Land	604,120
Infrastructure	62,628,745
Buildings	39,122,750
Improvements other than buildings	33,336
Machinery, equipment, and vehicles	8,244,388
Construction in progress	<u>16,837,720</u>
Total Wastewater	<u>127,471,059</u>
Total capital assets	<u>\$ 263,342,570</u>

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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 WEST LAFAYETTE, TIPPECANOE COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the City of West Lafayette'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, 2016. 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, 2016.

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


Paul D. Joyce, CPA
State Examiner

October 9, 2018

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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 WEST LAFAYETTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2016

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	Passed Through to Subrecipient	Total Federal Awards Expended
<u>Department of Agriculture</u>					
Farmers Market Promotion Program USDA Farmers Market Promotion	Indiana Department of Agriculture	10.168	14-FMPPX-IN-0068	\$ -	\$ 5,110
Total - Department of Agriculture				-	5,110
<u>Department of Housing and Urban Development</u>					
CDBG - Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants	Direct Grant	14.218			
CDBG 2013-2014			B-13-MC-18-0009	4,320	15,175
CDBG 2014-2015			B-14-MC-18-0009	18,749	23,486
CDBG 2015-2016			B-15-MC-18-0009	113,976	119,014
CDBG 2016-2017			B-16-MC-18-0009	20,800	31,365
Total - Community Development Block Grants/Entitlement Grants				157,845	189,040
Total - CDBG - Entitlement Grants Cluster				157,845	189,040
Total - Department of Housing and Urban Development				157,845	189,040
<u>Department of Justice</u>					
Edward Byrne Memorial Justice Assistance Grant Program Edward Byrne Memorial Justice Assistance Grant Program	Indiana Criminal Justice Institute	16.738	2014-DJ-BX-1191	-	20,907
Total - Department of Justice				-	20,907
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster					
Highway Planning and Construction Happy Hollow Road Reconstruction	Indiana Department of Transportation	20.205	DES 0900002	-	388,974
Total - Highway Planning and Construction Cluster				-	388,974
Highway Safety Cluster					
National Priority Safety Programs	Indiana Criminal Justice Institute	20.616			
Operation Pull Over 2016			D3-16-10151	-	14,617
DUI Task Force 2016			D3-16-10228	-	6,581
Operation Pull Over 2017			D3-17-11091	-	2,412
Total - Highway Safety Cluster				-	23,610
Total - Department of Transportation				-	412,584
<u>Department of Homeland Security</u>					
Assistance to Firefighters Grant FEMA Fire Grant	Direct Grant	97.044	EMW-2014-FO-03752	-	140,455
Staffing for Adequate Fire and Emergency Response (SAFER) SAFER Grant	Direct Grant	97.083	EMW-2013-FH-00271	-	564,191
Total - Department of Homeland Security				-	704,646
Total federal awards expended				\$ 157,845	\$ 1,332,287

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, 2016. 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 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 weakness identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weakness identified?	no
Significant deficiency identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

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
97.083	Staffing for Adequate Fire and Emergency Response - SAFER	Unmodified
Dollar threshold used to distinguish between Type A and Type B programs: \$750,000		
Auditee qualified as low-risk auditee?	no	

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE-PREPARED DOCUMENT

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

23 August 2018

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-001

Fiscal year in which the finding initially occurred: 2014
Contact Person Responsible for Corrective Action: David S. Henderson, Utility Director
Contact Phone Number: (765) 775-5145

Status of Audit Finding:

The Corrective Action Plan was implemented soon after the 2015 audit in November of 2016. A West Lafayette employee accompanied the Purdue University technician and verified the meter reads. A portion of meters were verified each month until all meters had been read during the course of the year. Spot checks occurred as questions came up during bill review.

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/>.