

TOWN OF GRAND CHUTE, WISCONSIN

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2010

TOWN OF GRAND CHUTE, WISCONSIN
December 31, 2010

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INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS

To the Town Board
Town of Grand Chute, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Grand Chute, Wisconsin ("the Town") as of and for the year ended December 31, 2010, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Grand Chute's management. Our responsibility is to express opinions on these basic financial statements 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 statements are 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 Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund, and the special assessment special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2011, on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Grand Chute, Wisconsin's financial statements as a whole. The financial information listed in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. The supplemental information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Certified Public Accountants
Green Bay, Wisconsin
June 20, 2011

BASIC FINANCIAL STATEMENTS

TOWN OF GRAND CHUTE, WISCONSIN

Statement of Net Assets

December 31, 2010

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 21,215,402	\$ 11,172,719	\$ 32,388,121
Receivables			
Taxes	7,797,682	-	7,797,682
Special assessments	3,435,628	3,449,864	6,885,492
Accounts	741,184	2,302,771	3,043,955
Internal balances	1,231,329	(1,231,329)	-
Receivable from fiduciary fund	-	468,442	468,442
Inventories and prepaid items	196,599	54,044	250,643
Deferred charges	187,808	165,687	353,495
Restricted assets			
Cash and investments	-	2,462,930	2,462,930
Capital assets, nondepreciable			
Land	2,586,389	1,000,709	3,587,098
Construction in progress	5,958,351	3,056,408	9,014,759
Capital assets, depreciable			
Land improvements	1,261,790	5,477,685	6,739,475
Buildings	12,775,942	177,432	12,953,374
Machinery and equipment	5,935,889	2,096,461	8,032,350
Infrastructure	54,672,912	55,177,515	109,850,427
Less: Accumulated depreciation	(32,001,058)	(14,670,540)	(46,671,598)
TOTAL ASSETS	85,995,847	71,160,798	157,156,645
LIABILITIES			
Accounts payable	1,057,893	779,601	1,837,494
Accrued and other current liabilities	299,443	23,727	323,170
Accrued interest payable	221,226	126,417	347,643
Due to other governments	1,418	735,850	737,268
Unearned revenues	10,529,329	19,400	10,548,729
Long-term obligations			
Due within one year	5,325,462	2,434,538	7,760,000
Due in more than one year	19,843,498	11,027,491	30,870,989
TOTAL LIABILITIES	37,278,269	15,147,024	52,425,293
NET ASSETS			
Invested in capital assets, net of related debt	33,659,352	40,664,360	74,323,712
Restricted for			
Debt service	149,445	-	149,445
Unrestricted	14,908,781	15,349,414	30,258,195
TOTAL NET ASSETS	\$ 48,717,578	\$ 56,013,774	\$ 104,731,352

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

TOWN OF GRAND CHUTE, WISCONSIN

Statement of Activities

For the Year Ended December 31, 2010

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 1,814,223	\$ 414,130	\$ 81,154	\$ -
Public safety	6,276,872	344,148	243,090	-
Public works	6,201,524	999,357	1,571,820	1,531,231
Culture and recreation	212,164	44,885	1,461	-
Conservation and development	1,259,089	307,087	-	-
Interest on debt	714,490	-	-	-
Total Governmental Activities	16,478,362	2,109,607	1,897,525	1,531,231
Business-type Activities				
Water utility	4,918,555	4,858,041	-	43,774
Sewer utility	2,829,044	2,747,131	-	-
Storm water utility	763,080	2,730,152	-	298,536
Total Business-type Activities	8,510,679	10,335,324	-	342,310
Total	\$ 24,989,041	\$ 12,444,931	\$ 1,897,525	\$ 1,873,541

General revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for specific purposes

Other taxes and franchise fees

Federal and state grants and other contributions

not restricted to specific functions

Interest and investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Net assets - January 1

Net assets - December 31

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

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total

\$ (1,318,939)	\$ -	\$ (1,318,939)
(5,689,634)	-	(5,689,634)
(2,099,116)	-	(2,099,116)
(165,818)	-	(165,818)
(952,002)	-	(952,002)
(714,490)	-	(714,490)
<u>(10,939,999)</u>	<u>-</u>	<u>(10,939,999)</u>

-	(16,740)	(16,740)
-	(81,913)	(81,913)
-	2,265,608	2,265,608
<u>-</u>	<u>2,166,955</u>	<u>2,166,955</u>

<u>(10,939,999)</u>	<u>2,166,955</u>	<u>(8,773,044)</u>
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7,021,856	19,400	7,041,256
2,600,000	-	2,600,000
933,915	-	933,915
411,220	441	411,661
460,560	151,679	612,239
115,724	-	115,724
22,866	(22,866)	-
<u>11,566,141</u>	<u>148,654</u>	<u>11,714,795</u>

626,142	2,315,609	2,941,751
<u>48,091,436</u>	<u>53,698,165</u>	<u>101,789,601</u>

<u>\$ 48,717,578</u>	<u>\$ 56,013,774</u>	<u>\$ 104,731,352</u>
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TOWN OF GRAND CHUTE, WISCONSIN

Balance Sheet
Governmental Funds
December 31, 2010

	General	Special Assessment	Debt Service
ASSETS			
Cash and investments	\$ 5,072,128	\$ 7,707,341	\$ 942,252
Receivables			
Taxes	5,430,896	759,593	1,607,193
Special assessments	-	3,435,628	-
Accounts	509,438	-	-
Due from other funds	1,248,350	-	-
Inventories and prepaid items	196,599	-	-
TOTAL ASSETS	\$ 12,457,411	\$ 11,902,562	\$ 2,549,445
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 330,775	\$ 2,154	\$ -
Accrued and other current liabilities	299,443	-	-
Due to other funds	-	-	-
Due to other governments	1,418	-	-
Deferred revenues	8,122,829	4,569,919	2,400,000
Total Liabilities	8,754,465	4,572,073	2,400,000
Fund Balances			
Reserved for			
Inventories and prepaid items	196,599	-	-
Debt service	-	-	149,445
Unreserved			
Designated for			
Equipment replacement	590,900	-	-
Dental insurance	13,641	-	-
Undesignated, reported in			
General fund	2,901,806	-	-
Special revenue funds	-	7,330,489	-
Capital projects funds	-	-	-
Total Fund Balances	3,702,946	7,330,489	149,445
TOTAL LIABILITIES AND FUND BALANCES	\$ 12,457,411	\$ 11,902,562	\$ 2,549,445

(Continued)

Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 7,318,351	\$ 175,330	\$ 21,215,402
-	-	7,797,682
-	-	3,435,628
-	231,746	741,184
-	-	1,248,350
-	-	196,599
<u>\$ 7,318,351</u>	<u>\$ 407,076</u>	<u>\$ 34,634,845</u>

\$ 510,238	\$ 214,726	\$ 1,057,893
-	-	299,443
-	17,021	17,021
-	-	1,418
-	6,500	15,099,248
<u>510,238</u>	<u>238,247</u>	<u>16,475,023</u>

-	-	196,599
-	-	149,445
-	-	590,900
-	-	13,641
-	-	2,901,806
-	168,829	7,499,318
6,808,113	-	6,808,113
<u>6,808,113</u>	<u>168,829</u>	<u>18,159,822</u>
<u>\$ 7,318,351</u>	<u>\$ 407,076</u>	<u>\$ 34,634,845</u>

TOWN OF GRAND CHUTE, WISCONSIN

Balance Sheet (Continued)

Governmental Funds

December 31, 2010

Reconciliation to the Statement of Net Assets

Total Fund Balances as shown on previous page \$ 18,159,822

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. 51,190,215

Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.
Special assessments 4,569,919

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and notes payable	\$ (24,338,976)	
Debt premium	(211,857)	
Loss on advance refunding	29,660	
Compensated absences	(647,787)	
Deferred charges - bond issues	187,808	
Accrued interest on long-term obligations	(221,226)	(25,202,378)

Net Assets of Governmental Activities as Reported on the Statement of Net Assets (see page 3) \$ 48,717,578

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

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2010

	General	Special Assessment	Debt Service
Revenues			
Taxes	\$ 7,028,224	\$ -	\$ 2,600,000
Special assessments	105,433	1,506,331	-
Intergovernmental	2,305,236	-	-
Licenses and permits	736,261	-	-
Fines and forfeitures	281,153	-	-
Public charges for services	819,746	-	-
Intergovernmental charges for services	213,274	-	-
Miscellaneous	200,748	220,534	134,184
Total Revenues	<u>11,690,075</u>	<u>1,726,865</u>	<u>2,734,184</u>
Expenditures			
Current			
General government	1,428,466	-	-
Public safety	6,178,231	-	-
Public works	3,137,295	-	-
Culture and recreation	164,356	-	-
Conservation and development	649,907	-	-
Debt service			
Principal	-	-	3,520,934
Interest and fiscal charges	-	-	753,971
Capital outlay	-	-	-
Total Expenditures	<u>11,558,255</u>	<u>-</u>	<u>4,274,905</u>
Excess of Revenues Over (Under) Expenditures	<u>131,820</u>	<u>1,726,865</u>	<u>(1,540,721)</u>
Other Financing Sources (Uses)			
Long-term debt issued	-	-	-
Debt premium	-	-	89,252
Sale of capital assets	18,407	-	-
Transfers in	280,772	-	1,500,000
Transfers out	-	(1,500,000)	-
Total Other Financing Sources (Uses)	<u>299,179</u>	<u>(1,500,000)</u>	<u>1,589,252</u>
Net Change in Fund Balances	430,999	226,865	48,531
Fund Balances - January 1	<u>3,271,947</u>	<u>7,103,624</u>	<u>100,914</u>
Fund Balances - December 31	<u>\$ 3,702,946</u>	<u>\$ 7,330,489</u>	<u>\$ 149,445</u>

(Continued)

Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 927,547	\$ 10,555,771
-	-	1,611,764
-	-	2,305,236
-	-	736,261
-	-	281,153
-	48,473	868,219
-	-	213,274
28,141	8,336	591,943
<u>28,141</u>	<u>984,356</u>	<u>17,163,621</u>
-	-	1,428,466
-	3,603	6,181,834
-	-	3,137,295
-	-	164,356
-	639,562	1,289,469
-	-	3,520,934
41,738	-	795,709
4,225,587	-	4,225,587
<u>4,267,325</u>	<u>643,165</u>	<u>20,743,650</u>
<u>(4,239,184)</u>	<u>341,191</u>	<u>(3,580,029)</u>
5,950,000	-	5,950,000
-	-	89,252
-	-	18,407
-	-	1,780,772
-	(257,906)	(1,757,906)
<u>5,950,000</u>	<u>(257,906)</u>	<u>6,080,525</u>
1,710,816	83,285	2,500,496
5,097,297	85,544	15,659,326
<u>\$ 6,808,113</u>	<u>\$ 168,829</u>	<u>\$ 18,159,822</u>

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended December 31, 2010

Reconciliation to the Statement of Activities

Net Change in Fund Balances as shown on previous page \$ 2,500,496

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital assets reported as capital outlay in governmental fund statements	\$ 4,322,374	
Depreciation expense reported in the statement of activities	<u>(3,543,358)</u>	
Amount by which capital outlays exceed depreciation in current period		779,016

In governmental funds the entire proceeds, if any, from the disposal of capital assets is reported as an other financing source. In the statement of activities only the gain (or loss) on the disposal is reported.

Proceeds from the disposition of capital assets as reported on the governmental funds operating statement	\$ (18,407)	
Loss on disposition reported on the statement of activities	<u>13,875</u>	
Book value of capital assets disposed of		(32,282)

Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. This year the accrual of these benefits increased by:

(72,264)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.

(81,983)

Some capital assets acquired during the year were financed with debt. The amount of the debt is reported in the governmental funds as a source of financing. In the statement of net assets, however, debt constitutes a long-term liability.

The amount of debt reported in the governmental funds statement is:		(5,950,000)
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Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net assets and does not affect the statement of activities. The amount of long-term debt principal payments in the current year is:

3,520,934

Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues.

(2,087)

In prior years, the Town advance refunded long-term debt. The loss on the advance refunding is not recorded in the governmental funds. In the statement of activities, the loss is amortized over the life of the refunding debt issue.

(6,590)

Bond issue costs are reported in the governmental funds as an expenditure while bond premiums are reported as a source of financing. In the statement of activities, these costs are capitalized and amortized over the life of the debt issue.

(29,098)

Change in Net Assets of Governmental Activities as Reported in the Statement of Activities (see pages 4 - 5)

\$ 626,142

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

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 7,020,303	\$ 7,020,303	\$ 7,028,224	\$ 7,921
Special assessments	95,000	95,000	105,433	10,433
Intergovernmental	2,223,296	2,223,296	2,305,236	81,940
Licenses and permits	672,400	672,400	736,261	63,861
Fines and forfeitures	320,500	320,500	281,153	(39,347)
Public charges for services	838,233	838,233	819,746	(18,487)
Intergovernmental charges for services	246,072	246,072	213,274	(32,798)
Miscellaneous	292,900	292,900	200,748	(92,152)
Total Revenues	11,708,704	11,708,704	11,690,075	(18,629)
Expenditures				
Current				
General government	1,567,022	1,567,022	1,428,466	138,556
Public safety	6,476,157	6,476,157	6,178,231	297,926
Public works	3,237,755	3,237,755	3,137,295	100,460
Culture and recreation	167,520	167,520	164,356	3,164
Conservation and development	689,000	689,000	649,907	39,093
Total Expenditures	12,137,454	12,137,454	11,558,255	579,199
Excess of Revenues Over (Under) Expenditures	(428,750)	(428,750)	131,820	560,570
Other Financing Sources (Uses)				
Sale of capital assets	1,000	1,000	18,407	17,407
Transfers in	207,250	207,250	280,772	73,522
Total Other Financing Sources (Uses)	208,250	208,250	299,179	90,929
Net Change in Fund Balance	(220,500)	(220,500)	430,999	651,499
Fund Balance - January 1	3,271,947	3,271,947	3,271,947	-
Fund Balance - December 31	\$ 3,051,447	\$ 3,051,447	\$ 3,702,946	\$ 651,499

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

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Special Assessment Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Special assessments	\$ 1,450,000	\$ 1,450,000	\$ 1,506,331	\$ 56,331
Miscellaneous	280,000	280,000	220,534	(59,466)
Total Revenues	<u>1,730,000</u>	<u>1,730,000</u>	<u>1,726,865</u>	<u>(3,135)</u>
Expenditures				
Capital outlay	-	-	-	-
Excess of Revenues Over Expenditures	<u>1,730,000</u>	<u>1,730,000</u>	<u>1,726,865</u>	<u>(3,135)</u>
Other Financing Uses				
Transfers out	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	-
Net Change in Fund Balance	230,000	230,000	226,865	(3,135)
Fund Balance - January 1	<u>7,103,624</u>	<u>7,103,624</u>	<u>7,103,624</u>	-
Fund Balance - December 31	<u>\$ 7,333,624</u>	<u>\$ 7,333,624</u>	<u>\$ 7,330,489</u>	<u>\$ (3,135)</u>

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

TOWN OF GRAND CHUTE, WISCONSIN

Statement of Net Assets

Proprietary Funds

December 31, 2010

	Sanitary District No. 1	Sanitary District No. 2	Sanitary District No. 3	East Side Utility	Total Enterprise Funds
ASSETS					
Current assets					
Cash and investments	\$ -	\$ 7,793,147	\$ 3,139,183	\$ 240,389	\$ 11,172,719
Receivables					
Accounts	1,055,587	648,797	591,733	6,654	2,302,771
Receivable from fiduciary fund	188,082	115,811	145,149	19,400	468,442
Inventories and prepaid expenses	36,508	17,536	-	-	54,044
Total Current Assets	1,280,177	8,575,291	3,876,065	266,443	13,997,976
Noncurrent assets					
Receivables					
Special assessments	1,132,765	1,776,708	540,391	-	3,449,864
Restricted and other assets					
Cash and investments	899,828	1,563,102	-	-	2,462,930
Deferred charges	90,957	9,715	65,015	-	165,687
Capital assets, nondepreciable					
Land	52,459	6,100	942,150	-	1,000,709
Construction in progress	329,611	173,599	2,553,198	-	3,056,408
Capital assets, depreciable					
Land improvements	-	-	5,477,685	-	5,477,685
Buildings	177,432	-	-	-	177,432
Machinery and equipment	1,112,804	871,543	106,362	5,752	2,096,461
Infrastructure	24,175,395	20,323,631	9,583,795	1,094,694	55,177,515
Less: Accumulated depreciation	(5,615,182)	(6,397,769)	(2,290,552)	(367,037)	(14,670,540)
Total Capital Assets, Net of Accumulated Depreciation	20,232,519	14,977,104	16,372,638	733,409	52,315,670
Total Noncurrent Assets	22,356,069	18,326,629	16,978,044	733,409	58,394,151
TOTAL ASSETS	23,636,246	26,901,920	20,854,109	999,852	72,392,127

(Continued)

TOWN OF GRAND CHUTE, WISCONSIN

Statement of Net Assets (Continued)

Proprietary Funds

December 31, 2010

	Sanitary District No. 1	Sanitary District No. 2	Sanitary District No. 3	East Side Utility	Total Enterprise Funds
LIABILITIES					
Current liabilities					
Accounts payable	62,109	147,976	210,796	2,191	423,072
Accrued and other current liabilities	12,647	7,783	3,297	-	23,727
Accrued interest	54,980	9,578	61,859	-	126,417
Due to other funds	1,231,329	-	-	-	1,231,329
Due to other governments	735,850	-	-	-	735,850
Deferred revenue	-	-	-	19,400	19,400
Current portion of general obligation debt	765,980	313,558	1,355,000	-	2,434,538
Total Current Liabilities	2,862,895	478,895	1,630,952	21,591	4,994,333
Noncurrent liabilities					
Accounts payable	356,529	-	-	-	356,529
General obligation debt	3,213,734	1,057,752	6,545,000	-	10,816,486
Debt premium	28,279	8,435	71,520	-	108,234
Loss on advance refunding	-	-	(8,547)	-	(8,547)
Compensated absences	55,659	55,659	-	-	111,318
Total Noncurrent Liabilities	3,654,201	1,121,846	6,607,973	-	11,384,020
TOTAL LIABILITIES	6,517,096	1,600,741	8,238,925	21,591	16,378,353
NET ASSETS					
Invested in capital assets, net of related debt	16,252,805	13,605,794	10,072,352	733,409	40,664,360
Unrestricted	866,345	11,695,385	2,542,832	244,852	15,349,414
TOTAL NET ASSETS	\$ 17,119,150	\$ 25,301,179	\$ 12,615,184	\$ 978,261	\$ 56,013,774

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

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the Year Ended December 31, 2010

	Sanitary District No. 1	Sanitary District No. 2	Sanitary District No. 3	East Side Utility	Total
Operating Revenues					
Charges for services	\$ 4,726,862	\$ 2,503,165	\$ 2,705,817	\$ 23,551	\$ 9,959,395
Other	131,179	220,268	24,335	147	375,929
Total Operating Revenues	4,858,041	2,723,433	2,730,152	23,698	10,335,324
Operating Expenses					
Operations and maintenance	4,295,042	2,235,572	215,827	22,870	6,769,311
Depreciation	438,079	477,075	313,246	19,242	1,247,642
Taxes	27,304	14,865	-	-	42,169
Total Operating Expenses	4,760,425	2,727,512	529,073	42,112	8,059,122
Operating Income (Loss)	97,616	(4,079)	2,201,079	(18,414)	2,276,202
Nonoperating Revenues (Expenses)					
Property taxes	-	-	-	19,400	19,400
Intergovernmental	441	-	-	-	441
Interest income	21,225	80,133	73,080	1,782	176,220
Interest expense	(157,105)	(58,124)	(244,479)	-	(459,708)
Amortization of debt discount	(1,025)	(1,296)	(14,069)	-	(16,390)
Total Nonoperating Revenues (Expenses)	(136,464)	20,713	(185,468)	21,182	(280,037)
Income (Loss) Before Contributions and Transfers	(38,848)	16,634	2,015,611	2,768	1,996,165
Capital contributions	43,774	-	298,536	-	342,310
Transfers out	-	-	(22,866)	-	(22,866)
Change in Net Assets	4,926	16,634	2,291,281	2,768	2,315,609
Net Assets - January 1	17,114,224	25,284,545	10,323,903	975,493	53,698,165
Net Assets - December 31	\$ 17,119,150	\$ 25,301,179	\$ 12,615,184	\$ 978,261	\$ 56,013,774

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

TOWN OF GRAND CHUTE, WISCONSIN

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2010

	Sanitary District No. 1	Sanitary District No. 2	Sanitary District No. 3	East Side Utility	Total
Cash Flows from Operating Activities					
Cash received from customers	\$ 4,610,578	\$ 2,668,029	\$ 2,291,068	\$ 22,365	\$ 9,592,040
Payment for interfund services	-	-	(22,866)	-	(22,866)
Cash payments to employees	(440,842)	(332,504)	(55,799)	(8,667)	(837,812)
Cash payments to suppliers	(3,723,225)	(1,929,862)	(67,049)	(13,863)	(5,733,999)
Net Cash Provided (Used) by Operating Activities	446,511	405,663	2,145,354	(165)	2,997,363
Cash Flows from Noncapital Financing Activities					
Changes in assets and liabilities					
Due from other funds	1,257,194	27,839	-	-	1,285,033
Property taxes	-	-	-	19,400	19,400
Operating grants	441	-	-	-	441
Net Cash Provided by Noncapital Financing Activities	1,257,635	27,839	-	19,400	1,304,874
Cash Flows from Capital and Related Financing Activities					
Acquisition of capital assets	(366,444)	(273,640)	(3,097,129)	(830)	(3,738,043)
Capital contributions	149,060	82,146	371,605	-	602,811
Proceeds from long-term debt	80,000	-	1,610,000	-	1,690,000
Principal payments on long-term debt	(761,535)	(308,558)	(1,149,123)	-	(2,219,216)
Interest payments on long-term debt	(165,342)	(60,751)	(247,674)	-	(473,767)
Issuance costs paid	(1,708)	-	(35,328)	-	(37,036)
Bond premium received	1,145	-	24,029	-	25,174
Net Cash Used by Capital and Related Financing Activities	(1,064,824)	(560,803)	(2,523,620)	(830)	(4,150,077)
Cash Flows Provided by Investing Activities	21,225	80,133	73,080	1,782	176,220
Change in Cash and Cash Equivalents	660,547	(47,168)	(305,186)	20,187	328,380
Cash and Cash Equivalents - January 1	239,281	9,403,417	3,444,369	220,202	13,307,269
Cash and Cash Equivalents - December 31	\$ 899,828	\$ 9,356,249	\$ 3,139,183	\$ 240,389	\$ 13,635,649
Reconciliation of Cash and Cash Equivalents to Statement of Net Assets					
Cash and investments	\$ -	\$ 7,793,147	\$ 3,139,183	\$ 240,389	\$ 11,172,719
Restricted assets	899,828	1,563,102	-	-	2,462,930
Total	\$ 899,828	\$ 9,356,249	\$ 3,139,183	\$ 240,389	\$ 13,635,649

(Continued)

TOWN OF GRAND CHUTE, WISCONSIN

Statement of Cash Flows (Continued)

Proprietary Funds

Year Ended December 31, 2010

	Sanitary District No. 1	Sanitary District No. 2	Sanitary District No. 3	East Side Utility	Total
Reconciliation of Operating Income (Loss) to					
Net Cash Provided (Used) by Operating Activities					
Operating income (loss)	\$ 97,616	\$ (4,079)	\$ 2,201,079	\$ (18,414)	\$ 2,276,202
Adjustments to reconcile operating					
income (loss) to net cash provided by					
operating activities					
Depreciation	438,079	477,075	313,246	19,242	1,247,642
Depreciation reimbursement	38,603	(38,603)	-	-	-
Depreciation allocated to transportation	29,219	-	-	-	29,219
Payment for interfund services	-	-	(22,866)	-	(22,866)
Changes in assets and liabilities					
Accounts receivable	(248,110)	(55,404)	(310,119)	(1,333)	(614,966)
Receivable from fiduciary funds	-	-	(128,965)	-	(128,965)
Due from other governments	647	-	-	-	647
Inventories	(4,104)	(1,341)	-	-	(5,445)
Accounts payable	(22,247)	23,420	90,510	340	92,023
Accrued liabilities	713	1,487	2,469	-	4,669
Due to other governmental units	112,987	-	-	-	112,987
Compensated absences	3,108	3,108	-	-	6,216
Net Cash Provided (Used) by					
Operating Activities	<u>\$ 446,511</u>	<u>\$ 405,663</u>	<u>\$ 2,145,354</u>	<u>\$ (165)</u>	<u>\$ 2,997,363</u>

Noncash Investing, Capital and Financing Activities

None

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

TOWN OF GRAND CHUTE, WISCONSIN

Statement of Net Assets

Fiduciary Funds

December 31, 2010

	Tax Collection	Developer Deposits	Total Agency Funds
ASSETS			
Cash and investments	\$ 11,714,067	\$ 11,077	\$ 11,725,144
Receivables			
Taxes	27,896,487	-	27,896,487
TOTAL ASSETS	<u>\$ 39,610,554</u>	<u>\$ 11,077</u>	<u>\$ 39,621,631</u>
LIABILITIES			
Accounts payable	\$ 19,742	\$ 11,077	\$ 30,819
Payable to primary government	468,442	-	468,442
Due to other governments	39,122,370	-	39,122,370
TOTAL LIABILITIES	<u>\$ 39,610,554</u>	<u>\$ 11,077</u>	<u>\$ 39,621,631</u>

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