

**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, 2011 to December 31, 2011



**FILED**  
08/13/2012



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance With Government Auditing Standards .....	5-6
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	8-9
Notes to Financial Statement .....	10-15
Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	18-28
Schedule of Payables and Receivables .....	29
Schedule of Leases and Debt .....	30
Schedule of Capital Assets.....	31
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133 .....	34-35
Schedule of Expenditures of Federal Awards .....	38-39
Notes to Schedule of Expenditures of Federal Awards.....	40
Schedule of Findings and Questioned Costs .....	41
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings .....	42
Exit Conference.....	43

### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Judith C. Rhodes	01-01-08 to 12-31-15
Mayor	John R. Dennis	01-01-08 to 12-31-15
President of the Board of Public Works and Safety	John R. Dennis	01-01-08 to 12-31-15
President of the Common Council	Ann H. Hunt	01-01-11 to 12-31-12
Wastewater Utility Director	David Henderson	01-01-11 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT AUDITOR'S REPORT

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

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated July 17, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

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

This report is intended solely for the information and use of the City's management, City Council, Board of Public Works and Safety, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 17, 2012



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

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

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

We have audited the financial statement of the City of West Lafayette (City), for the year ended December 31, 2011, and have issued our report thereon dated July 17, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the City's management, City Council, Board of Public Works and Safety, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 17, 2012

## FINANCIAL STATEMENT

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, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General	\$ 2,636,126	\$ 10,919,889	\$ 11,115,619	\$ 2,440,396
Motor Vehicle Highway	1,144,317	1,149,019	852,163	1,441,173
Local Road And Street	198,903	242,977	196,294	245,586
Law Enforcement Continuing Education	8,885	13,701	10,457	12,129
Clerk's Record Perpetuation	19,067	1,530	-	20,597
Firefighting	33,035	16,676	12,224	37,487
Rainy Day	728,823	6,768	-	735,591
Levy Excess	23,748	-	23,748	-
Certified Technology Park	125,688	418	-	126,106
Cumulative Capital Development	1,532,719	419,836	635,537	1,317,018
Cumulative Building & Firefighting Equipment	31,821	25,598	16,389	41,030
County Economic Development Income Tax	1,265,412	1,539,279	1,564,801	1,239,890
Cumulative Capital Improvement	21,842	82,806	100,000	4,648
Police Pension	290,856	757,709	723,447	325,118
Fire Pension	293,929	666,669	565,998	394,600
Sales Tax	1,478	5,756	5,809	1,425
Rental Housing Inspection	-	159,683	80,006	79,677
KCB Allocation	2,192,479	1,307,468	2,452,347	1,047,600
2011 Redevelop Com Cert of Participation- Fire Station	-	2,500,000	103,158	2,396,842
Levee/Village Allocation Fund	5,157,170	1,519,954	2,548,756	4,128,368
2011 WL Building Corp Refunding Bonds - Police Station	-	4,636,287	4,412,668	223,619
Fire Truck Debt	45,813	330	46,143	-
KCB TIF	-	1,307,343	1,307,343	-
Donations	1,213	27	-	1,240
Asset Forfeiture Fund	5	-	-	5
Community Development Block Grant	17,346	474,567	491,913	-
Police Grants Projects	13,388	25,946	25,517	13,817
Public Safety	8,769	25,966	27,293	7,442
Police Unclaimed Property	6,098	45	-	6,143
Fire Safety	1,050	4,007	2,895	2,162
DHS Firefighter Assistance Grant	50	-	50	-
Perimeter Parkway	21,666	1,479,949	1,276,662	224,953
Lindberg/McCormick Road Improvement	68,859	617	-	69,476
Go Greener Commission	1,166	3,974	2,911	2,229
Parks Nonreverting Operating	193,833	445,879	501,020	138,692
Wabash Heritage Corridor	27,110	50,139	48,284	28,965
Parks Nonreverting Gift	114,287	51,533	49,012	116,808
Celery Bog	20,908	18,456	10,470	28,894

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

CITY OF WEST LAFAYETTE  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2011  
(Continued)

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
Parks and Recreation	261,114	1,130,886	1,385,783	6,217
Court Credit Card Service Fee	48	472	463	57
KCB Redevelopment Commission-Surplus	2,587,437	1,442,082	1,001,216	3,028,303
Imprest Cash	1,325	1,700	1,700	1,325
Online Credit Card Transaction	2,054	7,934	8,558	1,430
2010 Redevelop Authority Refunding Bonds - Garage	585,982	587,058	584,743	588,297
2001 WL Equipment Leasing Corp Bonds - Fire Truck	12,100	34,213	46,313	-
2002 Redevelop Authority Bonds-Trails PRP Infrastructure	641,575	616,457	613,910	644,122
2001 WL Building Corp Bonds - Police Station	283,625	239,004	522,629	-
2005 Redevelopment Commission Bonds - Ross PRP	-	432,200	432,200	-
Levee/Village TIF	-	1,508,121	1,508,121	-
Sagamore Parkway TIF	372,697	1,244,406	1,139,078	478,025
Build Indiana Wabash Landing	9,234	83	-	9,317
Parks Nonreverting Capital - Pool	321,756	1,938	30,962	292,732
Fuel Internal Service	4,435	331,673	335,778	330
Payroll Fund	251,366	3,253,116	3,251,748	252,734
City Court Trust	9,789	142,772	144,676	7,885
Law Enforcement Cont Ed (Court)	3,783	3,696	3,176	4,303
State Automated Record Keeping Fee	-	3,545	3,545	-
Judicial Insurance Adjustment Fee	-	531	531	-
State Court Costs	-	21,007	21,007	-
Public Defense Administration Fee	-	1,805	1,805	-
State Judicial Salaries Fee	-	7,176	7,176	-
Court Administration Fee	-	2,605	2,605	-
DNA Sample Processing Fee	-	1,050	1,050	-
Medical Insurance Payment Fund	2,733	33,573	33,771	2,535
Vision Insurance Payment Fund	26	685	710	1
Dental Insurance Payment Fund	144	1,125	1,268	1
State Highway Worksite Zone Fee	-	272	272	-
Huntington Lse/Purch Escrow (Cash w/ Fiscal Agent)	154,758	182,677	337,325	110
Wastewater Utility - Operating	817,806	9,126,414	8,993,816	950,404
Wastewater Utility - Bond and Interest	965,000	3,122,457	3,094,957	992,500
Wastewater Utility - Debt Reserve	3,131,288	51,038	3,354	3,178,972
Wastewater Utility - Improvement	10,802,613	5,047,679	5,937,396	9,912,896
Wastewater Utility - Imprest Cash	100	-	-	100
Totals	<u>\$ 37,470,647</u>	<u>\$ 58,442,251</u>	<u>\$ 58,660,576</u>	<u>\$ 37,252,322</u>

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

CITY OF WEST LAFAYETTE  
NOTES TO THE 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, culture and recreation, public improvements, planning and zoning, general administrative services, wastewater, storm water, trash, and urban redevelopment and housing.

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

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

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

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

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

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

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

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

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

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

Utility fees which are comprised mostly of charges for current services.

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

*E. Disbursements*

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

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

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

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

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

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

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

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

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

*F. Interfund Transfers*

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

*G. Fund Accounting*

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

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

**Note 4. Deposits and Investments**

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

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

**Note 5. Risk Management**

The City may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; 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 statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the City by recording as a disbursement any replacement items purchased.

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

Indiana Public Retirement System  
1 North Capital Street, 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.

*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 THE 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  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy*

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

**Note 7. Postemployment Benefits**

In addition to the pension benefits described above, effective January 1, 2004, the primary government provides postemployment health insurance benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from primary government at age 55 with 20 or more years of service with a public employer, including at least 10 years immediately preceding retirement and at least 15 years participation in the Indiana Public Employees' Retirement Fund (PERF). Participants are eligible to purchase the City's group comprehensive major medical benefit policy at 100 percent of the City's premium cost. The City makes no contribution. Coverage continues with the spouse after the death of the retiree. Coverage ceases at age 65.

**Note 8. Holding Corporations**

The City has entered into capital leases with the West Lafayette Redevelopment Authority, the West Lafayette Equipment Leasing Corporation, and the West Lafayette Building Corporation (the lessors). These lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities or financing equipment for lease to the City. The lessor has been determined to be a related party of the City. Lease payments during the year 2011 totaled \$ 1,715,992.50.

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## SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

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

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

	General	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Education	Clerk's Record Perpetuation	Firefighting	Rainy Day
Cash and investments - beginning	\$ 2,636,126	\$ 1,144,317	\$ 198,903	\$ 8,885	\$ 19,067	\$ 33,035	\$ 728,823
Receipts:							
Taxes	6,882,431	-	-	-	-	-	-
Licenses and permits	110,133	-	-	2,895	-	-	-
Intergovernmental	1,823,891	1,142,895	231,981	-	-	-	-
Charges for services	253,793	-	-	7,605	1,470	16,574	-
Fines and forfeits	482,723	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	<u>1,366,918</u>	<u>6,124</u>	<u>10,996</u>	<u>3,201</u>	<u>60</u>	<u>102</u>	<u>6,768</u>
Total receipts	<u>10,919,889</u>	<u>1,149,019</u>	<u>242,977</u>	<u>13,701</u>	<u>1,530</u>	<u>16,676</u>	<u>6,768</u>
Disbursements:							
Personal services	8,607,024	347,779	-	-	-	-	-
Supplies	336,768	66,069	196,294	184	-	-	-
Other services and charges	987,791	410,523	-	10,273	-	12,224	-
Debt service - principal and interest	-	11,835	-	-	-	-	-
Capital outlay	8,943	15,957	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	<u>1,175,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>11,115,619</u>	<u>852,163</u>	<u>196,294</u>	<u>10,457</u>	<u>-</u>	<u>12,224</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(195,730)</u>	<u>296,856</u>	<u>46,683</u>	<u>3,244</u>	<u>1,530</u>	<u>4,452</u>	<u>6,768</u>
Cash and investments - ending	<u>\$ 2,440,396</u>	<u>\$ 1,441,173</u>	<u>\$ 245,586</u>	<u>\$ 12,129</u>	<u>\$ 20,597</u>	<u>\$ 37,487</u>	<u>\$ 735,591</u>

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

	Levy Excess	Certified Technology Park	Cumulative Capital Development	Cumulative & Firefighting Equipment	County Economic Development Income Tax	Cumulative Capital Improvement	Police Pension
Cash and investments - beginning	\$ 23,748	\$ 125,688	\$ 1,532,719	\$ 31,821	\$ 1,265,412	\$ 21,842	\$ 290,856
Receipts:							
Taxes	-	-	229,828	20,231	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	16,930	5,280	1,478,581	82,644	710,178
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	418	173,078	87	60,698	162	47,531
Total receipts	-	418	419,836	25,598	1,539,279	82,806	757,709
Disbursements:							
Personal services	-	-	-	-	241,260	-	2,820
Supplies	-	-	49,475	-	1,978	-	-
Other services and charges	-	-	374,827	-	802,064	-	673,676
Debt service - principal and interest	-	-	22,633	-	16,862	-	-
Capital outlay	-	-	188,602	16,389	40,637	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	23,748	-	-	-	462,000	100,000	46,951
Total disbursements	23,748	-	635,537	16,389	1,564,801	100,000	723,447
Excess (deficiency) of receipts over disbursements	(23,748)	418	(215,701)	9,209	(25,522)	(17,194)	34,262
Cash and investments - ending	\$ -	\$ 126,106	\$ 1,317,018	\$ 41,030	\$ 1,239,890	\$ 4,648	\$ 325,118

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

	Fire Pension	Sales Tax	Rental Housing Inspection	KCB Allocation	2011 Redevelop Com Cert of Participation- Redevelop Fire Station	Levee/Village Allocation Fund	2011 WL Building Corp Refunding Bonds - Police Station
Cash and investments - beginning	\$ 293,929	\$ 1,478	\$ -	\$ 2,192,479	\$ -	\$ 5,157,170	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	663,755	-	-	-	-	-	-
Charges for services	-	-	56,366	-	-	1	-
Fines and forfeits	-	-	11,500	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,914	5,756	91,817	1,307,468	2,500,000	1,519,953	4,636,287
Total receipts	<u>666,669</u>	<u>5,756</u>	<u>159,683</u>	<u>1,307,468</u>	<u>2,500,000</u>	<u>1,519,954</u>	<u>4,636,287</u>
Disbursements:							
Personal services	2,825	-	71,071	-	-	-	-
Supplies	-	-	883	-	-	-	-
Other services and charges	560,885	-	4,609	-	103,158	387,390	96,059
Debt service - principal and interest	-	-	3,443	-	-	138,732	-
Capital outlay	-	-	-	-	-	1,435,634	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	2,288	5,809	-	2,452,347	-	587,000	4,316,609
Total disbursements	<u>565,998</u>	<u>5,809</u>	<u>80,006</u>	<u>2,452,347</u>	<u>103,158</u>	<u>2,548,756</u>	<u>4,412,668</u>
Excess (deficiency) of receipts over disbursements	<u>100,671</u>	<u>(53)</u>	<u>79,677</u>	<u>(1,144,879)</u>	<u>2,396,842</u>	<u>(1,028,802)</u>	<u>223,619</u>
Cash and investments - ending	<u>\$ 394,600</u>	<u>\$ 1,425</u>	<u>\$ 79,677</u>	<u>\$ 1,047,600</u>	<u>\$ 2,396,842</u>	<u>\$ 4,128,368</u>	<u>\$ 223,619</u>

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

	Fire Truck Debt	KCB TIF	Donations	Asset Forfeiture Fund	Community Development Block Grant	Police Grants Projects	Public Safety
Cash and investments - beginning	\$ 45,813	\$ -	\$ 1,213	\$ 5	\$ 17,346	\$ 13,388	\$ 8,769
Receipts:							
Taxes	271	1,307,153	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	474,567	25,946	10,403
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	59	190	27	-	-	-	15,563
Total receipts	<u>330</u>	<u>1,307,343</u>	<u>27</u>	<u>-</u>	<u>474,567</u>	<u>25,946</u>	<u>25,966</u>
Disbursements:							
Personal services	-	-	-	-	-	25,517	-
Supplies	-	-	-	-	-	-	3,493
Other services and charges	-	-	-	-	491,913	-	450
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	23,350
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	46,143	1,307,343	-	-	-	-	-
Total disbursements	<u>46,143</u>	<u>1,307,343</u>	<u>-</u>	<u>-</u>	<u>491,913</u>	<u>25,517</u>	<u>27,293</u>
Excess (deficiency) of receipts over disbursements	<u>(45,813)</u>	<u>-</u>	<u>27</u>	<u>-</u>	<u>(17,346)</u>	<u>429</u>	<u>(1,327)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,240</u>	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ 13,817</u>	<u>\$ 7,442</u>

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

	Police Unclaimed Property	Fire Safety	DHS Firefighter Assistance Grant	Perimeter Parkway	Lindberg/McCormick Road Improvement	Go Greener Commission	Parks Nonreverting Operating
Cash and investments - beginning	\$ 6,098	\$ 1,050	\$ 50	\$ 21,666	\$ 68,859	\$ 1,166	\$ 193,833
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	207,830	-	-	-
Charges for services	-	-	-	-	-	-	428,555
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	45	4,007	-	1,272,119	617	3,974	17,324
Total receipts	45	4,007	-	1,479,949	617	3,974	445,879
Disbursements:							
Personal services	-	-	-	-	-	-	255,801
Supplies	-	-	-	-	-	2,911	18,683
Other services and charges	-	2,895	50	-	-	-	197,733
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	1,258,672	-	-	3,957
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	17,990	-	-	24,846
Total disbursements	-	2,895	50	1,276,662	-	2,911	501,020
Excess (deficiency) of receipts over disbursements	45	1,112	(50)	203,287	617	1,063	(55,141)
Cash and investments - ending	\$ 6,143	\$ 2,162	\$ -	\$ 224,953	\$ 69,476	\$ 2,229	\$ 138,692

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

	Wabash Heritage Corridor	Parks Nonreverting Gift	Celery Bog	Parks and Recreation	Court Credit Card Service Fee	KCB Redevelopment Commission - Surplus	Imprest Cash
Cash and investments - beginning	\$ 27,110	\$ 114,287	\$ 20,908	\$ 261,114	\$ 48	\$ 2,587,437	\$ 1,325
Receipts:							
Taxes	-	-	-	510,515	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	50,000	2,000	-	37,495	-	-	-
Charges for services	-	-	-	179,455	472	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	139	49,533	18,456	403,421	-	1,442,082	1,700
Total receipts	<u>50,139</u>	<u>51,533</u>	<u>18,456</u>	<u>1,130,886</u>	<u>472</u>	<u>1,442,082</u>	<u>1,700</u>
Disbursements:							
Personal services	-	-	-	772,075	-	-	-
Supplies	-	2,421	270	63,945	-	-	-
Other services and charges	-	17,556	-	166,262	463	605,929	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	48,284	29,035	10,200	-	-	395,287	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	383,501	-	-	1,700
Total disbursements	<u>48,284</u>	<u>49,012</u>	<u>10,470</u>	<u>1,385,783</u>	<u>463</u>	<u>1,001,216</u>	<u>1,700</u>
Excess (deficiency) of receipts over disbursements	<u>1,855</u>	<u>2,521</u>	<u>7,986</u>	<u>(254,897)</u>	<u>9</u>	<u>440,866</u>	<u>-</u>
Cash and investments - ending	<u>\$ 28,965</u>	<u>\$ 116,808</u>	<u>\$ 28,894</u>	<u>\$ 6,217</u>	<u>\$ 57</u>	<u>\$ 3,028,303</u>	<u>\$ 1,325</u>

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

	Online Credit Card Transaction	2010 Redevelop Authority Refunding Bonds - Garage	2001 WL Equipment Leasing Corp Bonds - Fire Truck	2002 Redevelop Authority Bonds - Trails PRP Infrastructure	2001 WL Building Corp Bonds - Police Station	2005 Redevelopment Commission Bonds - Ross PRP	Levee/Village TIF
Cash and investments - beginning	\$ 2,054	\$ 585,982	\$ 12,100	\$ 641,575	\$ 283,625	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	1,508,114
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	7,934	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	587,058	34,213	616,457	239,004	432,200	7
Total receipts	7,934	587,058	34,213	616,457	239,004	432,200	1,508,121
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	8,558	-	300	-	2,235	-	-
Debt service - principal and interest	-	584,743	46,013	613,910	475,500	432,200	-
Capital outlay	-	-	-	-	38,294	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	6,600	-	1,508,121
Total disbursements	8,558	584,743	46,313	613,910	522,629	432,200	1,508,121
Excess (deficiency) of receipts over disbursements	(624)	2,315	(12,100)	2,547	(283,625)	-	-
Cash and investments - ending	\$ 1,430	\$ 588,297	\$ -	\$ 644,122	\$ -	\$ -	\$ -

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

	Sagamore Parkway TIF	Build Indiana Wabash Landing	Parks Nonreverting Capital - Pool	Fuel Internal Service	Payroll Fund	City Court Trust	Law Enforcement Cont Ed (Court)
Cash and investments - beginning	\$ 372,697	\$ 9,234	\$ 321,756	\$ 4,435	\$ 251,366	\$ 9,789	\$ 3,783
Receipts:							
Taxes	147,072	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	1,092,358	-	-	-	-	-	-
Charges for services	-	-	1,097	-	-	-	-
Fines and forfeits	-	-	-	-	-	142,772	3,696
Utility fees	-	-	-	-	-	-	-
Other receipts	4,976	83	841	331,673	3,253,116	-	-
Total receipts	<u>1,244,406</u>	<u>83</u>	<u>1,938</u>	<u>331,673</u>	<u>3,253,116</u>	<u>142,772</u>	<u>3,696</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	335,778	-	-	-
Other services and charges	346,646	-	12,621	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	792,432	-	3,341	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	15,000	-	3,251,748	144,676	3,176
Total disbursements	<u>1,139,078</u>	<u>-</u>	<u>30,962</u>	<u>335,778</u>	<u>3,251,748</u>	<u>144,676</u>	<u>3,176</u>
Excess (deficiency) of receipts over disbursements	<u>105,328</u>	<u>83</u>	<u>(29,024)</u>	<u>(4,105)</u>	<u>1,368</u>	<u>(1,904)</u>	<u>520</u>
Cash and investments - ending	<u>\$ 478,025</u>	<u>\$ 9,317</u>	<u>\$ 292,732</u>	<u>\$ 330</u>	<u>\$ 252,734</u>	<u>\$ 7,885</u>	<u>\$ 4,303</u>

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

	State Automated Record Keeping Fee	Judicial Insurance Adjustment Fee	State Court Costs	Public Defense Administration Fee	State Judicial Salaries Fee	Court Administration Fee
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	3,545	531	21,007	1,805	7,176	2,605
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
<b>Total receipts</b>	<b>3,545</b>	<b>531</b>	<b>21,007</b>	<b>1,805</b>	<b>7,176</b>	<b>2,605</b>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	3,545	531	21,007	1,805	7,176	2,605
<b>Total disbursements</b>	<b>3,545</b>	<b>531</b>	<b>21,007</b>	<b>1,805</b>	<b>7,176</b>	<b>2,605</b>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	DNA Sample Processing Fee	Medical Insurance Payment Fund	Vision Insurance Payment Fund	Dental Insurance Payment Fund	State Highway Worksite Zone Fee	Huntington Lse/Purch Escrow (Cash w/ Fiscal Agent)
Cash and investments - beginning	\$ -	\$ 2,733	\$ 26	\$ 144	\$ -	\$ 154,758
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	1,050	-	-	-	272	-
Utility fees	-	-	-	-	-	-
Other receipts	-	33,573	685	1,125	-	182,677
<b>Total receipts</b>	<b>1,050</b>	<b>33,573</b>	<b>685</b>	<b>1,125</b>	<b>272</b>	<b>182,677</b>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	337,325
Utility operating expenses	-	-	-	-	-	-
Other disbursements	1,050	33,771	710	1,268	272	-
<b>Total disbursements</b>	<b>1,050</b>	<b>33,771</b>	<b>710</b>	<b>1,268</b>	<b>272</b>	<b>337,325</b>
Excess (deficiency) of receipts over disbursements	-	(198)	(25)	(143)	-	(154,648)
Cash and investments - ending	<u>\$ -</u>	<u>\$ 2,535</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 110</u>

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

	Wastewater Utility - Operating	Wastewater Utility - Bond and and Interest	Wastewater Utility - Debt Reserve	Wastewater Utility - Improvement	Wastewater Utility - Imprest Cash	Totals
Cash and investments - beginning	\$ 817,806	\$ 965,000	\$ 3,131,288	\$ 10,802,613	\$ 100	\$ 37,470,647
Receipts:						
Taxes	-	-	-	-	-	10,605,615
Licenses and permits	-	-	-	-	-	113,028
Intergovernmental	-	-	-	2,353,909	-	10,410,643
Charges for services	-	-	-	-	-	953,322
Fines and forfeits	-	-	-	-	-	678,682
Utility fees	9,126,414	-	-	130,213	-	9,256,627
Other receipts	-	3,122,457	51,038	2,563,557	-	26,424,334
<b>Total receipts</b>	<b>9,126,414</b>	<b>3,122,457</b>	<b>51,038</b>	<b>5,047,679</b>	<b>-</b>	<b>58,442,251</b>
Disbursements:						
Personal services	-	-	-	-	-	10,326,172
Supplies	-	-	-	-	-	1,079,152
Other services and charges	-	-	-	-	-	6,277,090
Debt service - principal and interest	-	3,094,957	-	124,183	-	5,565,011
Capital outlay	-	-	-	4,312,554	-	8,958,893
Utility operating expenses	4,831,999	-	-	-	-	4,831,999
Other disbursements	4,161,817	-	3,354	1,500,659	-	21,622,259
<b>Total disbursements</b>	<b>8,993,816</b>	<b>3,094,957</b>	<b>3,354</b>	<b>5,937,396</b>	<b>-</b>	<b>58,660,576</b>
Excess (deficiency) of receipts over disbursements	132,598	27,500	47,684	(889,717)	-	(218,325)
Cash and investments - ending	<u>\$ 950,404</u>	<u>\$ 992,500</u>	<u>\$ 3,178,972</u>	<u>\$ 9,912,896</u>	<u>\$ 100</u>	<u>\$ 37,252,322</u>

CITY OF WEST LAFAYETTE  
 SCHEDULE OF PAYABLES AND RECEIVABLES  
 December 31, 2011

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 2,141,954	\$ 3,869,053
Wastewater	1,196,378	361,185
Totals	\$ 3,338,332	\$ 4,230,238

CITY OF WEST LAFAYETTE  
SCHEDULE OF LEASES AND DEBT  
December 31, 2011

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
<b>Governmental activities:</b>				
Huntington National Bank Equipment Finance	Vehicles Equipment Lease Purchase 2010	\$ 38,624	06-21-10	06-21-13
IKON Office Solutions	Copier Lease Purchase	2,175	01-01-11	01-01-16
IKON Office Solutions	Copier Lease Purchase	2,248	08-01-09	08-01-14
PNC Equipment Finance	Vehicles Lease Purchase 2009	43,308	09-14-09	09-14-12
Sun Trust Equipment Finance & Lease	Vehicles Lease Purchase 2009	39,828	03-30-09	03-30-12
2010 WL Redevelopment Authority Lease	Wabash Landing Parking Facility	584,743	02-01-11	02-01-22
2002 WL Redevelopment Authority Economic Development Lease	Greenway Trails & PRP Infrastructure	619,000	08-01-03	02-01-17
2011 WL Building Corp. First Mortgage Lease	Police Station	-	02-01-12	01-01-23
Total governmental activities		<u>1,329,926</u>		
<b>Wastewater:</b>				
Huntington National Bank Equipment Finance	Vehicles Equipment Lease Purchase 2010	70,666	06-01-10	06-21-13
Huntington National Bank Equipment Finance	Vehicle/Equipment Lease Purchase 2011	63,711	08-31-11	09-01-14
IKON Office Solutions	Copier Lease Purchase	2,452	03-25-10	03-25-15
PNC Equipment Finance	Vehicles Lease Purchase 2009	<u>46,495</u>	09-01-09	09-14-12
Total Wastewater		<u>183,324</u>		
Total of annual lease payments		<u>\$ 1,513,250</u>		
Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year	
<b>Governmental activities:</b>				
Revenue bonds	2005 Redevelopment District Tax Increment Revenue Bonds - Ross Enterprise Center renovation	\$ 2,435,000	\$ 429,100	
Notes and loans payable	2011 WL Redevelopment District Certificates of Participation - Conditional Installment Sales Contract - Fire Station #3 design & construction	<u>2,500,000</u>	<u>99,516</u>	
Total governmental activities		<u>4,935,000</u>	<u>528,616</u>	
<b>Wastewater:</b>				
Notes and loans payable	Sewage Works SRF 1994 - Treatment plant expansion & upgrade	6,140,000	1,247,100	
Notes and loans payable	Sewage Works SRF 1998 - N River Rd interceptor & lift station	4,775,000	539,238	
Notes and loans payable	Sewage Works SRF 2001 - Wet weather treatment & Happy Hollow interceptor	4,340,000	402,930	
Notes and loans payable	Sewage Works SRF 2004 - Western interceptor	12,355,000	229,861	
Notes and loans payable	Sewage Works SRF 2006 - Digester renovation	<u>8,315,000</u>	<u>161,760</u>	
Total Wastewater		<u>35,925,000</u>	<u>2,580,889</u>	
Totals		<u>\$ 40,860,000</u>	<u>\$ 3,109,505</u>	

CITY OF WEST LAFAYETTE  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2011

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

	Ending Balance
Governmental activities:	
Land	\$ 14,817,796
Infrastructure	26,676,284
Buildings	10,451,239
Improvements other than buildings	3,005,814
Machinery, equipment and vehicles	2,583,982
Construction in progress	6,778,867
Total governmental activities	64,313,982
Wastewater:	
Land	604,120
Infrastructure	38,444,121
Buildings	29,984,743
Machinery, equipment and vehicles	2,038,649
Construction in progress	2,827,468
Total Wastewater	73,899,101
Total capital assets	\$ 138,213,083

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

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

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

Compliance

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

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

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

Internal Control Over Compliance

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

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

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

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

This report is intended solely for the information and use of the City's management, City Council, Board of Public Works and Safety, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 17, 2012

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Pass-Through Indiana Department of Natural Resources Cooperative Forestry Assistance Urban Forestry Grant	10.664	PY2011	\$ <u>2,000</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Direct Grant			
CDBG - Entitlement Grants Cluster			
Community Development Block Grants/Entitlement Grants	14.218	B-08-MC-18-0009 B-09-MC-18-0009 B-10-MC-18-0009 B-11-MC-18-0009	211 168,674 309,864 <u>13,164</u>
Total for cluster			<u>491,913</u>
Total for federal grantor agency			<u>491,913</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Bulletproof Vest Partnership Program	16.607	PY 2011	<u>3,554</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation			
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205		
Happy Hollow Road		DES#0900002	101,019
Safe Routes to School		DES#0800011	60,020
Perimeter Parkway Phase I		DES#0501163	207,830
Yeager Road Engineering		DES#6000696	<u>1,092,358</u>
Total for cluster			<u>1,461,227</u>
Pass-Through Greater Lafayette Public Transportation Corporation			
Federal Transit Cluster			
ARRA - Federal Transit Formula Grants	20.507		
Wabash Heritage Trail Extension			<u>48,284</u>

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

CITY OF WEST LAFAYETTE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2011  
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF TRANSPORTATION (continued)</u>			
Pass-Through City of Lafayette			
Highway Safety Cluster			
State and Community Highway Safety	20.600		
Big City/Big County Enforcement Program		PT-11-04-04-30 PT-12-11-04-28	13,468 <u>791</u>
Total for program			<u>14,259</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601		
Dangerous Driving Enforcement Grant		CA-2011-08-01-18	3,979
Fatal Crash Team		K8-2011-03-02-07	829
DUI Task Force		K8-2011-03-03-29 K8-2012-03-03-30	5,508 <u>1,372</u>
Total for program			<u>11,688</u>
Total for cluster			<u>25,947</u>
Total for federal grantor agency			<u>1,535,458</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>			
Direct Grant			
Congressionally Mandated Projects	66.202		
North River Road Interceptor		XP-97560501-0	<u>156,607</u>
Pass-Through Indiana Finance Authority			
Capitalization Grants for Clean Water State Revolving Funds	66.458	CS 1824001	<u>888,046</u>
Total for federal grantor agency			<u>1,044,653</u>
Total federal awards expended			<u>\$ 3,077,578</u>

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

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

**Note 1. Basis of Presentation**

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

**Note 2. Subrecipients**

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

<u>Program Title</u>	<u>2011</u>
CDBG - Entitlement Grants Cluster	<u>\$ 62,983</u>

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:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no

Identification of Major Programs:

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

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

Auditee qualified as low-risk auditee? yes

**Section II – Financial Statement Findings**

No matters are reportable.

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

No matters are reportable.

CITY OF WEST LAFAYETTE  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CITY OF WEST LAFAYETTE  
EXIT CONFERENCE

The contents of this report were discussed on July 17, 2012, with John R. Dennis, Mayor; Ann H. Hunt, President of the Common Council; and Judith C. Rhodes, Clerk-Treasurer. Our audit disclosed no material items that warrant comment at this time.