

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

EXAMINATION REPORT
OF
TOWN OF ASHLEY
STEUBEN COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED
12/29/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Karen McEntarfer	01-01-08 to 12-31-11
President of the Town Council	Richard Schiffl Paul Kennedy	01-01-10 to 12-31-10 01-01-11 to 12-31-11
Superintendent of Utilities	James Pence	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF ASHLEY, STEUBEN COUNTY, INDIANA

We have examined the financial statement of the Town of Ashley (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, 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

December 13, 2011

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FINANCIAL STATEMENT

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

TOWN OF ASHLEY
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	\$ 307,235	\$ 805,261	\$ 651,612	\$ 460,884
Cash Change	25	-	-	25
Motor Vehicle Highway	47,980	68,565	89,108	27,437
Local Roads And Streets	21,724	6,806	4,221	24,309
Fire/Police Donation	-	1,012	1,012	-
Operation Pull Over	-	5,850	5,814	36
Law Enforcement Continuing Education	1,195	654	728	1,121
Riverboat	47,414	6,511	-	53,925
Parks And Recreation	8,540	269	-	8,809
Fire Fighting	13,394	4,298	5,000	12,692
Rainy Day	35,043	18,410	-	53,453
Levy Excess	-	1,518	-	1,518
Tax Incremental Financing	940,041	379,555	506,303	813,293
Local Option Income Tax	10,672	9,442	-	20,114
Corporation Bond And Interest	(606)	606	-	-
Cumulative Capital Improvement	31,394	3,067	3,474	30,987
Cumulative Capital Development	64,564	16,879	-	81,443
CEDIT	274,351	54,135	122,434	206,052
Major Moves	202,629	456	-	203,085
Payroll	-	578,691	578,691	-
Garbage	2,976	37,608	35,935	4,649
Wastewater Utility - Operating	480,392	406,410	495,242	391,560
Wastewater Utility - Bond And Interest	102,598	181,944	180,563	103,979
Wastewater Utility - Depreciation	85,046	212	-	85,258
Wastewater Utility - Equipment Replacement	113,513	212	-	113,725
Wastewater Utility - Debt Service Reserve	174,719	11,513	-	186,232
Water Utility - Operating	82,149	280,302	264,317	98,134
Water Utility - Bond And Interest	-	72,415	72,415	-
Water Utility - Depreciation	45,370	142	3,138	42,374
Water Utility - Customer Deposit	11,600	2,850	4,775	9,675
Water Utility - Debt Service Reserve	75,879	280	-	76,159
Totals	<u>\$ 3,179,837</u>	<u>\$ 2,955,873</u>	<u>\$ 3,024,782</u>	<u>\$ 3,110,928</u>

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

TOWN OF ASHLEY
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, culture and recreation, public improvements, planning and zoning, general administrative services, water and wastewater services.

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 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 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 ASHLEY
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 ASHLEY
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.

H. Rounding Differences

The financial statement may contain immaterial differences due to rounding of amounts when the statement was compiled. These differences are considered trivial and do not affect the overall presentation of the financial statement.

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

TOWN OF ASHLEY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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 statement. 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. Pension Plan

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 Town 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.

TOWN OF ASHLEY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Indiana Public Retirement System
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 PERF.

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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 approved by management of the Town. It is presented as intended by the Town.

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

	General	Cash Change	Motor Vehicle Highway	Local Roads And Streets	Fire/Police Donation	Operation Pull Over	Law Enforcement Continuing Education	Riverboat
Cash and investments - beginning	\$ 307,235	\$ 25	\$ 47,980	\$ 21,724	\$ -	\$ -	\$ 1,195	\$ 47,414
Receipts:								
Taxes	454,720	-	39,677	-	-	-	-	-
Intergovernmental	179,891	-	28,784	6,713	-	5,850	-	6,321
Charges for services	16,999	-	-	-	-	-	271	-
Fines and forfeits	3,785	-	-	-	-	-	380	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	149,866	-	104	93	1,012	-	3	190
Total receipts	<u>805,261</u>	<u>-</u>	<u>68,565</u>	<u>6,806</u>	<u>1,012</u>	<u>5,850</u>	<u>654</u>	<u>6,511</u>
Disbursements:								
Personal services	268,212	-	66,902	-	-	5,814	-	-
Supplies	36,748	-	8,749	-	-	-	-	-
Other services and charges	256,268	-	13,457	4,221	-	-	728	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	90,384	-	-	-	1,012	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	<u>651,612</u>	<u>-</u>	<u>89,108</u>	<u>4,221</u>	<u>1,012</u>	<u>5,814</u>	<u>728</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>153,649</u>	<u>-</u>	<u>(20,543)</u>	<u>2,585</u>	<u>-</u>	<u>36</u>	<u>(74)</u>	<u>6,511</u>
Cash and investments - ending	<u>\$ 460,884</u>	<u>\$ 25</u>	<u>\$ 27,437</u>	<u>\$ 24,309</u>	<u>\$ -</u>	<u>\$ 36</u>	<u>\$ 1,121</u>	<u>\$ 53,925</u>

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

	Parks And Recreation	Fire Fighting	Rainy Day	Levy Excess	Tax Incremental Financing	Local Option Income Tax	Corporation Bond And Interest	Cumulative Capital Improvement
Cash and investments - beginning	\$ 8,540	\$ 13,394	\$ 35,043	\$ -	\$ 940,041	\$ 10,672	\$ (606)	\$ 31,394
Receipts:								
Taxes	-	-	-	-	376,699	-	606	-
Intergovernmental	-	-	18,227	1,518	-	9,389	-	2,957
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	4,268	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	269	30	183	-	2,856	53	-	110
Total receipts	<u>269</u>	<u>4,298</u>	<u>18,410</u>	<u>1,518</u>	<u>379,555</u>	<u>9,442</u>	<u>606</u>	<u>3,067</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	5,000	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	506,303	-	-	3,474
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>506,303</u>	<u>-</u>	<u>-</u>	<u>3,474</u>
Excess (deficiency) of receipts over disbursements	<u>269</u>	<u>(702)</u>	<u>18,410</u>	<u>1,518</u>	<u>(126,748)</u>	<u>9,442</u>	<u>606</u>	<u>(407)</u>
Cash and investments - ending	<u>\$ 8,809</u>	<u>\$ 12,692</u>	<u>\$ 53,453</u>	<u>\$ 1,518</u>	<u>\$ 813,293</u>	<u>\$ 20,114</u>	<u>\$ -</u>	<u>\$ 30,987</u>

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

	Cumulative Capital Development	CEDIT	Major Moves	Payroll	Garbage	Wastewater Utility Operating	Wastewater Utility Bond And Interest	Wastewater Utility Depreciation
Cash and investments - beginning	\$ 64,564	\$ 274,351	\$ 202,629	\$ -	\$ 2,976	\$ 480,392	\$ 102,598	\$ 85,046
Receipts:								
Taxes	15,835	-	-	-	-	-	-	-
Intergovernmental	824	53,115	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	37,608	402,394	-	-
Other receipts	220	1,020	456	578,691	-	4,016	181,944	212
Total receipts	16,879	54,135	456	578,691	37,608	406,410	181,944	212
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	180,563	-
Capital outlay	-	122,434	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	35,935	335,033	-	-
Other disbursements	-	-	-	578,691	-	160,209	-	-
Total disbursements	-	122,434	-	578,691	35,935	495,242	180,563	-
Excess (deficiency) of receipts over disbursements	16,879	(68,299)	456	-	1,673	(88,832)	1,381	212
Cash and investments - ending	\$ 81,443	\$ 206,052	\$ 203,085	\$ -	\$ 4,649	\$ 391,560	\$ 103,979	\$ 85,258

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

	Wastewater Utility Equipment Replacement	Wastewater Utility Debt Service Reserve	Water Utility Operating	Water Utility Bond And Interest	Water Utility Depreciation	Water Utility Customer Deposit	Water Utility Debt Service Reserve	Totals
Cash and investments - beginning	\$ 113,513	\$ 174,719	\$ 82,149	\$ -	\$ 45,370	\$ 11,600	\$ 75,879	\$ 3,179,837
Receipts:								
Taxes	-	-	-	-	-	-	-	887,537
Intergovernmental	-	-	-	-	-	-	-	313,589
Charges for services	-	-	-	-	-	-	-	17,270
Fines and forfeits	-	-	-	-	-	-	-	8,433
Utility fees	-	-	275,008	-	-	-	-	715,010
Other receipts	212	11,513	5,294	72,415	142	2,850	280	1,014,034
Total receipts	212	11,513	280,302	72,415	142	2,850	280	2,955,873
Disbursements:								
Personal services	-	-	-	-	-	-	-	340,928
Supplies	-	-	-	-	-	-	-	45,497
Other services and charges	-	-	-	-	-	-	-	279,674
Debt service - principal and interest	-	-	-	72,415	-	-	-	252,978
Capital outlay	-	-	-	-	3,138	-	-	726,745
Utility operating expenses	-	-	173,971	-	-	4,775	-	549,714
Other disbursements	-	-	90,346	-	-	-	-	829,246
Total disbursements	-	-	264,317	72,415	3,138	4,775	-	3,024,782
Excess (deficiency) of receipts over disbursements	212	11,513	15,985	-	(2,996)	(1,925)	280	(68,909)
Cash and investments - ending	\$ 113,725	\$ 186,232	\$ 98,134	\$ -	\$ 42,374	\$ 9,675	\$ 76,159	\$ 3,110,928

TOWN OF ASHLEY
 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.

General infrastructure assets completed in the current and prior years have been reported. Retroactive reporting of general infrastructure assets will not be done.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 79,684
Infrastructure	719,741
Buildings	3,717,075
Improvements other than buildings	169,201
Machinery and equipment	<u>944,662</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 5,630,363</u>
<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 10,933
Buildings	208,584
Improvements other than buildings	2,908,614
Machinery and equipment	<u>202,885</u>
Total Water Utility capital assets	<u>3,331,016</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	5,926
Improvements other than buildings	4,960,537
Machinery and equipment	<u>757,786</u>
Total Wastewater Utility capital assets	<u>5,724,249</u>
Total business-type activities capital assets	<u>\$ 9,055,265</u>

TOWN OF ASHLEY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Water Utility:		
Revenue bonds:		
Waterworks expansion	\$ 750,000	\$ 72,750
Wastewater Utility:		
Revenue bonds:		
Sewage works improvements	337,000	63,795
State Revolving Fund Loan:		
Sewage works, wastewater expansion	2,144,000	117,780
 Total Wastewater Utility	 2,481,000	 181,575
 Total business-type activities debt	 \$ 3,231,000	 \$ 254,325

TOWN OF ASHLEY
EXIT CONFERENCE

The contents of this report were discussed on December 13, 2011, with Karen McEntarfer, Clerk-Treasurer, and Richard Schiffli, former President of the Town Council. Our examination disclosed no material items that warrant comment at this time.