

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

EXAMINATION REPORT  
OF  
TOWN OF PIERCETON  
KOSCIUSKO COUNTY, INDIANA  
January 1, 2010 to December 31, 2010



**FILED**  
09/21/2011



## 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.....	7-11
Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	14-18
Schedule of Capital Assets.....	19
Schedule of Long-Term Debt .....	20
Exit Conference.....	21

OFFICIALS

Office

Official

Term

Clerk-Treasurer

Janet Castle

01-01-08 to 12-31-11

President of the Town Council

Jerry Hartman  
Jerry Kreger

01-01-10 to 12-31-10  
01-01-11 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 PIERCETON, KOSCIUSKO COUNTY, INDIANA

We have examined the financial statement of the Town of Pierceton (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 Schedules 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 and 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

August 9, 2011

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FINANCIAL STATEMENT

TOWN OF PIERCETON  
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	\$ 163,929	\$ 288,958	\$ 317,123	\$ 135,764
Motor Vehicle Highway	57,651	19,217	19,838	57,030
Local Road and Street	23,539	7,131	-	30,670
Park Nonreverting	3,611	1,833	35	5,409
Skatepark Donation	4,158	-	-	4,158
Economic Development Operating	1,000	-	-	1,000
Park	26,298	14,974	8,717	32,555
Senior Center Donation	58	-	-	58
Rainy Day	22,628	44,427	4,362	62,693
Local Law	2,963	949	-	3,912
Dare	1,335	624	624	1,335
Levy Excess	-	628	-	628
Police Grants	(400)	16,212	16,587	(775)
Tax Increment Financing	1,210,345	301,633	95,323	1,416,655
McNamara	11,324	-	-	11,324
Cumulative Capital Development	93,181	-	-	93,181
Industrial Development	25,098	-	-	25,098
Cumulative Capital Improvement	39,842	2,041	-	41,883
Economic Development Income Tax	158,881	50,801	35,000	174,682
Soc Sec/Med Withheld	(979)	26,952	25,973	-
Fed Withheld	(1,764)	50,786	49,013	9
State Withheld	1,078	12,944	13,046	976
County Withheld	510	3,565	3,600	475
Insurance Withheld	-	281	-	281
Restricted Donations	33,591	1,650	2,300	32,941
PERF	4,460	9,961	9,997	4,424
Other Withheld	-	8,063	8,063	-
HSA Withheld	(80)	2,340	2,560	(300)
Deferred Comp Withheld	182	2,093	2,366	(91)
Sewer Operating	126,121	389,047	460,143	55,025
Sewer Bond And Interest	117,170	175,828	124,663	168,335
Sewer Improvement	48,464	-	-	48,464
Water Operating	34,525	206,886	215,039	26,372
Water Meter Deposit	14,939	2,090	1,865	15,164
Totals	<u>\$ 2,223,658</u>	<u>\$ 1,641,914</u>	<u>\$ 1,416,237</u>	<u>\$ 2,449,335</u>

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

TOWN OF PIERCETON  
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 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 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 non-businesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

TOWN OF PIERCETON  
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 statement. 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 PIERCETON  
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 PIERCETON  
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 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 any replacement items purchased.

**Note 6. *Pension Plan***

*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 PERF 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.

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

TOWN OF PIERCETON  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

*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 Reports can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/).

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

	General	Motor Vehicle Highway	Local Road and Street	Park Nonreverting	Skatepark Donation	Economic Development Operating	Park
Cash and investments - beginning	\$ 163,929	\$ 57,651	\$ 23,539	\$ 3,611	\$ 4,158	\$ 1,000	\$ 26,298
Receipts:							
Taxes	-	-	-	-	-	-	573
Licenses and permits	121	-	-	-	-	-	-
Intergovernmental	107,415	19,217	7,131	-	-	-	-
Charges for services	-	-	-	1,500	-	-	-
Fines and forfeits	656	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	180,766	-	-	333	-	-	14,401
Total receipts	<u>288,958</u>	<u>19,217</u>	<u>7,131</u>	<u>1,833</u>	<u>-</u>	<u>-</u>	<u>14,974</u>
Disbursements:							
Personal services	188,243	4,224	-	-	-	-	-
Supplies	17,956	6,074	-	-	-	-	-
Other services and charges	95,954	2,583	-	35	-	-	8,717
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	14,970	6,957	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>317,123</u>	<u>19,838</u>	<u>-</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>8,717</u>
Excess (deficiency) of receipts over disbursements	<u>(28,165)</u>	<u>(621)</u>	<u>7,131</u>	<u>1,798</u>	<u>-</u>	<u>-</u>	<u>6,257</u>
Cash and investments - ending	<u>\$ 135,764</u>	<u>\$ 57,030</u>	<u>\$ 30,670</u>	<u>\$ 5,409</u>	<u>\$ 4,158</u>	<u>\$ 1,000</u>	<u>\$ 32,555</u>

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

	Senior Center Donation	Rainy Day	Local Law	Dare	Levy Excess	Police Grants	Tax Increment Financing
Cash and investments - beginning	\$ 58	\$ 22,628	\$ 2,963	\$ 1,335	\$ -	\$ (400)	\$ 1,210,345
Receipts:							
Taxes	-	-	-	-	628	-	-
Licenses and permits	-	-	50	-	-	-	-
Intergovernmental	-	44,427	-	-	-	16,212	301,633
Charges for services	-	-	249	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	650	624	-	-	-
Total receipts	-	44,427	949	624	628	16,212	301,633
Disbursements:							
Personal services	-	-	-	-	-	16,587	-
Supplies	-	-	-	624	-	-	-
Other services and charges	-	4,362	-	-	-	-	525
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	94,798
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	4,362	-	624	-	16,587	95,323
Excess (deficiency) of receipts over disbursements	-	40,065	949	-	628	(375)	206,310
Cash and investments - ending	\$ 58	\$ 62,693	\$ 3,912	\$ 1,335	\$ 628	\$ (775)	\$ 1,416,655

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

	McNamara	Cumulative Capital Development	Industrial Development	Cumulative Capital Improvement	Economic Development Income Tax	Soc.Sec/Med Withheld	Fed Withheld
Cash and investments - beginning	\$ 11,324	\$ 93,181	\$ 25,098	\$ 39,842	\$ 158,881	\$ (979)	\$ (1,764)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	2,041	50,801	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	26,952	50,786
Total receipts	-	-	-	2,041	50,801	26,952	50,786
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	35,000	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	25,973	49,013
Total disbursements	-	-	-	-	35,000	25,973	49,013
Excess (deficiency) of receipts over disbursements	-	-	-	2,041	15,801	979	1,773
Cash and investments - ending	\$ 11,324	\$ 93,181	\$ 25,098	\$ 41,883	\$ 174,682	\$ -	\$ 9

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

	State Withheld	County Withheld	Insurance Withheld	Restricted Donations	PERF	Other Withheld	HSA Withheld
Cash and investments - beginning	\$ 1,078	\$ 510	\$ -	\$ 33,591	\$ 4,460	\$ -	\$ (80)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	12,944	3,565	281	1,650	9,961	8,063	2,340
Total receipts	12,944	3,565	281	1,650	9,961	8,063	2,340
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	13,046	3,600	-	2,300	9,997	8,063	2,560
Total disbursements	13,046	3,600	-	2,300	9,997	8,063	2,560
Excess (deficiency) of receipts over disbursements	(102)	(35)	281	(650)	(36)	-	(220)
Cash and investments - ending	\$ 976	\$ 475	\$ 281	\$ 32,941	\$ 4,424	\$ -	\$ (300)

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

	Deferred Comp Withheld	Sewer Operating	Sewer Bond And Interest	Sewer Improvement	Water Operating	Water Meter Deposit	Totals
Cash and investments - beginning	\$ 182	\$ 126,121	\$ 117,170	\$ 48,464	\$ 34,525	\$ 14,939	\$ 2,223,658
Receipts:							
Taxes	-	-	-	-	-	-	1,201
Licenses and permits	-	-	-	-	-	-	171
Intergovernmental	-	48,000	-	-	22,300	-	619,177
Charges for services	-	-	-	-	-	-	1,749
Fines and forfeits	-	-	-	-	-	-	656
Utility fees	-	326,004	-	-	168,546	-	494,550
Penalties	-	7,014	-	-	734	-	7,748
Other receipts	2,093	8,029	175,828	-	15,306	2,090	516,662
Total receipts	2,093	389,047	175,828	-	206,886	2,090	1,641,914
Disbursements:							
Personal services	-	-	-	-	-	-	209,054
Supplies	-	-	-	-	-	-	24,654
Other services and charges	-	-	-	-	-	-	112,176
Debt service - principal and interest	-	-	58,988	-	-	-	58,988
Capital outlay	-	13,185	-	-	9,099	-	174,009
Utility operating expenses	-	262,282	-	-	182,698	1,865	446,845
Other disbursements	2,366	184,676	65,675	-	23,242	-	390,511
Total disbursements	2,366	460,143	124,663	-	215,039	1,865	1,416,237
Excess (deficiency) of receipts over disbursements	(273)	(71,096)	51,165	-	(8,153)	225	225,677
Cash and investments - ending	\$ (91)	\$ 55,025	\$ 168,335	\$ 48,464	\$ 26,372	\$ 15,164	\$ 2,449,335

TOWN OF PIERCETON  
 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>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 98,199
Buildings	1,251,092
Improvements other than buildings	176,419
Machinery and equipment	<u>628,148</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 2,153,858</u>
 Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 12,000
Buildings	191,952
Improvements other than buildings	626,311
Machinery and equipment	<u>172,478</u>
 Total Water Utility capital assets	 <u>1,002,741</u>
 Wastewater Utility:	
Capital assets, not being depreciated:	
Land	148,232
Buildings	1,108,669
Improvements other than buildings	2,647,361
Machinery and equipment	<u>82,065</u>
 Total Wastewater Utility capital assets	 <u>3,986,327</u>
 Total business-type activities capital assets	 <u>\$ 4,989,068</u>

TOWN OF PIERCETON  
 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:		
Wastewater Utility:		
Revenue bonds:		
Refunding Bonds of 2004	\$ 1,280,000	\$ 126,555

TOWN OF PIERCETON  
EXIT CONFERENCE

The contents of this report were discussed on August 9, 2011, with Jerry Kreger, President of Town Council; and Janet Castle, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.