

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF SANTA CLAUS

SPENCER COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED
11/30/2011

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	6
Notes to Financial Statement.....	7-10
Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	12-15
Schedule of Capital Assets.....	16
Schedule of Long-Term Debt	17
Exit Conference.....	18

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Kim M. Christensen	01-01-08 to 12-31-11
President of the Town Council	Ronald L. Smith	01-01-10 to 12-31-11
Chairman of the Water Board	Scot Elliott	01-01-10 to 12-31-11
Superintendent of Utilities	Russell L. Luthy	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF SANTA CLAUS, SPENCER COUNTY, INDIANA

We have examined the financial statement of the Town of Santa Claus (Town), for the period of January 1, 2010 to December 31, 2010. The Town's management is responsible for the financial statement. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Town 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 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 Town for the year ended December 31, 2010, on the basis of accounting described in Note 1.

The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt, 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 examination procedures applied to the financial statement and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Town's management, the Town Council, 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

October 6, 2011

(This page intentionally left blank.)

FINANCIAL STATEMENT

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

TOWN OF SANTA CLAUS
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 304,564	\$ 554,833	\$ 472,521	\$ 386,876
Motor Vehicle Highway	34,186	54,465	63,102	25,549
Local Roads And Street	9,721	8,684	11,000	7,405
Local Law Enf Cont Ed	6,554	2,056	-	8,610
Unsafe Building	1,025	-	-	1,025
Riverboat Gaming	30,762	12,773	8,802	34,733
Park And Recreation	53,030	96,040	74,404	74,666
Fire Donation	408	433	-	841
Rainy Day	16,948	14,348	1,502	29,794
Levy Excess	-	701	-	701
Town Marshal Special	9,578	5,411	2,130	12,859
Parks And Rec Donation	20,270	8,884	10,186	18,968
Community Center Donation	1,192	949	673	1,468
Industrial Dev	117,890	-	410	117,480
Edit Reserve	50,050	-	-	50,050
Edit Bond & Interest	3,710	45,210	48,920	-
Redevelopment Commission	-	5,119	-	5,119
Cum Cap Imp-Cig Tax	19,400	5,995	120	25,275
Cum Cap Development	62,050	24,297	65,569	20,778
Cumulative Building	91,528	26,411	29,522	88,417
Cumulative Fire	59,241	34,860	3,314	90,787
Economic Dev Income Tax	373,039	143,113	89,375	426,777
Payroll	(32)	818,689	818,660	(3)
Ww Utility Operating	894,634	913,357	1,040,718	767,273
Ww Bond & Interest	31,748	353,797	385,545	-
Ww Customer Deposits	16,729	7,858	5,000	19,587
Wastewater Reserve	416,957	-	-	416,957
Water Utility Operating	254,411	3,107,634	2,242,553	1,119,492
Water Customer Deposits	20,847	11,519	6,300	26,066
Water Utility Construction	7,476	-	7,444	32
Water Const Retainage	272,293	29,844	113,102	189,035
Totals	<u>\$ 3,180,209</u>	<u>\$ 6,287,280</u>	<u>\$ 5,500,872</u>	<u>\$ 3,966,617</u>

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

TOWN OF SANTA CLAUS
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council 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 Town (primary government), and does not include financial information for any of the Town's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the Town (primary government).

B. Basis of Accounting

The financial statements are 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 statements. The aggregate receipts may include, but are not limited to, 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 Town.

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.

TOWN OF SANTA CLAUS
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of 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, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

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

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

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

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 statements. The aggregate disbursements may include, but are not limited to, 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 Town. It includes all expenditures for the reduction of the principal and interest of the Town's general obligation indebtedness.

TOWN OF SANTA CLAUS
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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 Town 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 Town. 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 Town. 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 Town 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 Town 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 Town 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.

TOWN OF SANTA CLAUS
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 Town 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 Town 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 Town 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 Town by recording as a disbursement and replacement items purchased.

Note 6. *Pledged Revenues*

Wastewater Utility

The Utility has pledged future receipts, net of specified operating expenditures, receipts, net of specified operating expenditures, to repay revenue bonds issued in 1974. Proceeds from the bonds provided financing for wastewater improvements. The bonds are payable solely from future receipts, net of specified operating expenditures, net receipts and are payable through 2010. Annual principal and interest payments are expected to require less than 10 percent of net receipts.

The Utility has pledged future receipts, net of specified operating expenditures, receipts, net of specified operating expenditures, to repay revenue bonds issued in 1981. Proceeds from the bonds provided financing for wastewater improvements. The bonds are payable solely from future receipts, net of specified operating expenditures, net receipts and are payable through 2014. Annual principal and interest payments are expected to require less than 10 percent of net receipts.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's Annual Report can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

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 Town which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was prepared and/or approved by management of the Town. It is presented as intended by the Town.

TOWN OF SANTA CLAUS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General	Motor Vehicle Highway	Local Roads And Street	Local Law Enf Cont Ed	Unsafe Building	Riverboat Gaming	Park And Recreation	Fire Donation
Cash and investments - beginning	\$ 304,564	\$ 34,186	\$ 9,721	\$ 6,554	\$ 1,025	\$ 30,762	\$ 53,030	\$ 408
Receipts:								
Taxes	412,395	-	-	-	-	-	78,772	-
Licenses and permits	7,402	-	-	-	-	-	-	-
Intergovernmental	98,779	52,973	8,522	-	-	12,773	6,796	-
Charges for services	-	-	-	1,550	-	-	7,157	-
Fines and forfeits	1,641	-	-	499	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	34,616	1,492	162	7	-	-	3,315	433
Total receipts	554,833	54,465	8,684	2,056	-	12,773	96,040	433
Disbursements:								
Personal services	186,534	31,561	-	-	-	-	24,419	-
Supplies	25,659	7,393	-	-	-	-	27,576	-
Other services and charges	207,686	24,148	11,000	-	-	-	22,409	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	52,039	-	-	-	-	8,802	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	603	-	-	-	-	-	-	-
Total disbursements	472,521	63,102	11,000	-	-	8,802	74,404	-
Excess (deficiency) of receipts over disbursements	82,312	(8,637)	(2,316)	2,056	-	3,971	21,636	433
Cash and investments - ending	\$ 386,876	\$ 25,549	\$ 7,405	\$ 8,610	\$ 1,025	\$ 34,733	\$ 74,666	\$ 841

TOWN OF SANTA CLAUS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Rainy Day	Levy Excess	Town Marshal Special	Parks And Rec Donation	Community Center Donation	Industrial Dev	Edit Reserve	Edit Bond & Interest
Cash and investments - beginning	\$ 16,948	\$ -	\$ 9,578	\$ 20,270	\$ 1,192	\$ 117,890	\$ 50,050	\$ 3,710
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	14,348	-	-	-	-	-	-	-
Charges for services	-	-	4,505	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	-	701	906	8,884	949	-	-	45,210
Total receipts	<u>14,348</u>	<u>701</u>	<u>5,411</u>	<u>8,884</u>	<u>949</u>	<u>-</u>	<u>-</u>	<u>45,210</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	1,502	-	2,130	10,186	673	-	-	-
Other services and charges	-	-	-	-	-	-	-	48,920
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	410	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	<u>1,502</u>	<u>-</u>	<u>2,130</u>	<u>10,186</u>	<u>673</u>	<u>410</u>	<u>-</u>	<u>48,920</u>
Excess (deficiency) of receipts over disbursements	<u>12,846</u>	<u>701</u>	<u>3,281</u>	<u>(1,302)</u>	<u>276</u>	<u>(410)</u>	<u>-</u>	<u>(3,710)</u>
Cash and investments - ending	<u>\$ 29,794</u>	<u>\$ 701</u>	<u>\$ 12,859</u>	<u>\$ 18,968</u>	<u>\$ 1,468</u>	<u>\$ 117,480</u>	<u>\$ 50,050</u>	<u>\$ -</u>

TOWN OF SANTA CLAUS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Redevelopment Commission	Cum Cap Imp-Cig Tax	Cum Cap Development	Cumulative Building	Cumulative Fire	Economic Dev Income Tax	Payroll	Ww Utility Operating
Cash and investments - beginning	\$ -	\$ 19,400	\$ 62,050	\$ 91,528	\$ 59,241	\$ 373,039	\$ (32)	\$ 894,634
Receipts:								
Taxes	-	-	22,368	24,313	32,092	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	5,976	1,929	2,098	2,768	142,885	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	884,946
Penalties	-	-	-	-	-	-	-	10,194
Other receipts	5,119	19	-	-	-	228	818,689	18,217
Total receipts	5,119	5,995	24,297	26,411	34,860	143,113	818,689	913,357
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	120	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	45,210	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	65,569	29,522	3,314	44,165	-	83,759
Utility operating expenses	-	-	-	-	-	-	-	585,849
Other disbursements	-	-	-	-	-	-	818,660	371,110
Total disbursements	-	120	65,569	29,522	3,314	89,375	818,660	1,040,718
Excess (deficiency) of receipts over disbursements	5,119	5,875	(41,272)	(3,111)	31,546	53,738	29	(127,361)
Cash and investments - ending	\$ 5,119	\$ 25,275	\$ 20,778	\$ 88,417	\$ 90,787	\$ 426,777	\$ (3)	\$ 767,273

TOWN OF SANTA CLAUS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Ww Bond & Interest	Ww Customer Deposits	Wastewater Reserve	Water Utility Operating	Water Customer Deposits	Water Utility Construction	Water Const Retainage	Totals
Cash and investments - beginning	\$ 31,748	\$ 16,729	\$ 416,957	\$ 254,411	\$ 20,847	\$ 7,476	\$ 272,293	\$ 3,180,209
Receipts:								
Taxes	-	-	-	-	-	-	-	569,940
Licenses and permits	-	-	-	-	-	-	-	7,402
Intergovernmental	-	-	-	-	-	-	-	349,847
Charges for services	-	-	-	-	-	-	-	13,212
Fines and forfeits	-	-	-	-	-	-	-	2,140
Utility fees	-	-	-	1,276,117	-	-	-	2,161,063
Penalties	-	-	-	2,900	-	-	-	13,094
Other receipts	353,797	7,858	-	1,828,617	11,519	-	29,844	3,170,582
Total receipts	<u>353,797</u>	<u>7,858</u>	<u>-</u>	<u>3,107,634</u>	<u>11,519</u>	<u>-</u>	<u>29,844</u>	<u>6,287,280</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	242,514
Supplies	-	-	-	-	-	-	-	75,239
Other services and charges	-	-	-	-	-	-	-	359,373
Debt service - principal and interest	385,545	-	-	-	-	-	-	385,545
Capital outlay	-	-	-	1,260,111	-	7,444	-	1,555,135
Utility operating expenses	-	5,000	-	890,219	6,300	-	-	1,487,368
Other disbursements	-	-	-	92,223	-	-	113,102	1,395,698
Total disbursements	<u>385,545</u>	<u>5,000</u>	<u>-</u>	<u>2,242,553</u>	<u>6,300</u>	<u>7,444</u>	<u>113,102</u>	<u>5,500,872</u>
Excess (deficiency) of receipts over disbursements	<u>(31,748)</u>	<u>2,858</u>	<u>-</u>	<u>865,081</u>	<u>5,219</u>	<u>(7,444)</u>	<u>(83,258)</u>	<u>786,408</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 19,587</u>	<u>\$ 416,957</u>	<u>\$ 1,119,492</u>	<u>\$ 26,066</u>	<u>\$ 32</u>	<u>\$ 189,035</u>	<u>\$ 3,966,617</u>

TOWN OF SANTA CLAUS
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2010

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>
Town of Santa Claus:	
Capital assets, not being depreciated:	
Land	\$ 283,250
Infrastructure	1,615,609
Buildings	738,410
Improvements other than buildings	2,085,532
Machinery and equipment	328,178
Transportation equipment	643,419
Construction in progress	<u>19,450</u>
Total Town capital assets	<u>5,713,848</u>
Water Utility:	
Capital assets, not being depreciated:	
Land	111,776
Buildings	496,851
Improvements other than buildings	2,492,574
Machinery and equipment	25,411
Transportation equipment	<u>76,052</u>
Total Water Utility capital assets	<u>3,202,664</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	17,103
Buildings	657,216
Improvements other than buildings	9,821,743
Machinery and equipment	269,688
Transportation equipment	<u>77,003</u>
Total Wastewater Utility capital assets	<u>10,842,753</u>
Total Town, Water and Wastewater capital assets	<u><u>\$ 19,759,265</u></u>

TOWN OF SANTA CLAUS
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 Decemeber 31, 2010

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
State revolving loans payable:		
2008 Water plant, wells and lines	\$ 5,876,000	\$ 440,176
2000 Sewer treatment plant and collection system	2,440,000	225,160
2001 Sewage works improvements	585,000	70,155
2001 Sewage works improvements	410,000	47,630
Bonds payable:		
Revenue bonds:		
1981 Sewer line extension and lift station	66,000	9,300
1974 Sewage works improvements	<u>287,000</u>	<u>81,350</u>
Total debt	<u>\$ 9,664,000</u>	<u>\$ 873,771</u>

TOWN OF SANTA CLAUS
EXIT CONFERENCE

The contents of this report were discussed on October 6, 2011, with Kim M. Christensen, Clerk-Treasurer, and Ronald L. Smith, President of the Town Council. Our examination disclosed no material items that warrant comment at this time.