



Dave Yost • Auditor of State

CITY OF WAPAKONETA
AUGLAIZE COUNTY

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**CITY OF WAPAKONETA
AUGLAIZE COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2010**

| Federal Grantor/ Pass Through Grantor Program Title | Federal CFDA Number | Disbursements |
|--|------------------------------------|-------------------------|
| U.S. DEPARTMENT OF JUSTICE BUREAU OF JUSTICE ASSISTANCE | | |
| <i>Passed Through Ohio Department of Public Safety</i> | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | \$4,748 |
| U.S. DEPARTMENT OF TRANSPORTATION | | |
| <i>Passed Through Ohio Department of Transportation</i> | | |
| Highway Planning and Construction | 20.205 | 928,563 |
| U.S. Department of Homeland Security | | |
| <i>(Direct Program)</i> | | |
| Assistance to Firefighters Grant | 97.044 | <u>37,525</u> |
| Total Federal Awards Expenditures | | <u><u>\$970,836</u></u> |

See accompanying notes to the Schedule of Federal Awards Expenditures.

**CITY OF WAPAKONETA
AUGLAIZE COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2010**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require that the City contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule. There were no delinquent amounts due at December 31, 2010.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Wapakoneta
Auglaize County
PO Box 269
701 Parlette Court
Wapakoneta, Ohio 45895

To the Members of Council:

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Wapakoneta, Auglaize County (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 22, 2011. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and timely corrected.

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

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2010-01.

We also noted certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 22, 2011.

The City's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the City's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of management, City Council and federal awarding agencies and pass-through entities, and others within the City. We intend it for no one other than these specified parties.



Dave Yost
Auditor of State

June 22, 2011



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE REQUIRED BY OMB CIRCULAR A-133

City of Wapakoneta
Auglaize County
PO Box 269
701 Parlette Court
Wapakoneta, Ohio 45895

To the Members of Council:

Compliance

We have audited the compliance of the City of Wapakoneta (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the City's major federal program for the year ended December 31, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the City's major federal program. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2010.

Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

**Internal Control Over Compliance
(Continued)**

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

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

We noted a matter involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the City's management in a separate letter dated June 22, 2011.

Federal Awards Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Wapakoneta, (the City) as of and for the year ended December 31, 2011, and have issued our report thereon dated June 22, 2011. Our audit was performed to form opinions on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The accompanying federal awards expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of management, City Council and federal awarding agencies and pass-through entities, and others within the City. We intend it for no one other than these specified parties.



Dave Yost
Auditor of State

June 22, 2011

**CITY OF WAPAKONETA
AUGLAIZE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|---|
| <i>(d)(1)(i)</i> | Type of Financial Statement Opinion | Unqualified |
| <i>(d)(1)(ii)</i> | Were there any material control weaknesses reported at the financial statement level (GAGAS)? | No |
| <i>(d)(1)(ii)</i> | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| <i>(d)(1)(iii)</i> | Was there any reported material noncompliance at the financial statement level (GAGAS)? | Yes |
| <i>(d)(1)(iv)</i> | Were there any material internal control weaknesses reported for major federal programs? | No |
| <i>(d)(1)(iv)</i> | Were there any significant deficiencies in internal control reported for major federal programs? | No |
| <i>(d)(1)(v)</i> | Type of Major Programs' Compliance Opinion | Unqualified |
| <i>(d)(1)(vi)</i> | Are there any reportable findings under § .510(a)? | No |
| <i>(d)(1)(vii)</i> | Major Programs (list): | CFDA #20.205: Highway Planning and Construction |
| <i>(d)(1)(viii)</i> | Dollar Threshold: Type A/B Programs | Type A: > \$ 300,000 Type B: all others |
| <i>(d)(1)(ix)</i> | Low Risk Auditee? | No |

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2010-01

Finding for Recovery

The agreement between the City of Wapakoneta, Ohio and The Ohio Patrolmen's Benevolent Association, effective October 31, 2008 through October 1, 2011 (the Agreement) Section 19.1 states a shift differential of thirty-five cents (\$.35) per hour shall be paid for hours worked between 4:00 pm and 12:00 midnight. **Section 19.2** states a shift differential of forty cents (\$.40) per hour shall be paid for hours worked between 12:00 midnight and 8:00 am. **Section 17.4** states the hourly wage for a Non-Probationary Lieutenant from January 1, 2010 through October 31, 2010 shall be \$23.40 and 24.10 from November 1, 2010 through year-end. **Section 23.2** states that overtime shall be paid at the rate of one and one-half times an employee's straight-time base hourly rate for all hours worked in excess of forty hours for Patrol Officers and forty-one and one-quarter hours for Lieutenants during the seven day work period. **Section 24.1** states that senior police officers who serve in place of their regular shift Lieutenant shall have an opportunity to receive an additional sixty cents per hour.

During 2010 the following payroll errors were noted for Police Officer Barry Truesdale:

Pursuant to the Section 19.1 of the Agreement, Mr. Truesdale's base rate of pay included the shift premium ($\$23.40 \text{ base} + .35 = \23.75) for second shift when it was input into the payroll system. The payroll system automatically adds the shift premium when the second shift pay code is used which resulted in Mr. Truesdale receiving the \$.35 shift premium twice ($\$23.4 + .35 + .35 = \24.10) for every hour worked on second shift. Mr. Truesdale worked 1,792.75 hours on second shift, resulting in an overpayment of \$627.

Pursuant to Section 23.2 of the Agreement, Mr. Truesdale was entitled to one and one-half times his straight-time base rate of pay per hour for overtime. With a base rate of \$23.40, his overtime rate should have been \$35.10 ($\$23.4 * 1.5$). Mr. Truesdale was paid an overtime rate of \$34.66, which is an underpayment of \$.44 per hour. The total hours for this underpayment were 82.75 resulting in an underpayment of (\$36).

Pursuant to Section 24.3 of the Agreement, Mr. Truesdale was entitled to an additional seventy cents per hour when assigned to serve as Acting Chief. His calculated overtime rate when acting as Chief is \$36.15 [(base rate $\$23.40 * 1.5$) + .35 shift premium +.70]. Mr. Truesdale was paid \$36.67 for these duties, which is an overpayment of \$.52 per hour. There were a total of 7.75 overtime hours in 2010 with Chief duties for a total overpayment of \$4.

Pursuant to Section 19.2 of the Agreement, overtime hours worked during third shift should include a \$.40 shift premium, which would calculate to \$35.50 [$(\$23.40 * 1.5) + .40$]. Mr. Truesdale was paid \$35.26 which is an underpayment of \$.24 per hour. There were a total of 62.5 hours affected by this miscalculation resulting in an underpayment of (\$15).

Pursuant to Section 19.1 of the Agreement, Mr. Truesdale's second-shift overtime rate should be \$35.45 [$(\$23.4 * 1.5) + .35$] per hour. He was paid \$35.19, which is an underpayment \$.26 for 13.25 hours resulting in an underpayment of (\$3).

Pursuant to Section 26.2 of the Agreement, as clarified in a Memorandum dated May 20, 2011, when an employee is on any paid leave of absence, the employee is not eligible for shift differential pay and must therefore, be compensated at the regular straight time base rate of pay. Mr. Truesdale used a total of 265.5 hours of leave during 2010. Rather than compensating Mr. Truesdale at his regular straight time base rate of pay for the 265.5 hours of leave, the shift premium was included. This resulted in an overpayment of \$92 ($265.5 * \$.35$).

**FINDING NUMBER 2010-01
(Continued)**

Per the Agreement, Mr. Truesdale was due a pay increase on 11/1/10. For the pay period ending 11/19/10 Mr. Truesdale was paid utilizing the same rate as pay period ending 10/31/10 resulting in an underpayment of \$.35 per hour for a total of 82.5 hours. This is a total underpayment of (\$28).

Pursuant to the Agreement, effective November 1, 2010, a Non-Probationary Lieutenant shall be paid an hourly rate of \$24.10. Based upon this provision, Mr. Truesdale's second shift overtime rate should have been calculated as \$36.50 per hour $[(\$24.10 * 1.5) + .35]$. Payroll records show Mr. Truesdale was paid \$37.83 per hour, resulting in an overpayment of \$10 $(\$1.33 * 8 \text{ hours})$.

Pursuant to the Agreement, effective November 1, 2010, a Non-Probationary Lieutenant shall be paid an hourly rate of \$24.10. Based upon this provision, Mr. Truesdale's third shift overtime rate should have been calculated as \$36.55 per hour $[(\$24.10 * 1.5) + .40]$. Payroll records show Mr. Truesdale was paid \$37.90 per hour, resulting in an overpayment of \$27 $(\$1.35 * 20 \text{ hours})$

Pursuant to the Agreement, effective November 1, 2010 as, a Non-Probationary Lieutenant shall be paid an hourly rate of \$24.10. Based upon this provision, Mr. Truesdale's regular shift overtime rate should have been calculated as \$36.15 per hour $(\$24.10 * 1.5)$ Payroll records show Mr. Truesdale was paid \$36.67 per hour, resulting in an overpayment of \$5 $(\$0.52 * 9.75 \text{ hours})$.

The net amount calculated as overpaid in 2010 was \$683.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Barry Truesdale, in the total amount of \$683 and in favor of the City's General Fund.

Under Ohio law, any public official who either authorizes an illegal expenditure of public funds or supervises the accounts of a public office from which such illegal expenditure is made is liable for the amount of the expenditure, Seward v. National Surety Corp., 120 Ohio St. 47 (1929); 1980 Op. Atty Gen. No. 80-074; Ohio Rev. Code Section 9.39; State, ex. rel. Vill. Of Linndale v. Masten, 18 Ohio St. 3d 228 (1985). Public officials controlling public funds or property are liable for the loss incurred should such funds or property be fraudulently obtained by another, converted, misappropriated, lost or stolen to the extent that recovery or restitution is not obtained from the persons who unlawfully obtained such funds or property, 1980 Op. Atty Gen. No. 80-074.

Accordingly, the City Auditor, Gail Walter, and her bonding company, EMC Insurance Companies will be jointly and severally liable in the amount of \$683, and in favor of the City of Wapakoneta to the extent that recovery is not obtained from Barry Truesdale.

OFFICIALS RESPONSE: The City of Wapakoneta acknowledges the finding for recovery and will collect the money from Mr. Truesdale over multiple pay periods in 2011 until all monies have been recovered. The City Auditor's Office will keep a folder of paperwork to track this repayment.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

**CITY OF WAPAKONETA
AUGLAIZE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2010**

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No <u>Longer Valid</u> ; <i>Explain:</i> |
|----------------|---|------------------|--|
| 2009-01 | Bank/Book Reconciliations and Financial Reporting | No | Partially Corrected; some of the contents of this finding were repeated in the management letter for 2010. |

CITY OF WAPAKONETA, OHIO

Comprehensive Annual Financial Report

For the Year Ended
December 31, 2010

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**INTRODUCTORY
SECTION**

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CITY OF WAPAKONETA, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2010

Prepared By:

City Auditor

GAIL E. WALTER

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CITY OF WAPAKONETA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010

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Rodney C. Metz
Mayor
(419) 738-6111
rmetz@wapakoneta.net

William H. Rains
Director of Public Service and Safety
(419) 738-6111
wrains@wapakoneta.net

June 22, 2011

Citizens of Wapakoneta
The Honorable Mayor
and Members of City Council
City of Wapakoneta, Ohio

I am pleased to present the City of Wapakoneta's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2010. This report was prepared according to generally accepted accounting principles (GAAP). Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City, specifically the City Auditor's Office. The City has a framework of internal controls established to insure the accuracy of the presented data and the completeness and fairness of the presentation. Because the cost of internal controls should not exceed anticipated benefits, the controls provide reasonable assurance that the financial statements are free of any material misstatements.

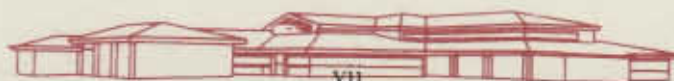
Management's Discussion and Analysis (MD&A) immediately follows the Independent Accountants' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The State of Ohio Auditor's Office has issued an unqualified opinion on the City of Wapakoneta's basic financial statements for the year ended December 31, 2010. The Independent Accountants' Report is located at the front of the financial section of this report.

State law requires the City to file basic financial statements with the Auditor of State within one hundred fifty days after year end. This report fulfills that requirement.

PROFILE OF THE CITY

The City of Wapakoneta, the county seat of Auglaize County, is located on the banks of the Auglaize River in west central Ohio. It is approximately fifteen miles southwest of Lima, fifty-five miles north of Dayton, and ninety miles northwest of Columbus. Interstate 75, a major north south highway, and U.S. 33, an equally important east west route, intersect at the southeast corner of the City. Four major highway interchanges are located within two miles of this intersection. Over twelve million non-commuters pass through Wapakoneta each year. Wapakoneta comprises five and one-third square miles and is located eight hundred ninety-five feet above sea level. Two-thirds of the nation's population and almost 70 percent of the nation's purchasing power are located within six hundred miles of Wapakoneta.



701 Parlette Court

Operating under the Council/Mayor form of government, the citizens of Wapakoneta elect eight members of council (including the president, three council members-at-large, and four ward council members), a mayor, auditor, treasurer, and law director. "It is the mission of Wapakoneta City government to provide for and promote the general health, safety, and welfare of all residents of the City by delivering services in a professional, impartial, and cost-effective manner and planning for the long-range development and improvement of the City with an awareness of all the City's collective needs".

The City's service responsibilities are administered by a number of different divisions and accounting entities, including police, fire, emergency medical, street maintenance, parks and recreation, engineering (including planning and zoning), electric, water, sewer, storm sewer, and refuse (including recycling), and various support staff, as well as a waste minimization committee and the tree commission. These divisions form the primary administrative unit of the City, responsible to City Council and the Mayor.

All funds, except agency funds, are required to be budgeted and appropriated. The legal level of control has been established by City Council at the fund, department, and object level for all funds. City Council is required to adopt an original budget no later than April 1 of the reporting year. This annual budget serves as the foundation for the City of Wapakoneta's financial planning and control.

LOCAL ECONOMY

The City, incorporated in 1848, has been situated as a hub for commerce beginning with its history in 1780 as the capital of the Shawnee Native American Nation led by such recognized leaders as Tecumseh, Blue Jacket, and Blackhoof. Through rail service, the City became a center for shipping grain throughout the country. At present, the City of Wapakoneta is highly aggressive in drawing commerce to the area and maintaining many small and mid-sized industries, retail establishments, and antique dealers.

Industrial tool and die companies and machine shops have been a part of Wapakoneta history. In addition, several general contractors are located in the area, as well as food processing plants, and several firms specializing in furniture and decorating. With recycling being a high priority nationwide, Wapakoneta has two industries dedicated to recycling. There are nine industrial/commercial park sites in Wapakoneta alone. All of these activities together have joined to create an economic improvement in the area in the past several years, and the City is committed to the continual rise and revitalization of existing resources while always on the lookout for new ways to improve the economy and community.

The City has a sizable Community Development Block Grant portfolio and currently have six loans which pay the City the original principal loaned and interest. Interest earned from these loans gives the City a wonderful opportunity for reinvestment in the City as well as an investment in keeping the citizens of Wapakoneta working. The City has made many loans over the years and as these loans are repaid, the size of the fund grows.

The City of Wapakoneta received one of Ohio's first "Job Ready Sites" grants in January 2007 to develop a 471-acre manufacturing site at the intersection of Interstate I-75 and U.S. 33. This new site was designated as the West Central Ohio Industrial Center. The grant provided \$1.9 million for the acquisition of property, maintenance of long-term property options, and installation of certain infrastructure. The infrastructure projects included extension of sanitary sewer and 69kv electric lines to the site and construction of a railroad spur from the CSX Mainline Rail onto the site. During 2008, the real estate acquisitions were made, options maintained, and the infrastructure projects completed. Wapakoneta Area Economic Development Council has also started the process to certify the site under the Ohio Department of Development's certification standards. In 2009, our required Cultural Resources Survey was completed and there are no historical or archeological issues with the property. In 2011, the City is adding a connector road to the site which will enhance the usefulness.

With this project completed, it is truly shovel ready and being marketed around the world. The West

Central Ohio Industrial Center has become one of Ohio's first, and largest, certified green field manufacturing sites. It will put Wapakoneta in the lead of economic development and promotion of our community.

The City hosts many and varied retail and professional businesses, which are of an outstanding quality and demonstrate a commitment to the community. The "downtown" area is comprised of many specialty shops; antiques, toys, flowers, books, furniture, and crafts to name a few. With the renovation of our downtown, many offices and apartments round out the tree-lined streets.

The City received the distinct award of Tree City USA for the 23rd year and the growth award for the 12th year. In 2008, the City was made aware of the Emerald Ash Bore problem. We have since purchased equipment and chemicals to treat this problem in an attempt to "fix" the problem and treat the trees so losses are kept to a minimum. In 2010, our first employee was certified with a pesticide license. Other employees are studying to pass the test to receive this licensing as well. The City trees have all been treated and we have started to work on the trees on private property. This is an ongoing activity and the City takes the maintenance and planting of trees very seriously. The City has purchased equipment to manage and maintain all the trees in the City by keeping an inventory, a description, and the location of all the trees. It is believed that the tree lined streets are just another asset in the beautiful community.

During 2010, we had many major investments in our city.

The Bellefontaine Street reconstruction project continued in 2010 and is approximately 90 percent complete. This project consists of widening the street with new curbs and gutters, sidewalks, driveway approaches, alleyways, and new light poles. This has been a great improvement from our east corridor off of I-75 into our community. Construction costs paid 80 percent by the Ohio Department of Transportation Small Cities Grant and 20 percent by the City.

This year we introduced the Reclamite program to the City. Reclamite is an asphalt rejuvenator which promotes and extends the life of the existing asphalt surface. Eleven streets were sealed. The cost of this project was \$24,500. This is an investment in prolonging the life of our city streets. Extended life is approximately five to seven years. Another project is planned for 2011.

Construction on the new water treatment plant is completed. The new plant will allow for growth in the City for many years to come with the addition of 2.5 million gallons of capacity per day.

U.S. 33 to the junction of State Route 198 and Wood Street was repaved with funding from the Ohio Department of Transportation.

The City issued two hundred thirteen building permits during 2010, including eleven for new residences, four for garages, seventeen for remodeling, and sixteen commercial permits for upgrades or new facilities.

The City addresses local issues, enhances economic development, provides optimism, and anticipates potential for its citizens in an effort to keep our future on a path for growth.

LONG-TERM FINANCIAL PLANNING

Unappropriated and undesignated General Fund monies carry forward at the end of the year. It has been the tradition for the City to try to use excess monies for reconstruction of streets and the purchase of capital assets such as fire trucks, ambulances, and police cruisers. With the recent increases in insurance rates, gasoline prices, natural gas prices, and utility rates, City Council is carefully trying to balance the finances to cover these increases and not forego needed assets and wage increases.

While tradeoffs are sometimes necessary, it is the goal of City Council to limit spending to areas which are essential and will not compromise the services of the City.

City Council has always transferred monies from the General Fund to the Street and Sewer Improvement capital projects fund. In 2010, the available funds, while smaller than the City would like, were used for projects including repaving and maintenance of streets, curbs, and sidewalks.

There are no statutory requirements or policies on which City Council is to rely to determine the amount of fund balance they want to carry forward from year to year. It has been the tradition of this City to try to appropriate everything necessary to operate an efficient and effective government and provide all necessary services from administration to fire, police, emergency medical, and income tax departments.

These goals and traditions for budgeting and spending are carried forward to every fund the City has and every department the City operates. While some things cannot be predicted, City Council and management all work closely together to determine what each department's challenges and needs are each year and what each department will need looking forward.

MAJOR INITIATIVES

Again in 2010, the City continued to improve its facilities and infrastructure to serve its citizens. This includes the continuation of the sidewalk, curb, and gutter program. The following projects were completed in 2010:

- The City received a "Small Cities Grant" for the construction of Bellefontaine Street from Wagner Street to East Auglaize Street. The Ohio Department of Transportation paid for 80 percent of this project and the City paid 20 percent.
- A Community Development Block Grant was awarded to the City for \$31,500 to complete all of the ADA Sidewalk intersections. Improvements were made on Wheeler, Highland, and Franklin streets.
- The East Benton Street Reconstruction project, which started in 2009, was completed. The street was widened with new curb and gutter, sidewalks, driveway approaches, and alleyways, along with sewer separation, and a new storm sewer line.
- The City began a Reclamite program in 2010. Reclamite is an asphalt rejuvenator which promotes and extends the life of the existing asphalt surface approximately five to seven years. This is an investment in prolonging our City streets.
- The water treatment plant construction was completed.
- The City did miscellaneous concrete work to replace, repair, or upgrade curb, gutters, and sidewalks, approaches.
- A cabana was added to the Water Park.

- A cabana was added to the Water Park.
- U.S. 33 to the junction of State Route 198 and Wood Street was repaved with funding from the Ohio Department of Transportation.
- Clover Ridge Subdivision added another street named Woodbine Street, which has been added to the City's street inventory.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wapakoneta for its comprehensive annual financial report (CAFR) for the year ended December 31, 2009. This was the twentieth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Sincere appreciation is extended to the Mayor and the Director of Public Service and Safety for their support and to City Council for appropriating the funds for this project. This Comprehensive Annual Financial Report was prepared by the City Auditor's Office with the efficient and dedicated services of the entire staff. Appreciation is also extended to all department personnel. Special acknowledgment is extended to the Local Government Services Section of the Office of the Auditor of State for guidance in the preparation of this report.

Respectfully submitted,



Gail E. Walter
City Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wapakoneta
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

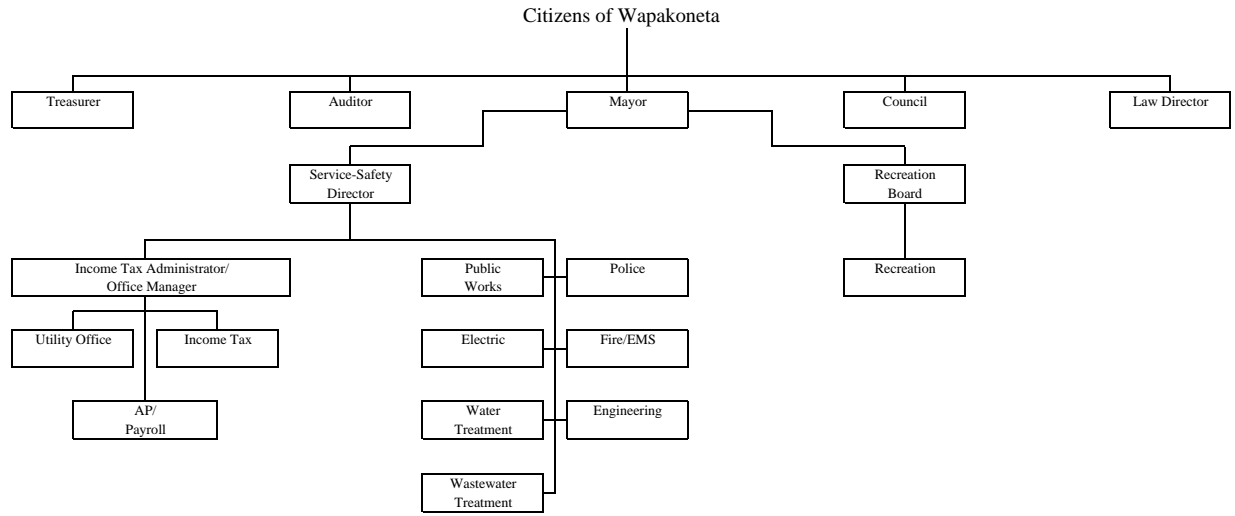
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

City of Wapakoneta Organizational Chart



CITY OF WAPAKONETA
LIST OF PRINCIPAL OFFICIALS

| | |
|---|---------------------------|
| Mayor | Rodney C. Metz |
| Director of Public Service and Safety | William Raines |
| Income Tax Administrator/Office Manager | Diana L. Blackburn |
| Police Chief | Russel Hunlock |
| Fire Chief/EMS Director | Kendall J. Krites |
| Recreation Director | Jack R. Hayzlett |
| Public Works Superintendent | Meril W. Simpson |
| Electric Superintendent | William E. Lambert |
| Water Superintendent | Brent J. Hamel |
| Wastewater Superintendent | Robert T. Burns |
| Auditor | Gail E. Walter |
| Treasurer | Barbara Steinke |
| Law Director | Dennis P. Faller |
| President of Council | Donald W. Jump |
| Member of Council | Daniel C. Graf |
| Member of Council | Daniel Lee |
| Member of Council | Bonnie C. Wurst |
| Member of Council | James R. Neumeier |
| Member of Council | Wilbur G. Wells |
| Member of Council | Thomas S. Finkelmeier Jr. |
| Member of Council | Stephen C. Walter |
| Council Clerk | Carlene S. Koch |
| Civil Service Secretary | Peter Noyes |

**FINANCIAL
SECTION**

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Wapakoneta
Auglaize County
PO Box 269
701 Parlette Court
Wapakoneta, Ohio 45895

To the Members of Council:

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 City of Wapakoneta, Auglaize County, (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. 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 financial statement presentation. We believe 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 City of Wapakoneta, Auglaize County, as of December 31, 2010, and the respective changes in financial position, and where applicable, cash flows, thereof and the budgetary comparison for the General 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 22, 2011, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include Management's Discussion and Analysis, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Government Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

June 22, 2011

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2010
(Unaudited)

The discussion and analysis of the City of Wapakoneta's financial performance provides an overview of the City's financial activities for the year ended December 31, 2010. The intent of this discussion and analysis is to look at the City's financial performance as a whole.

HIGHLIGHTS

Highlights for 2010 are as follows:

In total, the City's net assets increased \$3,254,073, or 5 percent. Governmental activities had an increase in net assets of \$911,127, or 3 percent, while business-type activities increased \$2,342,946, or 6 percent.

The City continues to focus on the maintenance and repair of infrastructure. In 2010, the reconstruction of Bellefontaine Street was approximately 90 percent complete with final landscaping and filtration to be completed in 2011. This was a full reconstruction including widening the street with new curbs and gutters, sidewalks, and new lighting. The City continues to build sidewalks and crosswalks on various streets. Residents begin to see and feel like they should maintain and improve their properties when the City invests in the streets, sidewalks, and neighborhoods. This also helps people take pride in ownership, everyone's home looks nicer and the City as a whole looks nicer.

The City continued work in 2010 with the Ohio Department of Development on the Ohio Jobs Ready Sites Program, a grant program encouraging municipalities to develop "jobs ready sites" for economic development that are shovel ready. The City's share is \$1.9 million of this \$60 million grant program. In 2010, the City completed the work and the site has become one of Ohio's first green certified manufacturing sites.

The Electric Department is upgrading the system distribution voltage from 5kv to 15kv. This will increase the capacity of our system to allow for growth in all areas of the City for the next twenty years. The project costs are estimated at approximately \$13 million. In 2010, the Middle Street substation work was completed and the Harrison Street substation work was started. The Harrison Street substation work will be completed in 2012 and work on the last substation on Defiance Street will start.

A review of the enterprise funds reflects an operating income for all five funds. The City's electric rates are determined by contract with our electric provider and these contracts typically are on a 1-5 year cycle. In 2010, the City completed a cost of service study which determined that our electric rate charges are correct. The sewer rates are on a scheduled increase by ordinance every year so the City can anticipate increased costs without a rate study. Rates for all enterprise funds are monitored by the Administration to maintain the revenue needed to operate these activities. The City has recently determined that an extra fee will be imposed on sewer users for the long-term control plan. In 2009, the City entered into a long-term control plan with the Ohio Environmental Protection Agency for the replacement of the south interceptor sewer. This will be a long and expensive project. Estimated costs are approximately \$25-\$30 million. However, the fee will be imposed on customers over a period of years which is specifically to pay the costs related to this project. When the project is completed, the fee will be removed.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2010
(Unaudited)

This was the third year for our new aquatic center. The first three years have been a success and revenues paid for operating costs. A new cabana was installed this year and both pools were painted. Everyone looks forward to the long-term success of the aquatic center and continues to fully support parks and recreation efforts in the City.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the City of Wapakoneta's financial position.

The statement of net assets and the statement of activities provide information about the activities of the City as a whole, presenting both an aggregate and a longer-term view of the City.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term and what remains for future spending. Fund financial statements report the City's most significant funds individually and the City's non-major funds in a single column. The City's major funds are the General, Street and Sewer Improvement, Electric, Water, Sewer, Storm Sewer, and Refuse funds.

REPORTING THE CITY AS A WHOLE

The statement of net assets and the statement of activities reflect how the City did financially during 2010. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These statements report the City's net assets and changes in those assets. This change in net assets is important because it tells the reader whether the financial position of the City as a whole has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Non-financial factors can include changes in the City's property tax base and the condition of the City's capital assets (buildings, streets, electric, water, sewer, and storm sewer lines). These factors must be considered when assessing the overall health of the City.

In the statement of net assets and the statement of activities, the City is divided into two types of activities:

- **Governmental Activities** - Most of the City's programs and services are reported here, including security of persons and property, public health, leisure time activities, community environment, transportation, and general government. These services are primarily funded by property and income taxes and from intergovernmental revenues, including federal and state grants and other shared revenues.
- **Business-Type Activities** - These services are provided on a charge for services basis and are intended to recover all or most of the costs of the services provided. The City's electric, water, sewer, storm sewer, and refuse services are reported here.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2010
(Unaudited)

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund financial statements provide detailed information about the City's major funds, the General, Street and Sewer Improvement, Electric, Water, Sewer, Storm Sewer, and Refuse funds. While the City uses many funds to account for its financial transactions, these are the most significant.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories; governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - The City's governmental funds are used to account for essentially the same programs reported as governmental activities on the government-wide financial statements. Most of the City's basic services are reported in these funds and focus on how money flows into and out of the funds as well as the balances available for spending at year end. These funds are reported on the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund financial statements provide a detailed short-term view of the City's general government operations and the basic services being provided.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and change in fund balance provide a reconciliation to help make this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. Information is presented separately on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and change in fund balances for the major funds, which were identified earlier. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds - The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities on the government-wide financial statements and use the accrual basis of accounting. The City uses enterprise funds to account for electric, water, sewer, storm sewer, and refuse operations. Internal service funds are an accounting device used to accumulate and allocate internal costs among other programs and activities. The internal service fund used by the City accounts for engineering services that are provided to other departments of the City or to other governmental units. Monthly fees are paid on an hourly scale and any balance on hand is held until used.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the City's programs. These funds also use the accrual basis of accounting.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided on the government-wide and fund financial statements.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2010
(Unaudited)

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table 1 provides a summary of the City's net assets for 2010 and 2009.

| Table 1 Net Assets | | | | | | |
|-----------------------|-------------------------|--------------|--------------------------|--------------|--------------|--------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| <u>Assets</u> | | | | | | |
| Current and Other | | | | | | |
| Assets | \$8,945,275 | \$9,556,241 | \$18,044,720 | \$20,914,570 | \$26,989,995 | \$30,470,811 |
| Capital Assets, Net | 22,189,171 | 20,896,865 | 45,049,009 | 36,440,166 | 67,238,180 | 57,337,031 |
| Total Assets | 31,134,446 | 30,453,106 | 63,093,729 | 57,354,736 | 94,228,175 | 87,807,842 |
| <u>Liabilities</u> | | | | | | |
| Current and Other | | | | | | |
| Liabilities | 918,677 | 865,116 | 2,210,190 | 2,187,220 | 3,128,867 | 3,052,336 |
| Long-Term Liabilities | 1,594,989 | 1,878,337 | 20,720,981 | 17,347,904 | 22,315,970 | 19,226,241 |
| Total Liabilities | 2,513,666 | 2,743,453 | 22,931,171 | 19,535,124 | 25,444,837 | 22,278,577 |
| <u>Net Assets</u> | | | | | | |
| Invested in Capital | | | | | | |
| Assets, Net of | | | | | | |
| Related Debt | 21,307,484 | 19,716,391 | 27,291,889 | 21,792,361 | 48,599,373 | 41,508,752 |
| Restricted | 4,524,456 | 4,877,790 | 1,108,811 | 1,141,228 | 5,633,267 | 6,019,018 |
| Unrestricted | 2,788,840 | 3,115,472 | 11,761,858 | 14,886,023 | 14,550,698 | 18,001,495 |
| Total Net Assets | \$28,620,780 | \$27,709,653 | \$40,162,558 | \$37,819,612 | \$68,783,338 | \$65,529,265 |

The above table demonstrates that there were few changes of note for governmental activities and an overall increase in net assets of 3 percent. The most significant change was the decrease in current and other assets. There was a decrease in cash and cash equivalents of over \$900,000 due generally to various construction related activities, such as Bellefontaine Street, the Jobs Ready Site, and paving projects. This activity is reflected in the decreases of both restricted and unrestricted net assets. The increase to net capital assets and invested in capital assets is the result of additional construction in progress.

There were a couple of significant changes related to business-type activities. The first, the decrease in current and other assets resulting from a \$3 million reduction in cash and cash equivalents as resources were spent on construction (including the water treatment plant and the electric substation upgrade work). Note the corresponding decrease in unrestricted net assets. The increase in net capital assets reflects not only the City's cash contribution towards this construction but also the additional \$3.9 million in OWDA proceeds received by the City in 2010 as reflected in the increase in long-term liabilities.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2010
(Unaudited)

Table 2 reflects the change in net assets for 2010 and 2009

Table 2
Change in Net Assets

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|---------------------|--------------------------|---------------------|---------------------|---------------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| <u>Revenues</u> | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services | \$860,041 | \$895,220 | \$19,653,560 | \$19,416,600 | \$20,513,601 | \$20,311,820 |
| Operating Grants, Contributions, and Interest | 632,254 | 608,906 | 0 | 0 | 632,254 | 608,906 |
| Capital Grants, Contributions, and Interest | 1,493,506 | 426,237 | 247,321 | 0 | 1,740,827 | 426,237 |
| Total Program Revenues | <u>2,985,801</u> | <u>1,930,363</u> | <u>19,900,881</u> | <u>19,416,600</u> | <u>22,886,682</u> | <u>21,346,963</u> |
| General Revenues | | | | | | |
| Property Taxes-General Purposes | 376,810 | 365,898 | 0 | 0 | 376,810 | 365,898 |
| Property Taxes-Recreation | 95,200 | 92,532 | 0 | 0 | 95,200 | 92,532 |
| Municipal Income Taxes | 2,244,992 | 2,163,600 | 0 | 0 | 2,244,992 | 2,163,600 |
| Other Local Taxes | 645,090 | 604,597 | 0 | 0 | 645,090 | 604,597 |
| Grants and Entitlements | 585,145 | 571,917 | 0 | 0 | 585,145 | 571,917 |
| Franchise Taxes | 85,710 | 70,776 | 0 | 0 | 85,710 | 70,776 |
| Interest | 75,658 | 123,591 | 1 | 2 | 75,659 | 123,593 |
| Gifts and Donations | 5,663 | 9,671 | 0 | 0 | 5,663 | 9,671 |
| Other | 76,118 | 48,787 | 30,376 | 40,677 | 106,494 | 89,464 |
| Total General Revenues | <u>4,190,386</u> | <u>4,051,369</u> | <u>30,377</u> | <u>40,679</u> | <u>4,220,763</u> | <u>4,092,048</u> |
| Total Revenues | <u>7,176,187</u> | <u>5,981,732</u> | <u>19,931,258</u> | <u>19,457,279</u> | <u>27,107,445</u> | <u>25,439,011</u> |
| <u>Program Expenses</u> | | | | | | |
| Security of Persons and Property | | | | | | |
| Police | 1,443,241 | 1,468,762 | 0 | 0 | 1,443,241 | 1,468,762 |
| Fire | 1,429,639 | 1,617,800 | 0 | 0 | 1,429,639 | 1,617,800 |
| Other | 15,744 | 15,744 | 0 | 0 | 15,744 | 15,744 |
| Public Health | 198,272 | 194,857 | 0 | 0 | 198,272 | 194,857 |
| Leisure Time Activities | 452,815 | 412,328 | 0 | 0 | 452,815 | 412,328 |
| Community Environment | 88,867 | 137,689 | 0 | 0 | 88,867 | 137,689 |
| Transportation | 1,366,298 | 1,366,920 | 0 | 0 | 1,366,298 | 1,366,920 |
| General Government | 559,760 | 705,023 | 0 | 0 | 559,760 | 705,023 |
| Interest and Fiscal Charges | 63,692 | 87,500 | 0 | 0 | 63,692 | 87,500 |
| Electric | 0 | 0 | 13,905,809 | 13,411,381 | 13,905,809 | 13,411,381 |
| Water | 0 | 0 | 921,970 | 827,854 | 921,970 | 827,854 |
| Sewer | 0 | 0 | 2,235,926 | 2,927,271 | 2,235,926 | 2,927,271 |
| Storm Sewer | 0 | 0 | 91,075 | 85,127 | 91,075 | 85,127 |
| Refuse | 0 | 0 | 1,080,264 | 1,005,233 | 1,080,264 | 1,005,233 |
| Total Expenses | <u>5,618,328</u> | <u>6,006,623</u> | <u>18,235,044</u> | <u>18,256,866</u> | <u>23,853,372</u> | <u>24,263,489</u> |
| Increase (Decrease) in Net Assets Before Transfers | 1,557,859 | (24,891) | 1,696,214 | 1,200,413 | 3,254,073 | 1,175,522 |
| Transfers | (646,732) | (557,664) | 646,732 | 557,664 | 0 | 0 |
| Increase (Decrease) in Net Assets | 911,127 | (582,555) | 2,342,946 | 1,758,077 | 3,254,073 | 1,175,522 |
| Net Assets Beginning of Year | <u>27,709,653</u> | <u>28,292,208</u> | <u>37,819,612</u> | <u>36,061,535</u> | <u>65,529,265</u> | <u>64,353,743</u> |
| Net Assets End of Year | <u>\$28,620,780</u> | <u>\$27,709,653</u> | <u>\$40,162,558</u> | <u>\$37,819,612</u> | <u>\$68,783,338</u> | <u>\$65,529,265</u> |

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2010
(Unaudited)

Grant resources from the Ohio Department of Transportation and used for street reconstruction are reflected in the increase in capital grants and contributions in 2010 for governmental activities. For general revenues, there were only modest increases and decreases leading to the overall 3 percent increase.

In general, expenses for governmental activities were quite comparable to the prior year, with the exception of the fire department and the community environment and general government programs. In 2009, the City purchased a fire truck. Also in 2009, the City did some work at the river and dam leading to higher costs in the community environment program for that year. For the general government program, the City underwent a comprehensive review of the City's zoning ordinances in 2009.

For business-type activities, program revenues in the form of charges for services, continue to fund the operation of the City's utilities. Total revenues remained very comparable to the prior year (a change of 2 percent).

In total, expenses for business-type activities reflect a meager 1 percent decrease. For the Electric Fund, modest increases occurred in overall operational related costs and there was an increase in contractual services due to the substation improvements. The increase in expenses in the Water Fund was largely due to personnel related costs and minor equipment purchases (items not capitalized). The Sewer Fund reflects a fairly sizable decrease in expenses. In the prior year, there were a number of minor equipment acquisitions which were expensed rather than capitalized.

Table 3, indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Table 3
Governmental Activities

| | Total Cost of Services | | Net Cost of Services | |
|----------------------------------|------------------------|--------------------|----------------------|--------------------|
| | 2010 | 2009 | 2010 | 2009 |
| Security of Persons and Property | | | | |
| Police | \$1,443,241 | \$1,468,762 | \$1,428,947 | \$1,445,614 |
| Fire | 1,429,639 | 1,617,800 | 1,347,525 | 1,565,745 |
| Other | 15,744 | 15,744 | 15,744 | 15,744 |
| Public Health | 198,272 | 194,857 | (88,934) | (186,657) |
| Leisure Time Activities | 452,815 | 412,328 | 146,723 | 159,042 |
| Community Environment | 88,867 | 137,689 | 37,928 | 84,752 |
| Transportation | 1,366,298 | 1,366,920 | (850,925) | 239,466 |
| General Government | 559,760 | 705,023 | 531,827 | 665,054 |
| Interest and Fiscal Charges | 63,692 | 87,500 | 63,692 | 87,500 |
| Total Expenses | <u>\$5,618,328</u> | <u>\$6,006,623</u> | <u>\$2,632,527</u> | <u>\$4,076,260</u> |

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2010
(Unaudited)

While a substantial percentage of the revenues to provide governmental activities services are derived from the City's general revenues (primarily municipal income taxes, other local taxes, and State shared revenues), note that several of the City's programs were able to offset costs through program revenues including public health, leisure time activities, and transportation. Public health expenses are primarily funded by EMS and ambulance charges received during the year. The leisure time activities program is funded from gifts and donations as well as usage fees for the swimming pool. The transportation program receives charges for services in the form of permissive motor vehicle license monies. The transportation program also receives operating monies in the form of State levied motor vehicle license fees and gas taxes. In addition, for 2010, the transportation received grant resources from the Ohio Department of Transportation for street construction activities.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The City's major governmental funds are the General Fund and the Street and Sewer Improvement capital projects fund. Resources in the General Fund have no limitations on their use while the resources of the Street and Sewer Improvement Fund are limited to infrastructure improvements. The General Fund reflects an 18 percent decrease in fund balance. Revenues were essentially the same as in the prior year in total and although there was an 11 percent decrease in expenditures, there was still cash carryover spending required which led to the overall decrease in fund balance.

The Street and Sewer Improvement capital projects fund also reflects an 18 percent decrease in fund balance. The City did far more improvement projects in 2010.

BUSINESS-TYPE ACTIVITIES FINANCIAL ANALYSIS

The City's enterprise funds are the Electric, Water, Sewer, Storm Sewer, and Refuse funds. Resources of these funds are limited to the provision of electric, water, sewer, storm sewer, and refuse collection services, as applicable.

The Electric Fund had a 6 percent increase in net assets in 2010. Revenues were very similar to the prior year and expenses increased slightly; however, revenues were still in excess of expenses.

The Water Fund had an 11 percent increase in net assets. Again, revenues were very similar to the prior year. Expenses increased due to personnel related costs and minor equipment purchases; however, charges for services continue to exceed operating costs. In addition, the fund received capital contributions in excess of \$166,000 from other funds and outside sources.

While the Sewer Fund realized an operating income for 2010, there was a 2 percent decrease in net assets. The base rate was increased 8.5 percent from 2009 to 2010 and is scheduled to increase another 3 percent in July 2010. The Ohio EPA has mandated a complete reconstruction of the City's south interceptor. Due to this mandate, another fee will be added to every sewer customer to pay for this reconstruction.

The Storm Sewer utility provides the City the ability to undertake storm water separation. The EPA has mandated the separation of storm water and sanitary sewers. The Storm Sewer fund had a modest operating income in 2010, however, a 17 percent increase in net assets due to capital contributions from other funds and outside sources of almost \$261,000. Rate changes for storm sewer are not being considered at this time.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2010
(Unaudited)

The City's Refuse Fund continued to reflect deficit net assets as of year end, although operating expenses were within operating revenues for 2010. The deficit net assets was due to debt services costs.

BUDGETARY HIGHLIGHTS

The City prepares an annual budget of revenues and expenditures/expenses for all funds of the City for use by City officials and department heads and such other budgetary documents as are required by State statute, including the annual appropriations ordinance which is passed by City Council before April 1 each year. The City operates under a temporary budget for the first three months of each year.

The City's most significant budgeted fund is the General Fund. For revenues, there was a 25 percent decrease from the original budget to the final budget as estimates from all tax sources (property, income, and other local) were all reduced as was the estimate for resources received from the State. Economic conditions had a significant influence on these reduced estimates. Changes from the final budget to actual revenues were not significant. For expenditures, there was no change from the original budget to the final budget; however, actual expenditures were substantially less than amounts budgeted. This change is almost entirely reflected in the general government program as the City anticipated much higher expenditures related to the Jobs Ready Sites Program in 2010 than occurred.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The City's investment in capital assets for governmental and business-type activities as of December 31, 2010, was \$22,189,171 and \$45,049,009, respectively (net of accumulated depreciation). Significant additions for governmental activities included continuing construction projects and vehicles. Disposals were minimal. For business-type activities, the most significant additions were construction of the water treatment plant and upgrades to the electric substations. Disposals were minimal. For further information regarding the City's capital assets, refer to Note 9 to the basic financial statements.

Debt - At December 31, 2010, the City had a number of long-term obligations outstanding. The governmental activities obligations consisted primarily of \$750,428 in general obligation bonds (net of unamortized loss on advance refunding). The business-type activities obligations included \$23,300 in general obligation bonds, \$8,940,000 in mortgage revenue bonds, and \$1,555,627 in landfill postclosure costs. In addition to the debt outlined above, the City's long-term obligations also include a loan for energy efficiency improvements, compensated absences, a loan due to Auglaize County, OWDA loans, and capital loans. The most significant change for the year consisted of the increase in OWDA loans due to the water treatment plant construction. For further information regarding the City's debt, refer to Notes 16, 17, and 18 to the basic financial statements.

CURRENT ISSUES

The City has obtained an Ohio Department of Development grant for a connector street project from Short Road to Commerce Drive. This project will be completed in 2011. The City has a community development block grant for paving Highland, Franklin and Wheeler streets in 2011. An Ohio Department of Natural Resources grant will provide for an overlay to the walking trail at Veteran's park. This project will also occur in 2011.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2010
(Unaudited)

The City's electric infrastructure is being updated with the replacement of three substations. The upgrade will change our distribution voltage from 5kv to 15kv. This will increase the capacity of our system to allow for growth in all areas of the City for the next twenty years. The estimated cost of the project is \$13 million. The substation transformers have been purchased; the City recognized \$1 million in savings by purchasing all three transformers at the same time. While the upgrade of our electric distribution is expensive, the upgrade will also make the system much more efficient. The electric losses in our existing substations with 1960 technology are much greater than with the new technology and equipment being installed. The Middle Street, Defiance Street, and Harrison Street substations are being reconstructed. The Harrison Street substation, the largest, will also include the relocation and burying of the electric lines behind the businesses on the north side of Auglaize Street in the downtown area.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those interested in our City's financial well being. Questions concerning any of the information provided in this report or requests for additional information should be directed to Gail E. Walter, Wapakoneta City Auditor, 701 Parlette Court, P.O. Box 269, Wapakoneta, Ohio 45895.

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City of Wapakoneta
Statement of Net Assets
December 31, 2010

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|---------------------|
| <u>Assets</u> | | | |
| Equity in Pooled Cash and Cash Equivalents | \$5,655,533 | \$12,111,411 | \$17,766,944 |
| Cash and Cash Equivalents with Fiscal Agents | 0 | 1,131,127 | 1,131,127 |
| Accounts Receivable | 125,943 | 2,649,867 | 2,775,810 |
| Due from Other Governments | 1,415,789 | 28,389 | 1,444,178 |
| Municipal Income Taxes Receivable | 712,462 | 0 | 712,462 |
| Other Local Taxes Receivable | 6,473 | 57,547 | 64,020 |
| Internal Balances | 39,449 | (39,449) | 0 |
| Prepaid Items | 32,861 | 79,134 | 111,995 |
| Materials and Supplies Inventory | 30,432 | 1,746,995 | 1,777,427 |
| Accrued Interest Receivable | 15,171 | 0 | 15,171 |
| Property Taxes Receivable | 450,270 | 0 | 450,270 |
| Notes Receivable | 244,457 | 0 | 244,457 |
| Special Assessments Receivable | 216,435 | 0 | 216,435 |
| Unamortized Bond Issuance Costs | 0 | 279,699 | 279,699 |
| Nondepreciable Capital Assets | 3,507,635 | 16,608,770 | 20,116,405 |
| Depreciable Capital Assets, Net | 18,681,536 | 28,440,239 | 47,121,775 |
| Total Assets | 31,134,446 | 63,093,729 | 94,228,175 |
| <u>Liabilities</u> | | | |
| Accrued Wages Payable | 42,905 | 33,283 | 76,188 |
| Accounts Payable | 98,575 | 108,782 | 207,357 |
| Contracts Payable | 50,708 | 1,745,132 | 1,795,840 |
| Due to Other Governments | 226,008 | 86,073 | 312,081 |
| Accrued Interest Payable | 6,170 | 44,517 | 50,687 |
| Retainage Payable | 55,537 | 48,561 | 104,098 |
| Deferred Revenue | 438,774 | 0 | 438,774 |
| Refundable Deposits | 0 | 143,842 | 143,842 |
| Long-Term Liabilities | | | |
| Due Within One Year | 498,985 | 749,200 | 1,248,185 |
| Due in More Than One Year | 1,096,004 | 19,971,781 | 21,067,785 |
| Total Liabilities | 2,513,666 | 22,931,171 | 25,444,837 |
| <u>Net Assets</u> | | | |
| Invested in Capital Assets, Net of Related Debt | 21,307,484 | 27,291,889 | 48,599,373 |
| Restricted for | | | |
| Debt Service | 461,278 | 0 | 461,278 |
| Capital Projects | 2,630,138 | 0 | 2,630,138 |
| Other Purposes | 1,433,040 | 0 | 1,433,040 |
| Revenue Bond Replacement | 0 | 10,260 | 10,260 |
| Future Debt Service | 0 | 1,098,551 | 1,098,551 |
| Unrestricted | 2,788,840 | 11,761,858 | 14,550,698 |
| Total Net Assets | \$28,620,780 | \$40,162,558 | \$68,783,338 |

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Activities
For the Year Ended December 31, 2010

| | Program Revenues | | | |
|---------------------------------------|---------------------|-------------------------|---|--------------------|
| | Expenses | Charges for Services | Operating Grants, Contributions, and Interest | |
| <u>Governmental Activities</u> | | | | |
| Security of Persons and Property | | | | |
| Police | \$1,443,241 | \$7,786 | \$6,508 | \$0 |
| Fire | 1,429,639 | 45,091 | 37,023 | 0 |
| Other | 15,744 | 0 | 0 | 0 |
| Public Health | 198,272 | 287,206 | 0 | 0 |
| Leisure Time Activities | 452,815 | 249,666 | 56,371 | 55 |
| Community Environment | 88,867 | 0 | 50,939 | 0 |
| Transportation | 1,366,298 | 250,147 | 473,625 | 1,493,451 |
| General Government | 559,760 | 20,145 | 7,788 | 0 |
| Interest and Fiscal Charges | 63,692 | 0 | 0 | 0 |
| Total Governmental Activities | 5,618,328 | 860,041 | 632,254 | 1,493,506 |
| <u>Business-Type Activities</u> | | | | |
| Electric | 13,905,809 | 14,824,354 | 0 | 0 |
| Water | 921,970 | 1,619,474 | 0 | 64,449 |
| Sewer | 2,235,926 | 1,983,565 | 0 | 104,208 |
| Storm Sewer | 91,075 | 155,831 | 0 | 78,664 |
| Refuse | 1,080,264 | 1,070,336 | 0 | 0 |
| Total Business-Type Activities | 18,235,044 | 19,653,560 | 0 | 247,321 |
| Total | \$23,853,372 | \$20,513,601 | \$632,254 | \$1,740,827 |

General Revenues

Property Taxes Levied for General Purposes
Property Taxes Levied for Recreation
Municipal Income Taxes
Other Local Taxes
Grants and Entitlements not Restricted to Specific Programs
Franchise Taxes
Interest
Gifts and Donations
Other

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue
and Change in Net Assets

| Governmental Activities | Business-Type Activities | Total |
|----------------------------|-----------------------------|---------------------|
| (\$1,428,947) | \$0 | (\$1,428,947) |
| (1,347,525) | 0 | (1,347,525) |
| (15,744) | 0 | (15,744) |
| 88,934 | 0 | 88,934 |
| (146,723) | 0 | (146,723) |
| (37,928) | 0 | (37,928) |
| 850,925 | 0 | 850,925 |
| (531,827) | 0 | (531,827) |
| (63,692) | 0 | (63,692) |
| <u>(2,632,527)</u> | <u>0</u> | <u>(2,632,527)</u> |
| 0 | 918,545 | 918,545 |
| 0 | 761,953 | 761,953 |
| 0 | (148,153) | (148,153) |
| 0 | 143,420 | 143,420 |
| 0 | (9,928) | (9,928) |
| <u>0</u> | <u>1,665,837</u> | <u>1,665,837</u> |
| <u>(2,632,527)</u> | <u>1,665,837</u> | <u>(966,690)</u> |
| 376,810 | 0 | 376,810 |
| 95,200 | 0 | 95,200 |
| 2,244,992 | 0 | 2,244,992 |
| 645,090 | 0 | 645,090 |
| 585,145 | 0 | 585,145 |
| 85,710 | 0 | 85,710 |
| 75,658 | 1 | 75,659 |
| 5,663 | 0 | 5,663 |
| 76,118 | 30,376 | 106,494 |
| <u>4,190,386</u> | <u>30,377</u> | <u>4,220,763</u> |
| <u>(646,732)</u> | <u>646,732</u> | <u>0</u> |
| <u>3,543,654</u> | <u>677,109</u> | <u>4,220,763</u> |
| 911,127 | 2,342,946 | 3,254,073 |
| <u>27,709,653</u> | <u>37,819,612</u> | <u>65,529,265</u> |
| <u>\$28,620,780</u> | <u>\$40,162,558</u> | <u>\$68,783,338</u> |

City of Wapakoneta
Balance Sheet
Governmental Funds
December 31, 2010

| | General | Street and Sewer Improvement | Other Governmental | Total Governmental Funds |
|--|--------------------|------------------------------------|-----------------------|--------------------------------|
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$2,192,888 | \$950,971 | \$2,489,334 | \$5,633,193 |
| Accounts Receivable | 124,402 | 0 | 1,541 | 125,943 |
| Due from Other Governments | 325,494 | 848,165 | 242,130 | 1,415,789 |
| Municipal Income Taxes Receivable | 712,462 | 0 | 0 | 712,462 |
| Other Local Taxes Receivable | 550 | 0 | 5,923 | 6,473 |
| Interfund Receivable | 52,731 | 0 | 0 | 52,731 |
| Prepaid Items | 20,813 | 0 | 10,050 | 30,863 |
| Materials and Supplies Inventory | 10,111 | 0 | 18,412 | 28,523 |
| Accrued Interest Receivable | 9,680 | 5,491 | 0 | 15,171 |
| Restricted Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | 5,263 | 0 | 0 | 5,263 |
| Property Taxes Receivable | 356,840 | 0 | 93,430 | 450,270 |
| Notes Receivable | 0 | 0 | 244,457 | 244,457 |
| Special Assessments Receivable | 0 | 216,435 | 0 | 216,435 |
| Total Assets | \$3,811,234 | \$2,021,062 | \$3,105,277 | \$8,937,573 |
| <u>Liabilities and Fund Balance</u> | | | | |
| <u>Liabilities</u> | | | | |
| Accrued Wages Payable | \$37,072 | \$0 | \$3,645 | \$40,717 |
| Accounts Payable | 75,403 | 12,386 | 4,889 | 92,678 |
| Contracts Payable | 0 | 46,151 | 4,557 | 50,708 |
| Due to Other Governments | 201,146 | 4,431 | 13,968 | 219,545 |
| Interfund Payable | 2,295 | 0 | 1,148 | 3,443 |
| Retainage Payable | 0 | 55,537 | 0 | 55,537 |
| Deferred Revenue | 1,295,539 | 786,142 | 293,429 | 2,375,110 |
| Total Liabilities | 1,611,455 | 904,647 | 321,636 | 2,837,738 |
| <u>Fund Balance</u> | | | | |
| Reserved for Unclaimed Monies | 5,263 | 0 | 0 | 5,263 |
| Reserved for Notes Receivable | 0 | 0 | 115,673 | 115,673 |
| Reserved for Encumbrances | 117,368 | 633,756 | 61,760 | 812,884 |
| Unreserved, Reported in | | | | |
| General Fund | 2,077,148 | 0 | 0 | 2,077,148 |
| Special Revenue Funds | 0 | 0 | 1,081,987 | 1,081,987 |
| Debt Service Funds | 0 | 0 | 467,448 | 467,448 |
| Capital Projects Funds | 0 | 482,659 | 1,056,773 | 1,539,432 |
| Total Fund Balance | 2,199,779 | 1,116,415 | 2,783,641 | 6,099,835 |
| Total Liabilities and Fund Balance | \$3,811,234 | \$2,021,062 | \$3,105,277 | \$8,937,573 |

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
 Reconciliation of Total Governmental Fund Balance
 to Net Assets of Governmental Activities
 December 31, 2010

| | | |
|---|-----------------|----------------------------|
| Total Governmental Fund Balance | | \$6,099,835 |
| <p>Amounts reported for governmental activities on the statement of net assets are different because of the following:</p> | | |
| <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p> | | |
| Governmental Activities | 22,189,171 | |
| Internal Service Fund | <u>(51,780)</u> | 22,137,391 |
| <p>Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:</p> | | |
| Accounts Receivable | 106,465 | |
| Accrued Interest Receivable | 6,997 | |
| Due from Other Governments | 1,052,246 | |
| Municipal Income Taxes Receivable | 537,206 | |
| Property Taxes Receivable | 11,496 | |
| Special Assessments Receivable | <u>221,926</u> | 1,936,336 |
| <p>An accounting loss on refunded debt is amortized over the life of the debt on the statement of activities.</p> | | |
| | | 21,272 |
| <p>An internal balance is recorded in governmental activities to reflect overpayments to the internal service fund by the business-type activities.</p> | | |
| | | (9,596) |
| <p>Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:</p> | | |
| Accrued Interest Payable | (6,170) | |
| General Obligations Bonds Payable | (771,700) | |
| Capital Loans Payable | (54,955) | |
| Loans Payable | (315,374) | |
| Compensated Absences Payable | (474,232) | |
| Compensated Absences Payable-Internal Service Fund | <u>9,995</u> | (1,612,436) |
| <p>An internal service fund is used by management to charge the cost of engineering services to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net assets.</p> | | |
| | | <u>47,978</u> |
| Net Assets of Governmental Activities | | <u><u>\$28,620,780</u></u> |

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Revenues, Expenditures,
and Change in Fund Balance
Governmental Funds
For the Year Ended December 31, 2010

| | General | Street and Sewer Improvement | Other Governmental | Total Governmental Funds |
|---|--------------------|------------------------------------|-----------------------|--------------------------------|
| <u>Revenues</u> | | | | |
| Property Taxes | \$377,030 | \$0 | \$95,282 | \$472,312 |
| Municipal Income Taxes | 2,171,986 | 0 | 0 | 2,171,986 |
| Other Local Taxes | 645,090 | 0 | 73,051 | 718,141 |
| Special Assessments | 0 | 108,280 | 0 | 108,280 |
| Charges for Services | 403,234 | 0 | 270,422 | 673,656 |
| Fees, Licenses, and Permits | 82,112 | 0 | 0 | 82,112 |
| Fines and Forfeitures | 17,997 | 0 | 3,295 | 21,292 |
| Intergovernmental | 573,327 | 795,978 | 1,016,011 | 2,385,316 |
| Interest | 68,661 | 8,061 | 24,577 | 101,299 |
| Gifts and Donations | 5,663 | 0 | 24,601 | 30,264 |
| Other | 55,554 | 0 | 20,794 | 76,348 |
| Total Revenues | 4,400,654 | 912,319 | 1,528,033 | 6,841,006 |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| Security of Persons and Property | | | | |
| Police | 1,423,412 | 0 | 0 | 1,423,412 |
| Fire | 1,406,482 | 0 | 0 | 1,406,482 |
| Other | 15,472 | 0 | 0 | 15,472 |
| Public Health | 172,208 | 0 | 0 | 172,208 |
| Leisure Time Activities | 0 | 0 | 389,487 | 389,487 |
| Community Environment | 64,067 | 0 | 18,000 | 82,067 |
| Transportation | 0 | 1,643,949 | 1,393,632 | 3,037,581 |
| General Government | 536,168 | 0 | 0 | 536,168 |
| Debt Service: | | | | |
| Principal Retirement | 32,942 | 131,175 | 201,225 | 365,342 |
| Interest and Fiscal Charges | 13,402 | 17,843 | 20,800 | 52,045 |
| Total Expenditures | 3,664,153 | 1,792,967 | 2,023,144 | 7,480,264 |
| Excess of Revenues Over (Under) Expenditures | 736,501 | (880,648) | (495,111) | (639,258) |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Loan Proceeds | 0 | 0 | 54,955 | 54,955 |
| Sale of Capital Assets | 3,100 | 0 | 0 | 3,100 |
| Transfers In | 0 | 632,527 | 287,325 | 919,852 |
| Transfers Out | (1,225,000) | 0 | (12,325) | (1,237,325) |
| Total Other Financing Sources (Uses) | (1,221,900) | 632,527 | 329,955 | (259,418) |
| Change in Fund Balance | (485,399) | (248,121) | (165,156) | (898,676) |
| Fund Balance Beginning of Year | 2,685,178 | 1,364,536 | 2,948,797 | 6,998,511 |
| Fund Balance End of Year | <u>\$2,199,779</u> | <u>\$1,116,415</u> | <u>\$2,783,641</u> | <u>\$6,099,835</u> |

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
 Reconciliation of Statement of Revenues, Expenditures,
 and Change in Fund Balance
 of Governmental Funds to Statement of Activities
 For the Year Ended December 31, 2010

Change in Fund Balance - Total Governmental Funds (\$898,676)

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

Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current year.

| | | |
|--|--------------|-----------|
| Capital Outlay | 1,978,420 | |
| Capital Outlay - Internal Service Fund | (19,088) | |
| Capital Contributions | 66,931 | |
| Depreciation | (737,665) | |
| Depreciation - Internal Service Fund | <u>2,105</u> | 1,290,703 |

The proceeds from the sale of capital assets are reported as other financing sources in the governmental funds. However, the cost of capital assets is removed from the capital asset account on the statement of net assets and is offset against the proceeds from the sale of capital assets resulting in a loss on disposal of capital assets on the statement of activities.

| | | |
|--------------------------------------|----------------|----------|
| Proceeds from Sale of Capital Assets | (10,600) | |
| Loss on Disposal of Capital Assets | <u>(4,780)</u> | (15,380) |

Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.

| | | |
|-----------------------------|--------------|---------|
| Property Taxes | (302) | |
| Municipal Income Taxes | 73,006 | |
| Special Assessments | (1,994) | |
| Charges for Services | (75,082) | |
| Fees, Licenses, and Permits | 8,796 | |
| Intergovernmental | 259,629 | |
| Interest | 4,427 | |
| Other | <u>(230)</u> | 268,250 |

Loan proceeds are other financing sources in governmental funds but the issuance increases long-term liabilities on the statement of net assets. (54,955)

Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net assets.

| | | |
|----------------------------------|---------------|---------|
| General Obligation Bonds Payable | 332,400 | |
| Loans Payable | <u>32,942</u> | 365,342 |

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net assets. Accounting losses are amortized over the life of the debt on the statement of activities.

| | | |
|---------------------------------|-----------------|----------|
| Accrued Interest Payable | (47) | |
| Amortization of Accounting Loss | <u>(11,600)</u> | (11,647) |

Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

| | | |
|--|--------------|----------|
| Compensated Absences Payable-Governmental Activities | (15,439) | |
| Compensated Absences Payable-Internal Service Fund | <u>3,077</u> | (12,362) |

The internal service fund used by management to charge the cost of engineering services to individual funds is not reported on the statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year. (20,148)

Change in Net Assets of Governmental Activities \$911,127

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City of Wapakoneta
Statement of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2010

| | <u>Budgeted Amounts</u> | | Actual | Variance with |
|---|-------------------------|--------------------|--------------------|---------------------------------|
| | Original | Final | | Final Budget Over (Under) |
| <u>Revenues</u> | | | | |
| Property Taxes | \$503,308 | \$362,991 | \$377,030 | \$14,039 |
| Municipal Income Taxes | 2,870,004 | 2,150,000 | 2,194,732 | 44,732 |
| Other Local Taxes | 869,143 | 651,100 | 640,297 | (10,803) |
| Charges for Services | 514,197 | 385,200 | 401,730 | 16,530 |
| Fees, Licenses, and Permits | 127,481 | 95,500 | 82,112 | (13,388) |
| Fines and Forfeitures | 22,694 | 17,000 | 17,931 | 931 |
| Intergovernmental | 761,228 | 584,309 | 651,170 | 66,861 |
| Interest | 146,837 | 110,000 | 68,575 | (41,425) |
| Gifts and Donations | 5,400 | 7,000 | 5,663 | (1,337) |
| Other | 34,200 | 25,670 | 61,980 | 36,310 |
| Total Revenues | 5,854,492 | 4,388,770 | 4,501,220 | 112,450 |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| Security of Persons and Property | | | | |
| Police | 1,602,345 | 1,610,845 | 1,474,841 | 136,004 |
| Fire | 1,567,529 | 1,523,628 | 1,501,853 | 21,775 |
| Other | 23,500 | 22,500 | 17,950 | 4,550 |
| Public Health | 280,630 | 287,930 | 179,385 | 108,545 |
| Community Environment | 121,600 | 121,600 | 67,711 | 53,889 |
| General Government | 1,938,344 | 1,921,045 | 519,030 | 1,402,015 |
| Debt Service: | | | | |
| Principal Retirement | 0 | 32,942 | 32,942 | 0 |
| Interest and Fiscal Charges | 0 | 13,458 | 13,402 | 56 |
| Total Expenditures | 5,533,948 | 5,533,948 | 3,807,114 | 1,726,834 |
| Excess of Revenues Over (Under) Expenditures | 320,544 | (1,145,178) | 694,106 | 1,839,284 |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Sale of Capital Assets | 1,108 | 830 | 3,100 | 2,270 |
| Transfers Out | (1,325,000) | (1,325,000) | (1,225,000) | 100,000 |
| Total Other Financing Sources (Uses) | (1,323,892) | (1,324,170) | (1,221,900) | 102,270 |
| Change in Fund Balance | (1,003,348) | (2,469,348) | (527,794) | 1,941,554 |
| Fund Balance Beginning of Year | 2,389,108 | 2,389,108 | 2,389,108 | 0 |
| Prior Year Encumbrances Appropriated | 196,898 | 196,898 | 196,898 | 0 |
| Fund Balance End of Year | \$1,582,658 | \$116,658 | \$2,058,212 | \$1,941,554 |

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Fund Net Assets
Proprietary Funds
December 31, 2010

| | Business-Type Activities | | | | |
|--|--------------------------|--------------------|--------------------|--------------------|--------------------|
| | Electric | Water | Sewer | Storm Sewer | Refuse |
| <u>Assets</u> | | | | | |
| <u>Current Assets</u> | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$8,919,012 | \$1,929,327 | \$287,577 | \$589,403 | \$231,990 |
| Accounts Receivable | 2,061,522 | 205,128 | 256,205 | 12,988 | 114,024 |
| Due from Other Governments | 0 | 0 | 0 | 0 | 28,389 |
| Other Local Taxes Receivable | 57,547 | 0 | 0 | 0 | 0 |
| Interfund Receivable | 32,071 | 768 | 244 | 92 | 397 |
| Prepaid Items | 41,961 | 13,413 | 15,587 | 0 | 8,173 |
| Materials and Supplies Inventory | 1,554,097 | 163,166 | 29,666 | 0 | 66 |
| Total Current Assets | 12,666,210 | 2,311,802 | 589,279 | 602,483 | 383,039 |
| <u>Non-Current Assets</u> | | | | | |
| Restricted Assets | | | | | |
| Equity in Pooled Cash and Cash Equivalents | 143,842 | 0 | 10,260 | 0 | 0 |
| Cash and Cash Equivalents with Fiscal Agents | 0 | 0 | 1,131,127 | 0 | 0 |
| Unamortized Bond Issuance Costs | 0 | 0 | 279,699 | 0 | 0 |
| Nondepreciable Capital Assets | 5,791,088 | 10,134,326 | 101,187 | 254,068 | 328,101 |
| Depreciable Capital Assets, Net | 7,432,890 | 5,173,752 | 13,762,052 | 1,472,583 | 598,962 |
| Total Non-Current Assets | 13,367,820 | 15,308,078 | 15,284,325 | 1,726,651 | 927,063 |
| Total Assets | 26,034,030 | 17,619,880 | 15,873,604 | 2,329,134 | 1,310,102 |
| <u>Liabilities</u> | | | | | |
| <u>Current Liabilities</u> | | | | | |
| Accrued Wages Payable | 12,231 | 6,124 | 9,055 | 0 | 5,873 |
| Accounts Payable | 51,612 | 14,582 | 28,263 | 879 | 13,446 |
| Contracts Payable | 1,616,493 | 115,321 | 4,169 | 0 | 9,149 |
| Due to Other Governments | 32,746 | 13,714 | 25,229 | 0 | 14,384 |
| Interfund Payable | 52,952 | 14,536 | 14,286 | 0 | 843 |
| Accrued Interest Payable | 0 | 58 | 40,589 | 1,207 | 2,663 |
| Retainage Payable | 48,561 | 0 | 0 | 0 | 0 |
| General Obligation Bonds Payable | 0 | 0 | 0 | 0 | 23,300 |
| Mortgage Revenue Bonds Payable | 0 | 0 | 400,000 | 0 | 0 |
| Due to Auglaize County | 0 | 0 | 2,500 | 0 | 0 |
| Capital Loans Payable | 0 | 3,148 | 15,575 | 10,146 | 52,702 |
| Loans Payable | 0 | 0 | 86,869 | 0 | 0 |
| Compensated Absences Payable | 28,418 | 16,532 | 25,973 | 0 | 12,438 |
| Landfill Postclosure Costs Payable | 0 | 0 | 0 | 0 | 71,599 |
| Total Current Liabilities | 1,843,013 | 184,015 | 652,508 | 12,232 | 206,397 |
| <u>Non-Current Liabilities</u> | | | | | |
| Refundable Deposits | 143,842 | 0 | 0 | 0 | 0 |
| Mortgage Revenue Bonds Payable | 0 | 0 | 8,540,000 | 0 | 0 |
| Due to Auglaize County | 0 | 0 | 3,750 | 0 | 0 |
| OWDA Loans Payable | 0 | 8,737,407 | 0 | 5,656 | 0 |
| Capital Loans Payable | 0 | 0 | 50,311 | 44,809 | 90,175 |
| Loans Payable | 0 | 0 | 712,955 | 0 | 0 |
| Compensated Absences Payable | 106,152 | 62,917 | 99,742 | 0 | 33,879 |
| Landfill Postclosure Costs Payable | 0 | 0 | 0 | 0 | 1,484,028 |
| Total Non-Current Liabilities | 249,994 | 8,800,324 | 9,406,758 | 50,465 | 1,608,082 |
| Total Liabilities | 2,093,007 | 8,984,339 | 10,059,266 | 62,697 | 1,814,479 |
| <u>Net Assets</u> | | | | | |
| Invested in Capital Assets, Net of Related Debt Restricted for | 13,223,978 | 6,567,523 | 5,073,462 | 1,666,040 | 760,886 |
| Revenue Bond Replacement | 0 | 0 | 10,260 | 0 | 0 |
| Future Debt Service | 0 | 0 | 1,098,551 | 0 | 0 |
| Unrestricted (Deficit) | 10,717,045 | 2,068,018 | (367,935) | 600,397 | (1,265,263) |
| Total Net Assets (Deficit) | \$23,941,023 | \$8,635,541 | \$5,814,338 | \$2,266,437 | (\$504,377) |

Net assets reported for business-type activities on the statement of net assets is different because it includes a proportionate share of the balance of the internal service fund.

Net assets of business-type activities

See Accompanying Notes to the Basic Financial Statements

| Total Enterprise Funds | Governmental Activity Internal Service Fund |
|------------------------------|---|
| \$11,957,309 | \$17,077 |
| 2,649,867 | 0 |
| 28,389 | 0 |
| 57,547 | 0 |
| 33,572 | 0 |
| 79,134 | 1,998 |
| 1,746,995 | 1,909 |
| <u>16,552,813</u> | <u>20,984</u> |
| 154,102 | 0 |
| 1,131,127 | 0 |
| 279,699 | 0 |
| 16,608,770 | 0 |
| 28,440,239 | 51,780 |
| <u>46,613,937</u> | <u>51,780</u> |
| 63,166,750 | 72,764 |
| 33,283 | 2,188 |
| 108,782 | 5,897 |
| 1,745,132 | 0 |
| 86,073 | 6,463 |
| 82,617 | 243 |
| 44,517 | 0 |
| 48,561 | 0 |
| 23,300 | 0 |
| 400,000 | 0 |
| 2,500 | 0 |
| 81,571 | 0 |
| 86,869 | 0 |
| 83,361 | 5,321 |
| 71,599 | 0 |
| <u>2,898,165</u> | <u>20,112</u> |
| 143,842 | 0 |
| 8,540,000 | 0 |
| 3,750 | 0 |
| 8,743,063 | 0 |
| 185,295 | 0 |
| 712,955 | 0 |
| 302,690 | 4,674 |
| 1,484,028 | 0 |
| <u>20,115,623</u> | <u>4,674</u> |
| 23,013,788 | 24,786 |
| 27,291,889 | 51,780 |
| 10,260 | 0 |
| 1,098,551 | 0 |
| 11,752,262 | (3,802) |
| <u>40,152,962</u> | <u>\$47,978</u> |
| 9,596 | |
| <u>\$40,162,558</u> | |

City of Wapakoneta
Statement of Revenues, Expenses,
and Change in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2010

| | Business-Type Activities | | | | |
|--|--------------------------|--------------------|--------------------|--------------------|--------------------|
| | Electric | Water | Sewer | Storm Sewer | Refuse |
| <u>Operating Revenues</u> | | | | | |
| Charges for Services | \$14,769,385 | \$1,619,474 | \$0 | \$155,831 | \$1,070,336 |
| Charges for Services Pledged as Security on Mortgage Revenue Bonds | 0 | 0 | 1,983,565 | 0 | 0 |
| Licenses and Permits | 0 | 0 | 0 | 0 | 0 |
| Other | 21,251 | 1,714 | 0 | 0 | 2,654 |
| Other Pledged as Security on Mortgage Revenue Bonds | 0 | 0 | 4,137 | 0 | 0 |
| Total Operating Revenues | 14,790,636 | 1,621,188 | 1,987,702 | 155,831 | 1,072,990 |
| <u>Operating Expenses</u> | | | | | |
| Personal Services | 803,629 | 426,597 | 606,099 | 0 | 445,873 |
| Contractual Services | 12,660,053 | 276,652 | 432,613 | 8,540 | 510,716 |
| Materials and Supplies | 97,977 | 16,843 | 254,863 | 21,995 | 75,043 |
| Depreciation | 282,584 | 190,649 | 473,085 | 58,276 | 40,426 |
| Other | 61,163 | 667 | 12,155 | 0 | 0 |
| Total Operating Expenses | 13,905,406 | 911,408 | 1,778,815 | 88,811 | 1,072,058 |
| Operating Income (Loss) | 885,230 | 709,780 | 208,887 | 67,020 | 932 |
| <u>Non-Operating Revenues (Expenses)</u> | | | | | |
| Other Local Taxes | 54,969 | 0 | 0 | 0 | 0 |
| Gain on Disposal of Capital Assets | 0 | 0 | 620 | 0 | 0 |
| Interest Revenue | 0 | 0 | 1 | 0 | 0 |
| Interest Expense | 0 | (7,338) | (456,758) | (1,207) | (8,206) |
| Total Non-Operating Revenues (Expenses) | 54,969 | (7,338) | (456,137) | (1,207) | (8,206) |
| Income (Loss) before Contributions and Transfers | 940,199 | 702,442 | (247,250) | 65,813 | (7,274) |
| Capital Contributions | 0 | 166,157 | 149,451 | 260,972 | 0 |
| Transfers In | 450,000 | 0 | 0 | 4,169 | 0 |
| Transfers Out | (33,132) | (33,132) | (37,301) | 0 | (33,131) |
| Change in Net Assets | 1,357,067 | 835,467 | (135,100) | 330,954 | (40,405) |
| Net Assets (Deficit) Beginning of Year | 22,583,956 | 7,800,074 | 5,949,438 | 1,935,483 | (463,972) |
| Net Assets (Deficit) End of Year | \$23,941,023 | \$8,635,541 | \$5,814,338 | \$2,266,437 | (\$504,377) |

The change in net assets reported for business-type activities on the statement of activities is different because it includes a proportionate share of the net loss of the internal service fund.

Change in net assets of business-type activities

See Accompanying Notes to the Basic Financial Statements

| Total Enterprise Funds | Governmental Activity <u>Internal Service Fund</u> |
|------------------------------|--|
| \$17,615,026 | \$175,139 |
| 1,983,565 | 0 |
| 0 | 12,166 |
| 25,619 | 337 |
| 4,137 | 0 |
| <u>19,628,347</u> | <u>187,642</u> |
| 2,282,198 | 177,110 |
| 13,888,574 | 14,118 |
| 466,721 | 19,494 |
| 1,045,020 | 2,105 |
| 73,985 | 0 |
| <u>17,756,498</u> | <u>212,827</u> |
| <u>1,871,849</u> | <u>(25,185)</u> |
| 54,969 | 0 |
| 620 | 0 |
| 1 | 0 |
| <u>(473,509)</u> | <u>0</u> |
| <u>(417,919)</u> | <u>0</u> |
| 1,453,930 | (25,185) |
| 576,580 | 0 |
| 454,169 | 0 |
| <u>(136,696)</u> | <u>0</u> |
| 2,347,983 | (25,185) |
| | <u>73,163</u> |
| | <u>\$47,978</u> |
| (5,037) | |
| <u>\$2,342,946</u> | |

City of Wapakoneta
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010

| | Business-Type Activities | | | | | Total |
|---|--------------------------|-------------|-------------|-------------|-------------|--------------|
| | Electric | Water | Sewer | Storm Sewer | Refuse | |
| Increases (Decreases) in Cash and Cash Equivalents | | | | | | |
| <u>Cash Flows from Operating Activities</u> | | | | | | |
| Cash Received from Customers | \$14,727,087 | \$1,626,472 | \$1,951,114 | \$156,429 | \$1,109,649 | \$19,570,751 |
| Cash Received from Transactions with Other Funds | 0 | 0 | 0 | 0 | 0 | 0 |
| Cash Received from Utility Deposits | 35,502 | 0 | 0 | 0 | 0 | 35,502 |
| Cash Received from Other Revenues | 27,585 | 1,828 | 4,381 | 0 | 1,772 | 35,566 |
| Cash Payments for Personal Services | (875,220) | (416,742) | (596,650) | 0 | (439,403) | (2,328,015) |
| Cash Payments for Contractual Services | (12,698,150) | (266,322) | (426,705) | (8,865) | (580,594) | (13,980,636) |
| Cash Payments to Vendors | (521,562) | (68,852) | (256,995) | (23,258) | (76,177) | (946,844) |
| Cash Payments for Transactions with Other Funds | (403) | (3,224) | (353) | (1,057) | 0 | (5,037) |
| Cash Payments for Utility Refunds | (7,294) | 0 | 0 | 0 | 0 | (7,294) |
| Cash Payments for Other Expenses | (58,840) | (667) | (18,326) | 0 | 0 | (77,833) |
| Net Cash Provided by (Used for) Operating Activities | 628,705 | 872,493 | 656,466 | 123,249 | 15,247 | 2,296,160 |
| <u>Cash Flows from Noncapital Financing Activities</u> | | | | | | |
| Cash Received from Other Local Taxes | 54,969 | 0 | 0 | 0 | 0 | 54,969 |
| Transfers In | 450,000 | 0 | 0 | 0 | 0 | 450,000 |
| Transfers Out | (33,132) | (33,132) | (37,301) | 0 | (33,131) | (136,696) |
| Net Cash Provided by (Used for) Noncapital Financing Activities | 471,837 | (33,132) | (37,301) | 0 | (33,131) | 368,273 |
| <u>Cash Flows from Capital and Related Financing Activities</u> | | | | | | |
| Principal Paid on Bond Anticipation Notes | 0 | (300,000) | 0 | 0 | 0 | (300,000) |
| Principal Paid on General Obligation Bonds | 0 | 0 | 0 | 0 | (22,600) | (22,600) |
| Principal Paid on Mortgage Revenue Bonds | 0 | 0 | (375,000) | 0 | 0 | (375,000) |
| Principal Paid on Due to Auglaize County | 0 | 0 | (2,500) | 0 | 0 | (2,500) |
| Principal Paid on Capital Loans | 0 | (2,984) | (15,014) | 0 | (50,659) | (68,657) |
| Principal Paid on Loans | 0 | 0 | (83,545) | 0 | 0 | (83,545) |
| Interest Paid on Bond Anticipation Notes | 0 | (6,375) | 0 | 0 | 0 | (6,375) |
| Interest Paid on General Obligation Bonds | 0 | 0 | 0 | 0 | (1,539) | (1,539) |
| Interest Paid on Mortgage Revenue Bonds | 0 | 0 | (407,905) | 0 | 0 | (407,905) |
| Interest Paid on Capital Loans | 0 | (337) | (3,121) | 0 | (7,450) | (10,908) |
| Interest Paid on Loans | 0 | 0 | (33,990) | 0 | 0 | (33,990) |
| Interest Paid on OWDA Loans | 0 | (1,188) | 0 | 0 | 0 | (1,188) |
| Capital Loan Proceeds | 0 | 0 | 0 | 54,955 | 0 | 54,955 |
| OWDA Loan Proceeds | 0 | 3,885,952 | 0 | 4,048 | 0 | 3,890,000 |
| Acquisition of Capital Assets | (3,857,929) | (4,345,497) | (26,730) | (90,385) | 0 | (8,320,541) |
| Net Cash Used for Capital and Related Financing Activities | (3,857,929) | (770,429) | (947,805) | (31,382) | (82,248) | (5,689,793) |
| <u>Cash Flows from Investing Activities</u> | | | | | | |
| Interest | 0 | 0 | 1 | 0 | 0 | 1 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (2,757,387) | 68,932 | (328,639) | 91,867 | (100,132) | (3,025,359) |
| Cash and Cash Equivalents Beginning of Year | 11,820,241 | 1,860,395 | 1,757,603 | 497,536 | 332,122 | 16,267,897 |
| Cash and Cash Equivalents End of Year | \$9,062,854 | \$1,929,327 | \$1,428,964 | \$589,403 | \$231,990 | \$13,242,538 |

Governmental
Activity

Internal
Service

\$12,166
175,139
0
402
(176,750)
(12,333)
(14,491)
0
0
0

(15,867)

0
0
0

0

0
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0

(19,088)

(19,088)

0

(34,955)

52,032

\$17,077

(continued)

City of Wapakoneta
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010
(continued)

| | Business-Type Activities | | | | | Total |
|---|--------------------------|------------------|------------------|------------------|-----------------|--------------------|
| | Electric | Water | Sewer | Storm Sewer | Refuse | |
| <u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u> | | | | | | |
| Operating Income (Loss) | \$885,230 | \$709,780 | \$208,887 | \$67,020 | \$932 | \$1,871,849 |
| <u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u> | | | | | | |
| Depreciation | 282,584 | 190,649 | 473,085 | 58,276 | 40,426 | 1,045,020 |
| Changes in Assets and Liabilities: | | | | | | |
| (Increase) Decrease in Accounts Receivable | (37,970) | 6,764 | (32,330) | 602 | 49,148 | (13,786) |
| (Increase) Decrease in Due from Other Governments | 6,334 | 114 | 244 | 0 | (10,695) | (4,003) |
| Increase in Other Local Taxes Receivable | (5,418) | 0 | 0 | 0 | 0 | (5,418) |
| (Increase) Decrease in Interfund Receivable | (4,328) | 234 | (121) | (4) | (22) | (4,241) |
| (Increase) Decrease in Prepaid Items | 1,363 | (283) | 171 | 0 | (593) | 658 |
| (Increase) Decrease in Materials and Supplies Inventory | (127,188) | (28,837) | (933) | 0 | (62) | (157,020) |
| Increase in Accrued Wages Payable | 2,447 | 1,374 | 1,295 | 0 | 1,106 | 6,222 |
| Increase (Decrease) in Accounts Payable | (381,942) | (5,625) | 3,025 | 879 | (12,596) | (396,259) |
| Increase (Decrease) in Contracts Payable | (36,518) | (12,998) | 0 | (3,524) | 9,149 | (43,891) |
| Decrease in Due to Other Governments | (6,401) | (1,535) | (11,607) | 0 | (1,162) | (20,705) |
| Increase (Decrease) in Interfund Payable | 4,867 | 2,799 | 1,052 | 0 | 384 | 9,102 |
| Increase in Refundable Deposits | 28,208 | 0 | 0 | 0 | 0 | 28,208 |
| Increase in Compensated Absences Payable | 17,437 | 10,057 | 13,698 | 0 | 6,506 | 47,698 |
| Decrease in Landfill Postclosure Costs | 0 | 0 | 0 | 0 | (67,274) | (67,274) |
| Net Cash Provided by (Used for) Operating Activities | <u>\$628,705</u> | <u>\$872,493</u> | <u>\$656,466</u> | <u>\$123,249</u> | <u>\$15,247</u> | <u>\$2,296,160</u> |

Non-Cash Capital Transactions

In 2010, the Street and Sewer Improvement capital projects fund purchased capital assets and donated them to the Water, Sewer, and Storm Sewer enterprise funds in the amount of \$101,708, \$45,243, and \$182,308 respectively.

In 2010, outside sources constructed Water, Sewer, and Storm Sewer lines and donated them to the Water, Sewer, and Storm Sewer enterprise funds, in the amount of \$64,449, \$104,208, and \$78,664 respectively.

In 2010, the Sewer enterprise fund constructed Storm Sewer lines and donated them to the Storm Sewer enterprise fund, in the amount of \$4,169.

See Accompanying Notes to the Basic Financial Statements

Governmental
Activity

Internal
Service

(\$25,185)

2,105

0

65

0

0

(496)

146

426

5,019

0

(1,004)

(20)

0

3,077

0

(\$15,867)

s,

City of Wapakoneta
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2010

| | |
|--|-----------------|
| <u>Assets</u> | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$20,262</u> |
| <u>Liabilities</u> | |
| Deposits Held and Due to Others | \$2,032 |
| Undistributed Assets | <u>18,230</u> |
| Total Liabilities | <u>\$20,262</u> |

See Accompanying Notes to the Basic Financial Statements

NOTE 1 - DESCRIPTION OF THE CITY OF WAPAKONETA AND THE REPORTING ENTITY

A. The City

The City of Wapakoneta is a home rule municipal corporation established and operated under the laws of the State of Ohio. The City operates under a Council/Mayor form of government.

The City is segmented into many different activities and smaller accounting entities. These include police, fire, emergency medical, street maintenance, parks and recreation, engineering, electric, water, sewer, storm sewer, refuse, and a staff to provide essential support to these service providers. These activities compose the primary government of the City and represent activities which are directly responsible to City Council and the Mayor.

B. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the City of Wapakoneta consists of all funds, departments, boards, and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. There were no component units of the City of Wapakoneta in 2010.

The City participates in the Ohio Government Risk Management Plan, an insurance pool. This organization is presented in Note 20 to the basic financial statements.

The City serves as a custodian of public funds and holds on deposit the monies of the Police Auxiliary, a non-profit organization. The City serves as fiscal agent, but the organization is not considered part of the City. Accordingly, the activity of the Police Auxiliary is presented as an agency fund.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Wapakoneta have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City does not apply Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989, to its business-type activities or to its enterprise funds. Following are the more significant of the City's accounting policies.

A. Basis of Presentation

The City's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

The statement of net assets presents the financial condition of the governmental and business-type activities of the City at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the proprietary fund financial statements. Fiduciary funds are reported by type.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the City are reported in three categories; governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the City are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

General Fund - The General Fund accounts for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

Street and Sewer Improvement Fund - The Street and Sewer Improvement Fund accounts for the residents' portion of special assessments for curbs, gutters, and sidewalks; grant resources for infrastructure improvements; the issuance of notes to pay for projects prior to the assessment of property owners; and transfers from the General Fund for improvements to streets and sewers that are not assessed to the property owners.

The other governmental funds of the City account for grants and other resources whose use is restricted for a particular purpose.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, change in net assets, financial position, and cash flows. The City reports two types of proprietary funds, enterprise and internal service.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds.

Electric Fund - The Electric Fund accounts for the provision of electricity to residential and commercial users within the City.

Water Fund - The Water Fund accounts for the provision of water treatment and distribution to residential and commercial users within the City.

Sewer Fund - The Sewer Fund accounts for the provision of sanitary sewer service to residential and commercial users within the City.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Storm Sewer Fund - The Storm Sewer Fund accounts for the provision of storm sewer service to residential and commercial users within the City.

Refuse Fund - The Refuse Fund accounts for the provision of refuse collection services to residential and commercial users within the City.

Internal Service Fund - The internal service fund accounts for engineering services that are provided to the other departments of the City or to other governmental units. Monthly fees are paid on an hourly scale and any balance on hand is held until used.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications; pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are not available to support the City's own programs. The City did not have any trust funds in 2010. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for funds deducted from employee's payroll for dependent, copayment, and COBRA insurance coverage and to account for monies belonging to the police auxiliary, an organization that is not part of the City of Wapakoneta.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net assets. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and change in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Like the government-wide financial statements, the proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of fund net assets. The statement of revenues, expenses, and change in fund net assets presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets. The statement of cash flows reflects how the City finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; proprietary funds and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within thirty-one days after year end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from income taxes is recognized in the year in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: income taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), grants, and interest.

Deferred Revenues

Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property taxes for which there was an enforceable legal claim at December 31, 2010, but were levied to finance 2011 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. Budgetary Process

All funds, except agency funds, are required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriations ordinance, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations ordinance is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by City Council at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by City Council.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriations ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by City Council during the year.

F. Cash and Investments

To improve cash management, cash received by the City, except cash held by a trustee, is pooled and invested. Individual fund integrity is maintained through City records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Cash and cash equivalents that are held separately for the City by fiscal agents and not held with the City Treasurer are recorded as "Cash and Cash Equivalents with Fiscal Agents".

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

During 2010, investments included non-negotiable certificates of deposit, mutual funds, and STAR Ohio. Non-negotiable certificates of deposit are reported at cost. Investments are reported at fair value, which is based on quoted market price or current share price. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2010.

Interest earnings are generally allocated to City funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2010 was \$68,661, which includes \$58,134 assigned from other City funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2010, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

H. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption.

I. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Restricted assets represent certain resources which are segregated from other resources of the City to comply with various covenants established by bond financing agreements. These assets are generally held in separate accounts of the City or by a trustee. The various covenants place restrictions on the use of these resources, require minimum balances to be maintained in certain accounts, and establish annual amounts to be accumulated for specific purposes.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted assets also represent utility deposits from customers that are classified as restricted because their use is limited to the payment of unpaid utility bills or refunding of the deposit to the customer.

Unclaimed monies that have a legal restriction on their use are also restricted.

J. Unamortized Bond Issuance Costs

Bond issuance costs are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Issuance costs are recorded as deferred charges and are generally paid from bond proceeds.

K. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide statement of net assets but are not reported on the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column on the government-wide statement of net assets and in the respective funds. Capital assets used by the internal service fund are reported in both the governmental activities column on the government-wide statement of net assets and in the fund.

All capital assets are capitalized at cost and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The City maintains a capitalization threshold of ten thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. The City reports all infrastructure, including that acquired prior to 1980. Depreciation is computed using the straight-line method over the following useful lives:

| Description | Governmental Activities Estimated Lives | Business-Type Activities Estimated Lives |
|---|---|--|
| Land Improvements | 20-45years | N/A |
| Buildings | 10-100 years | 10-100 years |
| Equipment | 5-30 years | 5-30 years |
| Vehicles | 10-38 years | 6-20 years |
| Streets | 15-60 years | N/A |
| Electric, Water, Sewer, and Storm Sewer Lines | N/A | 20-100 years |

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Interfund Assets/Liabilities

On fund financial statements, receivables and payables resulting from interfund services provided and used are classified as “Interfund Receivables/Payables”. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net assets. The only interfund balances which remain on the government-wide statement of net assets are those between governmental and business-type activities. These amounts are reflected as “Internal Balances”.

M. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the City’s past experience of making termination payments. Accumulated unused sick leave is paid to employees who retire at various rates depending on department policy and length of service.

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. General obligation bonds and loans are recognized as liabilities on the fund financial statements when due.

O. Unamortized Loss on Advance Refunding

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a reduction of the face amount of the new debt.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include activities for construction, repair, and maintenance of streets and highways, the community block grant program, and various police department grants and programs. The City's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Q. Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Fund balance reserves have been established for unclaimed monies, notes receivable, and encumbrances.

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for electric, water, sewer, storm sewer, and refuse services, and charges for engineering services in the internal service fund. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

S. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

T. Capital Contributions

Capital contributions arise from contributions from other funds and outside sources.

U. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Accountability

The deficit net assets in the Refuse enterprise fund, in the amount of \$504,377, is the result of recording landfill postclosure costs. Refuse rates were increased in 2010 to help offset rising costs.

B. Compliance

For the year ended December 31, 2010, the General Fund, General Government, Income Tax, personal services account had expenditures in excess of appropriations, in the amount of \$5,443.

For the year ended December 31, 2010, the State Highway special revenue fund had expenditures in excess of appropriations for the capital outlay account, in the amount of \$380,343.

For the year ended December 31, 2010, the Sewer enterprise fund had expenditures in excess of appropriations for the other account, in the amount of \$11,455.

The City Auditor will monitor budgetary transactions more closely to ensure expenditures/expenses are within appropriated amounts.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and change in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Change in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING (continued)

2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

Adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the General Fund are as follows:

Change in Fund Balance

| | |
|--|---------------------------|
| GAAP Basis | (\$485,399) |
| <u>Increases (Decreases) Due To</u> | |
| Revenue Accruals: | |
| Accrued 2009, Received in Cash 2010 | 387,186 |
| Accrued 2010, Not Yet Received in Cash | (286,620) |
| Expenditure Accruals: | |
| Accrued 2009, Paid in Cash 2010 | (312,428) |
| Accrued 2010, Not Yet Paid in Cash | 315,916 |
| Cash Accruals: | |
| Unrecorded Activity 2009 | (4,538) |
| Prepaid Items | (1,249) |
| Materials and Supplies Inventory | (723) |
| Encumbrances Outstanding at Year End (Budget Basis) | (139,939) |
| Budget Basis | <u><u>(\$527,794)</u></u> |

NOTE 5 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the city treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits the City Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts, including passbook accounts.

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the City Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the City Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$990,595 of the City's bank balance of \$5,967,083 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured.

Investments

At December 31, 2010, the City had \$1,131,127 invested in mutual funds with an average maturity of 53 days and \$12,001,267 invested in STAR Ohio with an average maturity of 58 days.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the City Auditor from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the City.

The mutual funds carry a rating of Aaa by Moodys. STAR Ohio carries a rating of AAA by Standard and Poor's. The City has no investment policy dealing with credit risk beyond the requirements of State statute. Ohio law requires that mutual funds must be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. STAR Ohio must maintain the highest rating provided by at least one nationally recognized standard rating service.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2010, consisted of accounts (billings for user charged services, including unbilled utility services); intergovernmental receivables arising from grants, entitlements, and shared revenues; municipal income taxes; other local taxes; interfund; accrued interest; property taxes; notes; and special assessments. Income taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. Notes receivable, in the amount of \$115,673, will not be received within one year. Special assessments receivable, in the amount of \$166,055, will not be received within one year. At December 31, 2010, the amount of delinquent special assessments was \$2,817.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 6 - RECEIVABLES (continued)

Notes receivable represent low interest loans for development projects granted to eligible City businesses under the Federal Community Development Block Grant program. The notes have an annual interest rate of 3 percent to 6.25 percent and are to be repaid over periods ranging from seven to ten years.

A summary of the principal items of intergovernmental receivables follows:

| | Amount |
|--|-------------|
| Governmental Activities | |
| Major Funds | |
| General Fund | |
| Homestead and Rollback | \$25,230 |
| Local Government | 173,307 |
| Tangible Personal Property Reimbursement | 6,862 |
| Cigarette Taxes | 243 |
| Estate Taxes | 117,526 |
| Liquor and Beer Permits | 1,068 |
| Auglaize County | 738 |
| Ohio Attorney General | 520 |
| Total General Fund | 325,494 |
| Street and Sewer Improvement | |
| Auglaize County | 31,500 |
| Ohio Department of Development | 365,665 |
| Ohio Department of Transportation | 451,000 |
| Total Street and Sewer Improvement | 848,165 |
| Total Major Funds | 1,173,659 |
| Nonmajor Funds | |
| Street Maintenance | |
| Gasoline Tax | \$113,295 |
| Highway Distribution | 55,944 |
| Motor Vehicle License Tax | 45,378 |
| Ohio Department of Public Safety | 970 |
| United States Treasury | 1,048 |
| Total Street Maintenance | 216,635 |
| | (continued) |

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 6 - RECEIVABLES (continued)

| | Amount |
|--|-----------|
| Governmental Activities (continued) | |
| Nonmajor Funds (continued) | |
| State Highway | |
| Gasoline Tax | \$9,188 |
| Highway Distribution | 4,321 |
| Motor Vehicle License Tax | 3,680 |
| Ohio Department of Public Safety | 79 |
| Total State Highway | 17,268 |
| Recreation | |
| Homestead and Rollback | 5,526 |
| Tangible Personal Property Reimbursement | 2,563 |
| Total Recreation | 8,089 |
| Enforcement and Education | |
| Auglaize County | 13 |
| Drug Law Enforcement | |
| Auglaize County | 125 |
| Total Nonmajor Funds | \$242,130 |
| Business-Type Activities | |
| Refuse | |
| Auglaize County | \$28,389 |

NOTE 7 - MUNICIPAL INCOME TAXES

The City levies an income tax of 1 percent on all income earned within the City as well as on income of residents earned outside the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. Income tax revenues and expenditures for collecting, administering, and enforcing the tax are recorded in the General Fund.

NOTE 8 - PROPERTY TAXES

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the City. Real property tax revenues received in 2010 represent the collection of 2009 taxes. Real property taxes received in 2010 were levied after October 1, 2009, on the assessed values as of January 1, 2009, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2010 represent the collection of 2009 taxes. Public utility real and tangible personal property taxes received in 2010 became a lien on December 31, 2008, were levied after October 1, 2009, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in calendar year 2010 (other than public utility property) represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City of Wapakoneta. The County Auditor periodically remits to the City its portion of the taxes collected.

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2010, and for which there was an enforceable legal claim. In the governmental funds, the entire receivable has been deferred since current taxes were not levied to finance 2010 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, delinquent real property taxes have been recorded as a receivable and revenue while the remainder has been deferred.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 8 - PROPERTY TAXES (continued)

The full tax rate for all City operations for the year ended December 31, 2010, was \$3.75 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2010 property tax receipts were based are as follows:

| Category | Assessed Value |
|--------------------------|----------------------|
| Real Estate | |
| Agricultural/Residential | \$107,696,140 |
| Commercial/Industrial | 45,716,950 |
| Public Utility Real | 61,680 |
| Public Utility Personal | 401,430 |
| Tangible Personal | 434,390 |
| Total | <u>\$154,310,590</u> |

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010, was as follows:

| | Balance December 31, 2009 | Additions | Reductions | Balance December 31, 2010 |
|---|---------------------------------|--------------------|-------------------|---------------------------------|
| Governmental Activities: | | | | |
| Nondepreciable Capital Assets | | | | |
| Land | \$1,269,026 | \$0 | \$0 | \$1,269,026 |
| Construction in Progress | 414,721 | 1,823,888 | 0 | 2,238,609 |
| Total Nondepreciable Capital Assets | <u>1,683,747</u> | <u>1,823,888</u> | <u>0</u> | <u>3,507,635</u> |
| Depreciable Capital Assets | | | | |
| Land Improvements | 2,387,301 | 0 | 0 | 2,387,301 |
| Buildings | 3,599,947 | 0 | 0 | 3,599,947 |
| Equipment | 607,852 | 12,500 | 0 | 620,352 |
| Vehicles | 2,488,393 | 142,032 | (130,931) | 2,499,494 |
| Streets | 24,090,666 | 66,931 | 0 | 24,157,597 |
| Total Depreciable Capital Assets | <u>33,174,159</u> | <u>221,463</u> | <u>(130,931)</u> | <u>33,264,691</u> |
| Less Accumulated Depreciation for | | | | |
| Land Improvements | (232,671) | (60,026) | 0 | (292,697) |
| Buildings | (606,606) | (53,304) | 0 | (659,910) |
| Equipment | (344,304) | (35,464) | 0 | (379,768) |
| Vehicles | (1,756,817) | (88,752) | 115,551 | (1,730,018) |
| Streets | (11,020,643) | (500,119) | 0 | (11,520,762) |
| Total Accumulated Depreciation | <u>(13,961,041)</u> | <u>(737,665)</u> | <u>115,551</u> | <u>(14,583,155)</u> |
| Total Depreciable Capital Assets, Net | <u>19,213,118</u> | <u>(516,202)</u> | <u>(15,380)</u> | <u>18,681,536</u> |
| Governmental Activities Capital Assets, Net | <u>\$20,896,865</u> | <u>\$1,307,686</u> | <u>(\$15,380)</u> | <u>\$22,189,171</u> |

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 9 - CAPITAL ASSETS (continued)

During 2010, the City accepted contributions of depreciable capital assets of \$66,931 from outside sources.

| | Balance December 31, 2009 | Additions | Reductions | Balance December 31, 2010 |
|--|---------------------------------|--------------------|------------------|---------------------------------|
| Business-Type Activities: | | | | |
| Nondepreciable Capital Assets | | | | |
| Land | \$926,720 | \$0 | \$0 | \$926,720 |
| Construction in Progress | 7,019,081 | 8,662,969 | 0 | 15,682,050 |
| Total Nondepreciable Capital Assets | <u>7,945,801</u> | <u>8,662,969</u> | <u>0</u> | <u>16,608,770</u> |
| Depreciable Capital Assets | | | | |
| Buildings | 10,517,769 | 0 | 0 | 10,517,769 |
| Equipment | 934,232 | 88,496 | (10,000) | 1,012,728 |
| Vehicles | 2,584,688 | 82,373 | 0 | 2,667,061 |
| Electric, Water, Sewer, and Storm Sewer Lines | 31,501,547 | 821,825 | (1,918) | 32,321,454 |
| Total Depreciable Capital Assets | <u>45,538,236</u> | <u>992,694</u> | <u>(11,918)</u> | <u>46,519,012</u> |
| Less Accumulated Depreciation for | | | | |
| Buildings | (1,267,065) | (172,063) | 0 | (1,439,128) |
| Equipment | (509,609) | (33,753) | 8,200 | (535,162) |
| Vehicles | (1,265,593) | (143,265) | 0 | (1,408,858) |
| Electric, Water, Sewer, and Storm Sewer Lines | (14,001,604) | (695,939) | 1,918 | (14,695,625) |
| Total Accumulated Depreciation | <u>(17,043,871)</u> | <u>(1,045,020)</u> | <u>10,118</u> | <u>(18,078,773)</u> |
| Total Depreciable Capital Assets, Net | <u>28,494,365</u> | <u>(52,326)</u> | <u>(1,800)</u> | <u>28,440,239</u> |
| Business-Type Activities Capital Assets, Net | <u>\$36,440,166</u> | <u>\$8,610,643</u> | <u>(\$1,800)</u> | <u>\$45,049,009</u> |

During 2010, the City accepted contributions of depreciable capital assets of \$576,580; \$329,259 from the Street and Sewer Improvement capital projects fund and \$247,321 from outside sources.

Depreciation expense was charged to governmental functions as follows:

| | |
|--|------------------|
| Governmental Activities | |
| Security of Persons and Property - Police | \$28,993 |
| Security of Persons and Property - Fire | 62,008 |
| Public Health | 29,746 |
| Leisure Time Activities | 74,821 |
| Transportation | 518,428 |
| General Government | 23,669 |
| Total Depreciation Expense - Governmental Activities | <u>\$737,665</u> |

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 10- INTERFUND BALANCES

Interfund balances at December 31, 2010, consisted of the following individual fund receivables and payables:

Due to General Fund from:

| | |
|----------|----------|
| Electric | \$52,731 |
|----------|----------|

Due to Electric Fund from:

| | |
|--------------------|---------|
| General | \$2,165 |
| Other Governmental | 848 |
| Water | 14,507 |
| Sewer | 13,559 |
| Refuse | 810 |
| Internal Service | 182 |

| | |
|---------------------|-----------------|
| Total Electric Fund | <u>\$32,071</u> |
|---------------------|-----------------|

Due to Water Fund from:

| | |
|--------------------|------|
| General | \$17 |
| Other Governmental | 54 |
| Electric | 34 |
| Sewer | 647 |
| Refuse | 8 |
| Internal Service | 8 |

| | |
|------------------|--------------|
| Total Water Fund | <u>\$768</u> |
|------------------|--------------|

Due to Sewer Fund from:

| | |
|--------------------|------|
| General | \$31 |
| Other Governmental | 108 |
| Electric | 63 |
| Refuse | 21 |
| Internal Service | 21 |

| | |
|------------------|--------------|
| Total Sewer Fund | <u>\$244</u> |
|------------------|--------------|

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 10 - INTERFUND BALANCES (continued)

Due to Storm Sewer from:

| | |
|------------------------|------|
| General | \$4 |
| Other Governmental | 22 |
| Electric | 14 |
| Sewer | 44 |
| Refuse | 4 |
| Internal Service | 4 |
| Total Storm Sewer Fund | \$92 |

Due to Refuse from:

| | |
|--------------------|-------|
| General | \$78 |
| Other Governmental | 116 |
| Electric | 110 |
| Water | 29 |
| Sewer | 36 |
| Internal Service | 28 |
| Total Refuse Fund | \$397 |

The balances due resulted from the time lag between dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All of these amounts are expected to be received within one year.

NOTE 11 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2010, the City contracted with the Ohio Government Risk Management Plan, an insurance pool, for the following coverage:

| Type of Coverage | Coverage | Deductible |
|-------------------|--------------|------------|
| Property | \$58,536,949 | \$1,000 |
| General Liability | | |
| Each Occurrence | 7,000,000 | 0 |
| Aggregate | 9,000,000 | 0 |
| Wrongful Acts | | |
| Each Occurrence | 7,000,000 | 5,000 |
| Aggregate | 9,000,000 | 5,000 |

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 11 - RISK MANAGEMENT (continued)

| Type of Coverage | Coverage | Deductible |
|----------------------------|-------------|------------|
| Fire Vehicles | \$2,205,063 | \$250 |
| Law Enforcement Liability | | |
| Each Occurrence | 7,000,000 | 5,000 |
| Aggregate | 9,000,000 | 5,000 |
| Automobile Liability | 7,000,000 | 250 - 500 |
| Inland Marine | 1,492,320 | 1,000 |
| Electronic Data Processing | 280,740 | 1,000 |

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has not been any significant reduction in coverage from the prior year.

Worker's compensation coverage is provided by the State of Ohio. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

NOTE 12 - SIGNIFICANT CONTRACTUAL COMMITMENTS

The City has several outstanding contracts for professional services. The following amounts remain on these contracts as of December 31, 2010:

| Vendor | Contract Amount | Amount Paid as of 12/31/10 | Outstanding Balance |
|--------------------------------|-----------------|----------------------------|---------------------|
| A CH2M Hill, Inc. | 250,000 | 100,349 | 149,651 |
| American Municipal Power | 2,200,000 | 1,167,984 | 1,032,016 |
| American Suncraft Consultation | 101,324 | 0 | 101,324 |
| Cargill, Inc. | 191,887 | 111,674 | 80,213 |
| CB Richard Ellis | 42,000 | 21,000 | 21,000 |
| Charles Hartard | 55,000 | 0 | 55,000 |
| CTL Engineering Inc. | 47,940 | 18,352 | 29,588 |
| Freytag & Associates, Inc. | 24,260 | 0 | 24,260 |
| GE Industrial Services | 250,000 | 37,500 | 212,500 |
| GE Industrial Services | 233,813 | 0 | 233,813 |
| GE Industrial Services | 114,824 | 0 | 114,824 |
| GE Industrial Services | 372,875 | 246,322 | 126,553 |
| GE Industrial Services | 110,230 | 0 | 110,230 |
| GE Industrial Services | 155,192 | 54,678 | 100,514 |
| GE Industrial Services | 275,200 | 173,036 | 102,164 |
| Gexpro | 246,616 | 0 | 246,616 |
| Hume Supply | 1,108,427 | 994,618 | 113,809 |

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 12 - SIGNIFICANT CONTRACTUAL COMMITMENTS (continued)

| Vendor | Contract Amount | Amount Paid as of 12/31/10 | Outstanding Balance |
|--------------------------------|--------------------|-------------------------------|------------------------|
| Kirk Brothers | \$6,769,065 | \$6,741,818 | \$27,247 |
| Kuhlman Electric | 417,500 | 375,750 | 41,750 |
| Ohio Department of Development | 490,000 | 0 | 490,000 |
| Power Line Supply | 27,329 | 2,060 | 25,269 |
| Sowards Electric | 295,895 | 253,796 | 42,099 |
| Vaughn Industries | 1,165,298 | 313,482 | 851,816 |

NOTE 13 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the traditional plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for public safety and law enforcement employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll. For the year ended December 31, 2010, members in state and local classifications contributed 10 percent of covered payroll while public safety and law enforcement members contributed 10.5 percent and 11.1 percent, respectively. While members in the state and local divisions may participate in all three plans, public safety and law enforcement divisions exist only within the traditional plan. For 2010, member and employer contribution rates were consistent across all three plans.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)

The City's 2010 contribution rate was 14 percent, except for those plan members in public safety or law enforcement, for whom the City's contribution was 17.87 percent of covered payroll. The portion of the City's contribution used to fund pension benefits is net of postemployment health care benefits. The portion of the City's contribution allocated to health care for members in the traditional plan was 5.5 percent from January 1, through February 28, 2010, and 5 percent from March 1, through December 31, 2010. The portion of the employer contribution allocated to health care for members in the combined plan was 4.73 percent from January 1, through February 28, 2010, and 4.23 percent from March 1, through December 31, 2010. Employer contribution rates are actuarially determined.

The City's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2010, 2009, and 2008 was \$239,889, \$210,361 and \$172,627, respectively. For 2010, 98 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008. Contributions to the member-directed plan for 2010 were \$859 made by the City and \$613 made by the plan members.

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial that includes financial information and required supplementary information for the plan. The report that may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code requires plan members to contribute 10 percent of their annual covered salary while employers are required to contribute 19.5 percent for police officers and 24 percent for firefighters. The OPF pension fund is authorized by the Ohio Revised Code to allocate a portion of the employer contribution to retiree health care benefits. For 2010, the portion of the City's contribution used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters. The City's contribution to OPF for police and firefighters pension was \$90,810 and \$137,751 for the year ended December 31, 2010, \$114,389 and \$151,278, for the year ended December 31, 2009, and \$109,448 and 145,936, for the year ended December 31, 2008. For 2010, 68 percent has been contributed for police and 71 percent has been contributed for firefighters with the balance for both police and fire being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - POSTEMPLOYMENT BENEFITS (continued)

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care plan for qualifying members of both the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment health care coverage. The plan includes a medical plan, a prescription drug program, and Medicare Part B premium reimbursement.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The postemployment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of postemployment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, state and local employers contributed 14 percent of covered payroll and public safety and law enforcement employers contributed 17.87 percent. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for public safety and law enforcement employer units.

Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of the employer contribution allocated to health care for members in the traditional plan was 5.5 percent from January 1, through February 28, 2010, and 5 percent from March 1 through December 31, 2010. The portion of the employer contribution allocated to health care for members in the combined plan was 4.73 percent from January 1, through February 28, 2010, and 4.23 percent from March 1, through December 31, 2010.

The OPERS retirement board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the postemployment health care plan.

The City's contribution allocated to fund postemployment health care benefits for the years ended December 31, 2010, 2009, and 2008 was \$137,248, \$152,108, and \$172,627, respectively. For 2010, 98 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

NOTE 14 - POSTEMPLOYMENT BENEFITS (continued)

The Health Care Preservation Plan (HCPP) adopted by the OPERS retirement board on September 9, 2004, was effective January 1, 2007. Member and employer contributions rates increased on January 1 of each year from 2006 to 2008. Rates for public safety and law enforcement employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

B. Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored healthcare program, a cost-sharing, multiple-employer defined postemployment healthcare plan administered by OPF. OPF provides healthcare benefits including coverage for medical, prescription drug, dental, vision, Medicare Part B Premium, and long-term care to retirees, qualifying benefit recipients, and their eligible dependents.

OPF provides access to postretirement healthcare coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check, or is a spouse or eligible dependent child of such person. The healthcare coverage provided by OPF meets the definition of an Other Postemployment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45.

The Ohio Revised Code allows, but does not mandate, OPF to provide OPEB benefits. Authority for the OPF Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF defined benefit pension plan. Participating employers are required by the Ohio Revised Code to contribute to the pension plan at rates expressed as a percentage of payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and firefighters, respectively. Active members do not make contributions to the OPEB Plan.

OPF maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B premium reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan under the authority granted by the Ohio Revised Code to the OPF Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contribution made to the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2010, the employer contribution allocated to the healthcare plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

NOTE 14 - POSTEMPLOYMENT BENEFITS (continued)

The OPF Board of Trustees is also authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contribution to OPF which was allocated to fund postemployment health care benefits for police and firefighters was \$48,076 and \$53,902 for the year ended December 31, 2010, \$60,559 and \$59,196 for the year ended December 31, 2009, and \$57,943 and \$57,105 for the year ended December 31, 2008. For 2010, 68 percent has been contributed for police and 71 percent has been contributed for firefighters with the balance for both police and fire being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

NOTE 15 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws.

City employees earn vacation at varying rates depending upon length of service and standard work week. Current policy permits two weeks of vacation to be carried forward to the following year. Employees are paid for 100 percent of earned unused vacation leave upon termination.

Sick leave is earned at various rates as defined by City policy and union contracts. Non-union employees earn sick leave at a rate of four and six-tenths hours for every eighty hours worked. Current policy permits sick leave to be accumulated without limit. Each non-union employee hired prior to January 1, 1988, with ten or more years of service with the City or other political subdivision within the State of Ohio, is paid for one-half of their earned unused sick leave upon retirement. Each non-union employee hired after January 1, 1988, at the time of retirement from active service with the City, is paid 25 percent of their earned unused sick leave up to a maximum of one hundred twenty accrued sick days (thirty days total maximum payment).

All bargaining-unit employees, except firefighters earn sick leave at a rate of four and sixty-two hundredths of an hour for every hour worked. Firefighters earn sick leave at a rate of five and seventy-five hundredths of an hour for every hour worked. Current policy permits sick leave to be accumulated without limit. Each bargaining-unit employee, at the time of retirement from active service with the City, is paid for one-half of their earned unused sick leave up to a maximum of 1,040 accrued sick hours (one hundred thirty days total maximum payment), except for firefighters hired after January 1, 1988. Firefighters are paid for one-fourth of their earned unused sick leave up to a maximum of two hundred forty accrued sick hours (thirty days total maximum payment).

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 16 - NOTES PAYABLE

The City's note transactions for the year ended December 31, 2010, were as follows:

| | Interest Rate | Balance December 31, 2009 | Additions | Reductions | Balance December 31, 2010 |
|---|------------------|---------------------------------|-----------|------------|---------------------------------|
| <u>Business-Type Activities</u> | | | | | |
| <u>General Obligation Bond Anticipation Notes</u> | | | | | |
| Water | | | | | |
| 2009 Bond Anticipation Note | 2.13% | \$300,000 | \$0 | \$300,000 | \$0 |

According to Ohio law, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50 percent of anticipated revenue collections. The City has issued bond anticipation notes with a maturity of one year or less which will be reissued until paid in full or bonds are issued.

The bond anticipation notes in the Water enterprise fund, in the amount of \$300,000, were issued to partially retire notes previously issued for improvements to the water system, including a water tower and the installation of water lines. The notes had an interest rate of 2.13 percent and were fully retired in November 2010.

NOTE 17 - LONG-TERM OBLIGATIONS

The City's long-term obligations activity for the year ended December 31, 2010, was as follows:

| | Interest Rate | Balance December 31, 2009 | Additions | Reductions | Balance December 31, 2010 | Due Within One Year |
|------------------------------------|------------------|---------------------------------|-----------|------------|---------------------------------|------------------------|
| <u>Governmental Activities</u> | | | | | | |
| <u>General Obligation Bonds</u> | | | | | | |
| 2003 Various Purpose | 1.75 - 3.80% | \$1,104,100 | \$0 | \$332,400 | \$771,700 | \$331,700 |
| Accounting Loss | 3.30 - 4.25 | (32,872) | 11,600 | 0 | (21,272) | 0 |
| Total General Obligation Bonds | | 1,071,228 | 11,600 | 332,400 | 750,428 | 331,700 |
| <u>Other Long-Term Obligations</u> | | | | | | |
| Capital Loans Payable | | 0 | 54,955 | 0 | 54,955 | 10,146 |
| Loans Payable | | 348,316 | 0 | 32,942 | 315,374 | 34,253 |
| Compensated Absences Payable | | 458,793 | 44,470 | 29,031 | 474,232 | 122,886 |
| Total Governmental Activities | | \$1,878,337 | \$111,025 | \$394,373 | \$1,594,989 | \$498,985 |

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

| | Interest Rate | Balance December 31, 2009 | Additions | Reductions | Balance December 31, 2010 | Due Within One Year |
|-----------------------------------|------------------|---------------------------------|-------------|------------|---------------------------------|------------------------|
| <u>Business-Type Activities</u> | | | | | | |
| General Obligation Bonds | | | | | | |
| 2003 Various Purpose | 1.75 - 3.80% | \$45,900 | \$0 | \$22,600 | \$23,300 | \$23,300 |
| Mortgage Revenue Bonds | | | | | | |
| 1998 Sewer System Bonds | 3.30 - 4.95 | 2,340,000 | 0 | 210,000 | 2,130,000 | 225,000 |
| 2006 Sewer System Bonds | 4 - 4.25 | 6,975,000 | 0 | 165,000 | 6,810,000 | 175,000 |
| Total Mortgage Revenue Bonds | | 9,315,000 | 0 | 375,000 | 8,940,000 | 400,000 |
| Other Long-Term Obligations | | | | | | |
| Due to Auglaize County | | 8,750 | 0 | 2,500 | 6,250 | 2,500 |
| OWDA Loans | | | | | | |
| Water | | 4,851,455 | 3,885,952 | 0 | 8,737,407 | 0 |
| Storm Sewer | | 1,608 | 4,048 | 0 | 5,656 | 0 |
| Capital Loans Payable | | 280,568 | 54,955 | 68,657 | 266,866 | 81,571 |
| Loans Payable | | 883,369 | 0 | 83,545 | 799,824 | 86,869 |
| Compensated Absences Payable | | 338,353 | 48,164 | 466 | 386,051 | 83,361 |
| Landfill Postclosure Costs | | 1,622,901 | 0 | 67,274 | 1,555,627 | 71,599 |
| Total Other Long-Term Obligations | | 7,987,004 | 3,993,119 | 222,442 | 11,757,681 | 325,900 |
| Total Business-Type Activities | | \$17,347,904 | \$3,993,119 | \$620,042 | \$20,720,981 | \$749,200 |

2003 Various Purpose General Obligation Bonds - On October, 1, 2003, the City issued \$3,295,000 in unvoted general obligation bonds. The bonds were issued for ten years with interest rates ranging from 1.75 percent to 3.8 percent. Bonds, in the amount of \$2,836,000, were used to refund \$850,000 in Downtown Improvement general obligation bonds issued in 1991 and \$1,875,000 in various purpose bonds issued in 1993. The issue also included \$170,600 to partially retire bond anticipation notes for various landfill improvements and \$288,400 to make improvements to sidewalks, curbs, and gutters. The bonds will be paid from the Street and Sewer Improvement capital projects fund, Downtown Debt debt service fund, and the Electric, Water, Sewer, and Refuse enterprise funds. The 2003 various purpose bonds are not subject to optional or mandatory redemption prior to maturity. The 1991 and 1993 bonds were fully extinguished in 2003.

Capital Loans Payable - Loans have been entered into with local banks for the purchase of land and equipment. The City is paying each loan in equal monthly or yearly payments over the life of the loan. They range in length from five to ten years depending on the amount of the loan. The loans are being repaid from resources of the Street Maintenance special revenue fund, Water, Sewer, Storm Sewer, and Refuse enterprise funds.

Loans Payable

In 2009, the City obtained a loan from Energy Systems Group, in the amount of \$1,303,630, for energy efficiency upgrades; \$368,662 at the fire station and \$934,968 at the water treatment plant. The loans were obtained for a ten year period with final maturity during 2018. The loans are being retired through the General Fund and the Sewer enterprise fund. Of the total loan amount, \$239,070 and \$736,234 was not capitalized in the General Fund and Sewer enterprise fund, respectively.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

Compensated Absences - The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund, Street Maintenance special revenue fund, Electric, Water, Sewer, and Refuse enterprise funds, and the Engineering internal service fund.

Mortgage Revenue Bonds - Mortgage revenue bonds are special obligations of the City secured by a lien upon the assets of the respective system. These bonds are payable solely from the gross revenues of the respective system after provisions for reasonable operating and maintenance expenses. The bond indentures have certain restrictive covenants and principally require that bond reserve funds be maintained and charges for services to customers be in sufficient amounts to satisfy the obligations under the indenture agreements. In addition, special provisions exist regarding covenant violations, redemptions of principal, and maintenance of properties.

1998 Sewer System Bonds - On November 30, 1998, the City issued \$4,190,000 in sewer system bonds to advance refund 1990 sewer system bonds and pay the costs of certain other improvements to the sewer system. The refunding bonds include serial and term bonds. The bonds were issued for a twenty year period, with final maturity during 2018. The bonds will be paid from the Sewer enterprise fund.

The term bonds maturing on December 1, 2018, are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the City. The mandatory redemption is to occur on December 1, in each of the years 2010 through 2017 (with the balance of \$315,000 to be paid at stated maturity in 2018), at a redemption priced equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, according to the following schedule:

| Year | Amount |
|------|-----------|
| 2011 | \$225,000 |
| 2012 | 235,000 |
| 2013 | 245,000 |
| 2014 | 255,000 |
| 2015 | 270,000 |
| 2016 | 285,000 |
| 2017 | 300,000 |

The bonds maturing on or after December 1, 2009, are subject to optional redemption prior to maturity, commencing on December 1, 2009, either in whole or in part, in inverse order of maturity and by lot within any maturity, at the redemption prices (expressed as percentages of the principal amount redeemed) plus accrued interest to the redemption date as set forth below:

| Redemption Dates (Dates Inclusive) | Redemption Prices |
|---|-------------------|
| December 1, 2008, through November 30, 2009 | 101% |
| December 1, 2009, through November 30, 2010 | 100.5 |
| December 1, 2010, and thereafter | 100 |

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

In conjunction with the issuance of the sewer system bonds, the City entered into a trust agreement with a commercial bank. This trust agreement, along with the bond indenture, requires that the City establish various funds for the repayment of debt. The restricted assets in the Sewer enterprise fund segregate funds held by the City from funds held by the trustees in accordance with the trust agreement. Restricted assets relating to the sewer system bonds held by the trustee at December 31, 2010, were \$358,129.

2006 Sewer System Bonds - On June 1, 2006, the City issued \$7,425,000 in sewer system bonds for improvements to the wastewater collection and sewer system. The bonds were issued for a twenty year period, with final maturity during 2026. The bonds will be paid from the Sewer enterprise fund.

The bonds maturing on or after December 1, 2017, are subject to optional redemption prior to maturity, commencing December 1, 2016, either in whole or in part, in inverse order of maturity and by lot within any maturity, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

In conjunction with the issuance of the sewer system bonds, the City entered into a trust agreement with a commercial bank. This trust agreement, along with the bond indenture, requires that the City establish various funds for the repayment of debt. The restricted assets in the Sewer enterprise fund segregate funds held by the City from funds held by the trustees in accordance with the trust agreement. Restricted assets relating to the sewer system bonds held by the trustee at December 31, 2010, were \$772,998.

Due to Auglaize County - This liability is the result of a joint project with Auglaize County for a sanitary sewer and interceptor replacement. The project was materially funded with a non-interest bearing loan through the Ohio Public Works Commission in Auglaize County's name. The agreement stipulates the City pay 50 percent of the loan. The liability is for a period of twenty years and will be paid from the Sewer enterprise fund.

OWDA Loans

OWDA loans consist of money owed to the Ohio Water Development Authority for a new water treatment plant, a long-term control plan design, and a wellfield and raw water line improvements. OWDA loans will be paid from the Water and Storm Sewer enterprise funds.

The OWDA loans will be paid from the gross revenues of the Water and Storm Sewer enterprise funds after provisions for reasonable operating and maintenance expenses. Annual principal and interest payments on the loans are expected to require less than 100 percent of these net revenues in future years. Interest paid on the loans from the Water enterprise funds during 2010 was \$1,188. Total net revenues for the Water and Storm Sewer enterprise funds were \$900,429 and \$125,296 respectively.

The City's legal debt margin was \$15,528,031 at December 31, 2010.

The water treatment plant, a long-term control plan design, and a wellfield and raw waterline improvements projects funded by OWDA loans have not been completed. An amortization schedule for the repayment of the loans will not be available until the projects are completed and, therefore, are not included in the following schedule.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

Principal and interest requirements to retire governmental activities long-term obligations outstanding at December 31, 2010, were as follows:

| Year | General Obligation Bonds | | Capital Loans | | Loans Payable | |
|-----------|--------------------------|-----------------|-----------------|----------------|------------------|-----------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2011 | \$331,700 | \$28,007 | \$10,146 | \$2,198 | \$34,253 | \$12,092 |
| 2012 | 215,000 | 16,397 | 10,552 | 1,793 | 35,615 | 10,729 |
| 2013 | 225,000 | 8,550 | 10,974 | 1,370 | 37,033 | 9,312 |
| 2014 | 0 | 0 | 11,413 | 931 | 38,506 | 7,838 |
| 2015 | 0 | 0 | 11,870 | 475 | 40,038 | 6,306 |
| 2016-2018 | 0 | 0 | 0 | 0 | 129,929 | 9,104 |
| | <u>\$771,700</u> | <u>\$52,954</u> | <u>\$54,955</u> | <u>\$6,767</u> | <u>\$315,374</u> | <u>\$55,381</u> |

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2010, from the enterprise funds were as follows:

| Year | General Obligation Bonds | | Mortgage Revenue Bonds | |
|--------------|--------------------------|--------------|------------------------|--------------------|
| | Principal | Interest | Principal | Interest |
| 2011 | \$23,300 | \$816 | \$400,000 | \$390,910 |
| 2012 | 0 | 0 | 410,000 | 372,772 |
| 2013 | 0 | 0 | 425,000 | 354,140 |
| 2014 | 0 | 0 | 455,000 | 334,813 |
| 2015 | 0 | 0 | 470,000 | 314,190 |
| 2016 to 2020 | 0 | 0 | 2,700,000 | 1,230,947 |
| 2021 to 2025 | 0 | 0 | 3,325,000 | 596,275 |
| 2026 | 0 | 0 | 755,000 | 32,088 |
| Total | <u>\$23,300</u> | <u>\$816</u> | <u>\$8,940,000</u> | <u>\$3,626,135</u> |

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

| Year | Due to Auglaize County | Capital Loans Payable | | Loans Payable | |
|-----------|------------------------------|-----------------------|-----------------|------------------|------------------|
| | Principal | Principal | Interest | Principal | Interest |
| 2011 | \$2,500 | \$81,571 | \$10,336 | \$86,869 | \$30,666 |
| 2012 | 2,500 | 55,671 | 7,050 | 90,325 | 27,209 |
| 2013 | 1,250 | 57,782 | 4,939 | 93,919 | 23,616 |
| 2014 | 0 | 59,972 | 931 | 97,656 | 19,878 |
| 2015 | 0 | 11,870 | 475 | 101,541 | 15,993 |
| 2016-2018 | 0 | 0 | 0 | 329,514 | 23,089 |
| | <u>\$6,250</u> | <u>\$266,866</u> | <u>\$23,731</u> | <u>\$799,824</u> | <u>\$140,451</u> |

NOTE 18 - LANDFILL POSTCLOSURE COSTS

State and federal laws and regulations require the City to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The City stopped accepting waste at its landfill in 1994. The Ohio EPA approved the final closure and postclosure plan in July 1998. The \$1,555,627, reported as landfill postclosure costs at December 31, 2010, represents the costs of maintenance and monitoring through 2028. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. A fee of \$3 and \$1.50 per month was imposed on residential and commercial refuse users, respectively, to finance the postclosure costs, which generates approximately \$159,500 annually.

The City is required by state and federal laws and regulations to provide assurances that financial resources will be available to provide for postclosure care and remediation or containment of environmental hazards at the landfill. The City has passed the financial accountability test proving the ability to self-fund these future costs.

NOTE 19 - INTERFUND TRANSFERS

During 2010, the General Fund made transfers to the Street and Sewer Improvement capital projects fund, in the amount of \$500,000, as debt payments came due. The General Fund also made transfers to other governmental funds, in the amount of \$275,000; \$150,000 as debt payments came due and \$125,000 to subsidize activities in other funds. In addition, the General Fund transferred \$450,000 to the Electric enterprise fund to subsidize operations.

Other governmental funds made transfers to other governmental funds, in the amount of \$12,325, to subsidize operations.

The Electric enterprise fund transferred \$33,132 to the Street and Sewer improvement capital projects fund as debt payments came due.

The Water enterprise fund transferred \$33,132 to the Street and Sewer Improvement capital projects fund as debt payments came due.

NOTE 19 - INTERFUND TRANSFERS (continued)

The Sewer enterprise fund transferred \$33,132 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Refuse enterprise fund transferred \$33,131 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Sewer enterprise fund transferred capital assets to the Storm Sewer enterprise fund, in the amount of \$4,169.

NOTE 20 - INSURANCE POOL

The City participates in the Ohio Government Risk Management Plan (Plan), an insurance purchasing pool consisting of various entities in the State of Ohio. The intent of the Plan is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the Plan. Membership in the Plan is by written application subject to the approval of the Plan Manager. Financial information may be obtained from the Ohio Government Risk Management Plan, 1505 Jefferson Avenue, Toledo, Ohio 43603.

NOTE 21 - CONTINGENT LIABILITIES

A. Litigation

The City is party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The City management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

B. Federal and State Grants

For the period January 1, 2010, to December 31, 2010, the City received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowances, if any, would be immaterial.

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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Nonmajor Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes. Following is a description of the City's nonmajor special revenue funds:

Street Maintenance Fund

To account for 92.5 percent of the state gasoline tax and motor vehicle registration fees restricted for street maintenance and repair.

State Highway Fund

To account for 7.5 percent of the state gasoline tax and motor vehicle registration fees restricted for maintenance and repair of state highways within the City.

Motor Vehicle Permissive Tax Fund

To account for additional motor vehicle registration fees restricted for street maintenance and repair.

Community Block Grant Fund

To account for grants received from the federal government under the Community Development Block Grant Program as well as the revolving loan program.

Recreation Fund

To account for property taxes, grants, and other resources restricted for use on recreation activities.

Swimming Pool Fund

To account for charges and other resources restricted for use of the swimming pool.

Law Enforcement Fund

To account for fines and forfeitures restricted for law enforcement activities.

Enforcement and Education Fund

To account for fines and forfeitures charged for driving under the influence arrests. These resources are restricted for enforcement and education programs to prevent occurrences of driving under the influence.

Drug Law Enforcement Fund

To account for the sale of confiscated property restricted for use on drug law enforcement activities.

Recreation Trust Fund

To account for donations given by the Haus-Helms Foundation for use on recreation activities.

Rudd Park Trust Fund

To account for donations from the Wapakoneta Area Community Foundation to be used for Rudd Park.

(continued)

City of Wapakoneta
Combining Statements - Nonmajor Governmental Funds
(continued)

Nonmajor Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general and special assessment long-term obligation principal, interest, and related costs.

Debt Service Fund

To account for special assessments and transfers from the Street and Sewer Improvement Fund used to pay principal and interest.

Downtown Debt Fund

To account for transfers from the General Fund used to pay principal and interest.

Nonmajor Capital Projects Funds

Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds.)

Swimming Pool Construction Fund

To account for the construction of the swimming pool.

Capital Fire Truck Fund

To account for the purchase or repair of fire trucks financed by General Fund transfers.

City of Wapakoneta
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|---|--------------------------------------|--|--|
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$965,113 | \$467,448 | \$1,056,773 | \$2,489,334 |
| Accounts Receivable | 1,541 | 0 | 0 | 1,541 |
| Due from Other Governments | 242,130 | 0 | 0 | 242,130 |
| Other Local Taxes Receivable | 5,923 | 0 | 0 | 5,923 |
| Prepaid Items | 10,050 | 0 | 0 | 10,050 |
| Materials and Supplies Inventory | 18,412 | 0 | 0 | 18,412 |
| Property Taxes Receivable | 93,430 | 0 | 0 | 93,430 |
| Notes Receivable | 244,457 | 0 | 0 | 244,457 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Assets | \$1,581,056 | \$467,448 | \$1,056,773 | \$3,105,277 |
| <u>Liabilities and Fund Balance</u> | | | | |
| <u>Liabilities</u> | | | | |
| Accrued Wages Payable | \$3,645 | \$0 | \$0 | \$3,645 |
| Accounts Payable | 4,889 | 0 | 0 | 4,889 |
| Contracts Payable | 4,557 | 0 | 0 | 4,557 |
| Due to Other Governments | 13,968 | 0 | 0 | 13,968 |
| Interfund Payable | 1,148 | 0 | 0 | 1,148 |
| Deferred Revenue | 293,429 | 0 | 0 | 293,429 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Liabilities | 321,636 | 0 | 0 | 321,636 |
| <u>Fund Balance</u> | | | | |
| Reserved for Notes Receivable | 115,673 | 0 | 0 | 115,673 |
| Reserved for Encumbrances | 61,760 | 0 | 0 | 61,760 |
| Unreserved, Reported in | | | | |
| Special Revenue Funds | 1,081,987 | 0 | 0 | 1,081,987 |
| Debt Service Funds | 0 | 467,448 | 0 | 467,448 |
| Capital Projects Funds | 0 | 0 | 1,056,773 | 1,056,773 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Fund Balance | 1,259,420 | 467,448 | 1,056,773 | 2,783,641 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Liabilities and Fund Balance | \$1,581,056 | \$467,448 | \$1,056,773 | \$3,105,277 |

City of Wapakoneta
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

| | Street Maintenance | State Highway | Motor Vehicle Permissive Tax | Community Block Grant |
|--|-----------------------|------------------|------------------------------------|--------------------------|
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$133,180 | \$102,277 | \$118,372 | \$463,885 |
| Accounts Receivable | 997 | 0 | 0 | 0 |
| Due from Other Governments | 216,635 | 17,268 | 0 | 0 |
| Other Local Taxes Receivable | 0 | 0 | 5,923 | 0 |
| Prepaid Items | 5,595 | 0 | 0 | 0 |
| Materials and Supplies Inventory | 15,954 | 0 | 0 | 0 |
| Property Taxes Receivable | 0 | 0 | 0 | 0 |
| Notes Receivable | 0 | 0 | 0 | 244,457 |
| Total Assets | <u>\$372,361</u> | <u>\$119,545</u> | <u>\$124,295</u> | <u>\$708,342</u> |
| <u>Liabilities and Fund Balance</u> | | | | |
| <u>Liabilities</u> | | | | |
| Accrued Wages Payable | \$3,299 | \$0 | \$0 | \$0 |
| Accounts Payable | 4,776 | 0 | 0 | 0 |
| Contracts Payable | 1,000 | 0 | 3,557 | 0 |
| Due to Other Governments | 7,454 | 0 | 0 | 0 |
| Interfund Payable | 764 | 0 | 0 | 0 |
| Deferred Revenue | 178,163 | 13,747 | 0 | 0 |
| Total Liabilities | <u>195,456</u> | <u>13,747</u> | <u>3,557</u> | <u>0</u> |
| <u>Fund Balance</u> | | | | |
| Reserved for Notes Receivable | 0 | 0 | 0 | 115,673 |
| Reserved for Encumbrances | 4,189 | 0 | 26,031 | 22,109 |
| Unreserved | 172,716 | 105,798 | 94,707 | 570,560 |
| Total Fund Balance | <u>176,905</u> | <u>105,798</u> | <u>120,738</u> | <u>708,342</u> |
| Total Liabilities and Fund Balance | <u>\$372,361</u> | <u>\$119,545</u> | <u>\$124,295</u> | <u>\$708,342</u> |

| Recreation | Swimming Pool | Law Enforcement | Enforcement and Education | Drug Law Enforcement | Recreation Trust |
|------------------|------------------|--------------------|---------------------------------|----------------------------|---------------------|
| \$63,797 | \$53,784 | \$1,024 | \$4,657 | \$1,641 | \$21,600 |
| 0 | 544 | 0 | 0 | 0 | 0 |
| 8,089 | 0 | 0 | 13 | 125 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 859 | 3,596 | 0 | 0 | 0 | 0 |
| 2,458 | 0 | 0 | 0 | 0 | 0 |
| 93,430 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>\$168,633</u> | <u>\$57,924</u> | <u>\$1,024</u> | <u>\$4,670</u> | <u>\$1,766</u> | <u>\$21,600</u> |
| \$346 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3 | 110 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 2,482 | 4,032 | 0 | 0 | 0 | 0 |
| 252 | 132 | 0 | 0 | 0 | 0 |
| 101,519 | 0 | 0 | 0 | 0 | 0 |
| <u>104,602</u> | <u>4,274</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 5,546 | 2,985 | 0 | 0 | 900 | 0 |
| 58,485 | 50,665 | 1,024 | 4,670 | 866 | 21,600 |
| <u>64,031</u> | <u>53,650</u> | <u>1,024</u> | <u>4,670</u> | <u>1,766</u> | <u>21,600</u> |
| <u>\$168,633</u> | <u>\$57,924</u> | <u>\$1,024</u> | <u>\$4,670</u> | <u>\$1,766</u> | <u>\$21,600</u> |

(continued)

City of Wapakoneta
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010
(continued)

| | Rudd Park Trust | Total |
|--|--------------------|-------------|
| <u>Assets</u> | | |
| Equity in Pooled Cash and Cash Equivalents | \$896 | \$965,113 |
| Accounts Receivable | 0 | 1,541 |
| Due from Other Governments | 0 | 242,130 |
| Other Local Taxes Receivable | 0 | 5,923 |
| Prepaid Items | 0 | 10,050 |
| Materials and Supplies Inventory | 0 | 18,412 |
| Property Taxes Receivable | 0 | 93,430 |
| Notes Receivable | 0 | 244,457 |
| | 0 | 244,457 |
| Total Assets | \$896 | \$1,581,056 |
| <u>Liabilities and Fund Balance</u> | | |
| <u>Liabilities</u> | | |
| Accrued Wages Payable | \$0 | \$3,645 |
| Accounts Payable | 0 | 4,889 |
| Contracts Payable | 0 | 4,557 |
| Due to Other Governments | 0 | 13,968 |
| Interfund Payable | 0 | 1,148 |
| Deferred Revenue | 0 | 293,429 |
| | 0 | 293,429 |
| Total Liabilities | 0 | 321,636 |
| <u>Fund Balance</u> | | |
| Reserved for Notes Receivable | 0 | 115,673 |
| Reserved for Encumbrances | 0 | 61,760 |
| Unreserved | 896 | 1,081,987 |
| | 896 | 1,081,987 |
| Total Fund Balance | 896 | 1,259,420 |
| Total Liabilities and Fund Balance | \$896 | \$1,581,056 |

City of Wapakoneta
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2010

| | Debt Service | Downtown Debt | Total |
|--|-----------------|------------------|-----------|
| <u>Assets</u> | | | |
| Equity in Pooled Cash and Cash Equivalents | \$1,160 | \$466,288 | \$467,448 |
| <u>Fund Balance</u> | | | |
| Unreserved | 1,160 | 466,288 | 467,448 |

City of Wapakoneta
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2010

| | Swimming Pool Construction | Capital Fire Truck | Total |
|--|----------------------------------|-----------------------|-------------|
| <u>Assets</u> | | | |
| Equity in Pooled Cash and Cash Equivalents | \$727,581 | \$329,192 | \$1,056,773 |
| <u>Fund Balance</u> | | | |
| Unreserved | \$727,581 | \$329,192 | \$1,056,773 |

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2010

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|--------------------------------------|--|--|
| <u>Revenues</u> | | | | |
| Property Taxes | \$95,282 | \$0 | \$0 | \$95,282 |
| Other Local Taxes | 73,051 | 0 | 0 | 73,051 |
| Charges for Services | 270,422 | 0 | 0 | 270,422 |
| Fines and Forfeitures | 3,295 | 0 | 0 | 3,295 |
| Intergovernmental | 1,016,011 | 0 | 0 | 1,016,011 |
| Interest | 24,522 | 0 | 55 | 24,577 |
| Gifts and Donations | 24,601 | 0 | 0 | 24,601 |
| Other | 20,794 | 0 | 0 | 20,794 |
| Total Revenues | <u>1,527,978</u> | <u>0</u> | <u>55</u> | <u>1,528,033</u> |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| Leisure Time Activities | 389,487 | 0 | 0 | 389,487 |
| Community Environment | 18,000 | 0 | 0 | 18,000 |
| Transportation | 1,393,632 | 0 | 0 | 1,393,632 |
| Debt Service: | | | | |
| Principal Retirement | 0 | 201,225 | 0 | 201,225 |
| Interest and Fiscal Charges | 0 | 20,800 | 0 | 20,800 |
| Total Expenditures | <u>1,801,119</u> | <u>222,025</u> | <u>0</u> | <u>2,023,144</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(273,141)</u> | <u>(222,025)</u> | <u>55</u> | <u>(495,111)</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Loan Proceeds | 54,955 | 0 | 0 | 54,955 |
| Transfers In | 12,325 | 150,000 | 125,000 | 287,325 |
| Transfers Out | (12,325) | 0 | 0 | (12,325) |
| Total Other Financing Sources (Uses) | <u>54,955</u> | <u>150,000</u> | <u>125,000</u> | <u>329,955</u> |
| Change in Fund Balance | (218,186) | (72,025) | 125,055 | (165,156) |
| Fund Balance Beginning of Year | <u>1,477,606</u> | <u>539,473</u> | <u>931,718</u> | <u>2,948,797</u> |
| Fund Balance End of Year | <u>\$1,259,420</u> | <u>\$467,448</u> | <u>\$1,056,773</u> | <u>\$2,783,641</u> |

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010

| | Street Maintenance | State Highway | Motor Vehicle Permissive Tax | Community Block Grant |
|---|-------------------------|-------------------------|------------------------------------|--------------------------|
| <u>Revenues</u> | | | | |
| Property Taxes | \$0 | \$0 | \$0 | \$0 |
| Other Local Taxes | 0 | 0 | 73,051 | 0 |
| Charges for Services | 20,756 | 0 | 0 | 0 |
| Fines and Forfeitures | 0 | 0 | 0 | 0 |
| Intergovernmental | 427,179 | 501,580 | 55,640 | 0 |
| Interest | 1,697 | 1,491 | 4,450 | 16,473 |
| Gifts and Donations | 0 | 0 | 0 | 0 |
| Other | 9,426 | 0 | 8,513 | 0 |
| Total Revenues | <u>459,058</u> | <u>503,071</u> | <u>141,654</u> | <u>16,473</u> |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| Leisure Time Activities | 0 | 0 | 0 | 0 |
| Community Environment | 0 | 0 | 0 | 18,000 |
| Transportation | 522,999 | 566,743 | 303,890 | 0 |
| Total Expenditures | <u>522,999</u> | <u>566,743</u> | <u>303,890</u> | <u>18,000</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(63,941)</u> | <u>(63,672)</u> | <u>(162,236)</u> | <u>(1,527)</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Loan Proceeds | 54,955 | 0 | 0 | 0 |
| Transfers In | 0 | 0 | 0 | 0 |
| Transfers Out | 0 | 0 | 0 | 0 |
| Total Other Financing Sources (Uses) | <u>54,955</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Change in Fund Balance | (8,986) | (63,672) | (162,236) | (1,527) |
| Fund Balance Beginning of Year | <u>185,891</u> | <u>169,470</u> | <u>282,974</u> | <u>709,869</u> |
| Fund Balance End of Year | <u><u>\$176,905</u></u> | <u><u>\$105,798</u></u> | <u><u>\$120,738</u></u> | <u><u>\$708,342</u></u> |

| Recreation | Swimming Pool | Law Enforcement | Enforcement and Education | Drug Law Enforcement | Recreation Trust |
|-----------------|-----------------|-----------------|---------------------------|----------------------|------------------|
| \$95,282 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 249,666 | 0 | 0 | 0 | 0 |
| 0 | 0 | 500 | 1,894 | 901 | 0 |
| 31,612 | 0 | 0 | 0 | 0 | 0 |
| 411 | 0 | 0 | 0 | 0 | 0 |
| 17,289 | 7,282 | 0 | 0 | 0 | 0 |
| 0 | 2,614 | 241 | 0 | 0 | 0 |
| <u>144,594</u> | <u>259,562</u> | <u>741</u> | <u>1,894</u> | <u>901</u> | <u>0</u> |
| 163,296 | 226,191 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>163,296</u> | <u>226,191</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| (18,702) | 33,371 | 741 | 1,894 | 901 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 12,325 | 0 | 0 | 0 | 0 |
| (12,325) | 0 | 0 | 0 | 0 | 0 |
| <u>(12,325)</u> | <u>12,325</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| (31,027) | 45,696 | 741 | 1,894 | 901 | 0 |
| 95,058 | 7,954 | 283 | 2,776 | 865 | 21,600 |
| <u>\$64,031</u> | <u>\$53,650</u> | <u>\$1,024</u> | <u>\$4,670</u> | <u>\$1,766</u> | <u>\$21,600</u> |

(continued)

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010
(continued)

| | Rudd Park Trust | Total |
|---|--------------------|--------------------|
| | <hr/> | <hr/> |
| <u>Revenues</u> | | |
| Property Taxes | \$0 | \$95,282 |
| Other Local Taxes | 0 | 73,051 |
| Charges for Services | 0 | 270,422 |
| Fines and Forfeitures | 0 | 3,295 |
| Intergovernmental | 0 | 1,016,011 |
| Interest | 0 | 24,522 |
| Gifts and Donations | 30 | 24,601 |
| Other | 0 | 20,794 |
| | <hr/> | <hr/> |
| Total Revenues | 30 | 1,527,978 |
| | <hr/> | <hr/> |
| <u>Expenditures</u> | | |
| Current: | | |
| Leisure Time Activities | 0 | 389,487 |
| Community Environment | 0 | 18,000 |
| Transportation | 0 | 1,393,632 |
| | <hr/> | <hr/> |
| Total Expenditures | 0 | 1,801,119 |
| | <hr/> | <hr/> |
| Excess of Revenues Over (Under) Expenditures | 30 | (273,141) |
| | <hr/> | <hr/> |
| <u>Other Financing Sources (Uses)</u> | | |
| Loan Proceeds | 0 | 54,955 |
| Transfers In | 0 | 12,325 |
| Transfers Out | 0 | (12,325) |
| | <hr/> | <hr/> |
| Total Other Financing Sources (Uses) | 0 | 54,955 |
| | <hr/> | <hr/> |
| Change in Fund Balance | 30 | (218,186) |
| | <hr/> | <hr/> |
| Fund Balance Beginning of Year | 866 | 1,477,606 |
| | <hr/> | <hr/> |
| Fund Balance End of Year | <u>\$896</u> | <u>\$1,259,420</u> |

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended December 31, 2010

| | Debt Service | Downtown Debt | Total |
|--|-----------------|------------------|-----------|
| <u>Revenues</u> | | | |
| | \$0 | \$0 | \$0 |
| <u>Expenditures</u> | | | |
| Debt Service: | | | |
| Principal Retirement | 0 | 201,225 | 201,225 |
| Interest and Fiscal Charges | 0 | 20,800 | 20,800 |
| Total Expenditures | 0 | 222,025 | 222,025 |
| Excess of Revenues Under Expenditures | 0 | (222,025) | (222,025) |
| <u>Other Financing Sources</u> | | | |
| Transfers In | 0 | 150,000 | 150,000 |
| Change in Fund Balance | 0 | (72,025) | (72,025) |
| Fund Balance Beginning of Year | 1,160 | 538,313 | 539,473 |
| Fund Balance End of Year | \$1,160 | \$466,288 | \$467,448 |

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010

| | Swimming Pool Construction | Capital Fire Truck | Total |
|---|----------------------------------|-------------------------|---------------------------|
| <u>Revenues</u> | | | |
| Interest | \$55 | \$0 | \$55 |
| <u>Expenditures</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Excess of Revenues Over Expenditures | 55 | 0 | 55 |
| <u>Other Financing Sources</u> | | | |
| Transfers In | <u>0</u> | <u>125,000</u> | <u>125,000</u> |
| Change in Fund Balance | 55 | 125,000 | 125,055 |
| Fund Balance Beginning of Year | <u>727,526</u> | <u>204,192</u> | <u>931,718</u> |
| Fund Balance End of Year | <u><u>\$727,581</u></u> | <u><u>\$329,192</u></u> | <u><u>\$1,056,773</u></u> |

City of Wapakoneta
Combining Statements - Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Agency Funds

Dependent Coverage Fund

To account for funds deducted from employees' payroll for dependent, copayment, and COBRA insurance coverage.

Police Auxiliary Fund

To account for monies belonging to the police auxiliary, an organization that is not a part of the City of Wapakoneta.

City of Wapakoneta
Combining Statement of Assets and Liabilities
Agency Funds
December 31, 2010

| | Dependent Coverage | Police Auxiliary | Total |
|--|-----------------------|---------------------|----------|
| <u>Assets</u> | | | |
| Equity in Pooled Cash and Cash Equivalents | \$2,032 | \$18,230 | \$20,262 |
| <u>Liabilities</u> | | | |
| Deposits Held and Due to Others | \$2,032 | \$0 | \$2,032 |
| Undistributed Assets | 0 | 18,230 | 18,230 |
| Total Liabilities | \$2,032 | \$18,230 | \$20,262 |

City of Wapakoneta
Combining Statement of Change in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2010

| | Balance December 31, 2009 | Additions | Reductions | Balance December 31, 2010 |
|--|---------------------------------|-----------|------------|---------------------------------|
| <u>Dependent Coverage</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$2,417 | \$168,957 | \$169,342 | \$2,032 |
| <u>Liabilities</u> | | | | |
| Deposits Held and Due to Others | \$2,417 | \$168,957 | \$169,342 | \$2,032 |
| <u>Police Auxiliary</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$20,295 | \$16,302 | \$18,367 | \$18,230 |
| <u>Liabilities</u> | | | | |
| Undistributed Assets | \$20,295 | \$16,302 | \$18,367 | \$18,230 |
| <u>Total - All Funds</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$22,712 | \$185,259 | \$187,709 | \$20,262 |
| <u>Liabilities</u> | | | | |
| Deposits Held and Due to Others | \$2,417 | \$168,957 | \$169,342 | \$2,032 |
| Undistributed Assets | 20,295 | 16,302 | 18,367 | 18,230 |
| Total Liabilities | \$22,712 | \$185,259 | \$187,709 | \$20,262 |

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**INDIVIDUAL FUND SCHEDULES
OF REVENUES, EXPENDITURES/EXPENSES,
AND CHANGE IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**

City of Wapakoneta
General Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | Original Budget | Revised Budget | Actual | Variance Over (Under) |
|---|--------------------|-------------------|------------------|-----------------------------|
| <u>Revenues</u> | | | | |
| Property Taxes | \$503,308 | \$362,991 | \$377,030 | \$14,039 |
| Municipal Income Taxes | 2,870,004 | 2,150,000 | 2,194,732 | 44,732 |
| Other Local Taxes | 869,143 | 651,100 | 640,297 | (10,803) |
| Charges for Services | 514,197 | 385,200 | 401,730 | 16,530 |
| Fees, Licenses, and Permits | 127,481 | 95,500 | 82,112 | (13,388) |
| Fines and Forfeitures | 22,694 | 17,000 | 17,931 | 931 |
| Intergovernmental | 761,228 | 584,309 | 651,170 | 66,861 |
| Interest | 146,837 | 110,000 | 68,575 | (41,425) |
| Gifts and Donations | 5,400 | 7,000 | 5,663 | (1,337) |
| Other | 34,200 | 25,670 | 61,980 | 36,310 |
| Total Revenues | 5,854,492 | 4,388,770 | 4,501,220 | 112,450 |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| Security of Persons and Property | | | | |
| Police Department | | | | |
| Personal Services | 1,284,057 | 1,284,057 | 1,274,218 | 9,839 |
| Contractual Services | 185,356 | 185,606 | 134,505 | 51,101 |
| Materials and Supplies | 38,337 | 46,587 | 21,112 | 25,475 |
| Capital Outlay | 94,595 | 94,595 | 45,006 | 49,589 |
| Total Police Department | 1,602,345 | 1,610,845 | 1,474,841 | 136,004 |
| Fire Department | | | | |
| Personal Services | 1,243,863 | 1,243,863 | 1,238,694 | 5,169 |
| Contractual Services | 87,877 | 92,826 | 84,210 | 8,616 |
| Materials and Supplies | 73,037 | 69,437 | 61,519 | 7,918 |
| Capital Outlay | 112,752 | 117,502 | 117,430 | 72 |
| Other | 50,000 | 0 | 0 | 0 |
| Total Fire Department | 1,567,529 | 1,523,628 | 1,501,853 | 21,775 |
| Safety Director | | | | |
| Personal Services | 5,000 | 5,000 | 3,888 | 1,112 |
| Contractual Services | 10,000 | 17,500 | 14,062 | 3,438 |
| Materials and Supplies | 8,500 | 0 | 0 | 0 |
| Total Safety Director | 23,500 | 22,500 | 17,950 | 4,550 |
| Total Security of Persons and Property | 3,193,374 | 3,156,973 | 2,994,644 | 162,329 |

(continued)

City of Wapakoneta
General Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010
(continued)

| | Original Budget | Revised Budget | Actual | Variance Over (Under) |
|------------------------------------|--------------------|-------------------|----------------|-----------------------------|
| Public Health | | | | |
| Emergency Medical | | | | |
| Personal Services | \$153,720 | \$153,719 | \$95,869 | \$57,850 |
| Contractual Services | 91,835 | 91,336 | 65,286 | 26,050 |
| Materials and Supplies | 10,775 | 11,275 | 8,156 | 3,119 |
| Capital Outlay | 6,500 | 6,500 | 5,043 | 1,457 |
| Other | 300 | 7,600 | 4,408 | 3,192 |
| Total Emergency Medical | 263,130 | 270,430 | 178,762 | 91,668 |
| Miscellaneous | | | | |
| Contractual Services | 3,000 | 3,000 | 623 | 2,377 |
| Capital Outlay | 14,500 | 14,500 | 0 | 14,500 |
| Total Miscellaneous | 17,500 | 17,500 | 623 | 16,877 |
| Total Public Health | 280,630 | 287,930 | 179,385 | 108,545 |
| Community Environment | | | | |
| Boards and Commissions | | | | |
| Contractual Services | 61,500 | 61,500 | 49,977 | 11,523 |
| Materials and Supplies | 20,100 | 20,100 | 17,734 | 2,366 |
| Capital Outlay | 40,000 | 40,000 | 0 | 40,000 |
| Total Community Environment | 121,600 | 121,600 | 67,711 | 53,889 |
| General Government | | | | |
| Council | | | | |
| Personal Services | 36,900 | 36,900 | 36,517 | 383 |
| Materials and Supplies | 8,750 | 7,460 | 4,844 | 2,616 |
| Total Council | 45,650 | 44,360 | 41,361 | 2,999 |
| Clerk of Council | | | | |
| Personal Services | 3,600 | 3,600 | 3,600 | 0 |
| Contractual Services | 4,382 | 5,682 | 4,748 | 934 |
| Materials and Supplies | 100 | 90 | 0 | 90 |
| Total Clerk of Council | 8,082 | 9,372 | 8,348 | 1,024 |
| Administrative | | | | |
| Personal Services | 85,400 | 85,400 | 84,465 | 935 |
| Contractual Services | 37,632 | 57,682 | 50,654 | 7,028 |
| Materials and Supplies | 71,027 | 56,976 | 53,573 | 3,403 |
| Capital Outlay | 5,500 | 5,500 | 3,757 | 1,743 |
| Other | 287,000 | 287,000 | 0 | 287,000 |
| Total Administrative | 486,559 | 492,558 | 192,449 | 300,109 |

(continued)

City of Wapakoneta
General Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010
(continued)

| | Original Budget | Revised Budget | Actual | Variance Over (Under) |
|---|--------------------|--------------------|------------------|-----------------------------|
| Finance | | | | |
| Personal Services | \$27,500 | \$27,000 | \$26,417 | \$583 |
| Contractual Services | 72,042 | 72,002 | 64,297 | 7,705 |
| Materials and Supplies | 2,842 | 2,882 | 1,582 | 1,300 |
| Total Finance | 102,384 | 101,884 | 92,296 | 9,588 |
| Income Tax | | | | |
| Personal Services | 61,810 | 56,810 | 62,253 | (5,443) |
| Contractual Services | 8,119 | 8,119 | 6,544 | 1,575 |
| Materials and Supplies | 26,619 | 26,619 | 17,793 | 8,826 |
| Capital Outlay | 1,500 | 1,500 | 986 | 514 |
| Other | 1,125,855 | 1,108,055 | 61,078 | 1,046,977 |
| Total Income Tax | 1,223,903 | 1,201,103 | 148,654 | 1,052,449 |
| Law Director | | | | |
| Personal Services | 20,000 | 20,000 | 20,000 | 0 |
| Contractual Services | 1,000 | 1,000 | 0 | 1,000 |
| Materials and Supplies | 500 | 500 | 312 | 188 |
| Total Law Director | 21,500 | 21,500 | 20,312 | 1,188 |
| Civil Service | | | | |
| Personal Services | 1,200 | 1,200 | 1,000 | 200 |
| Materials and Supplies | 1,401 | 1,401 | 893 | 508 |
| Total Civil Service | 2,601 | 2,601 | 1,893 | 708 |
| Elections | | | | |
| Contractual Services | 6,000 | 6,000 | 1,728 | 4,272 |
| Auglaize County | | | | |
| Contractual Services | 35,865 | 35,867 | 11,989 | 23,878 |
| Administrative Support | | | | |
| Other | 5,800 | 5,800 | 0 | 5,800 |
| Total General Government | 1,938,344 | 1,921,045 | 519,030 | 1,402,015 |
| Debt Service: | | | | |
| Principal Retirement | 0 | 32,942 | 32,942 | 0 |
| Interest and Fiscal Charges | 0 | 13,458 | 13,402 | 56 |
| Total Debt Service | 0 | 46,400 | 46,344 | 56 |
| Total Expenditures | 5,533,948 | 5,533,948 | 3,807,114 | 1,726,834 |
| Excess of Revenues Over (Under) Expenditures | 320,544 | (1,145,178) | 694,106 | 1,839,284 |

(continued)

City of Wapakoneta
General Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010
(continued)

| | Original Budget | Revised Budget | Actual | Variance Over (Under) |
|---------------------------------------|---------------------------|-------------------------|---------------------------|-----------------------------|
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Sale of Capital Assets | \$1,108 | \$830 | \$3,100 | \$2,270 |
| Transfers Out | <u>(1,325,000)</u> | <u>(1,325,000)</u> | <u>(1,225,000)</u> | <u>100,000</u> |
| Total Other Financing Sources (Uses) | <u>(1,323,892)</u> | <u>(1,324,170)</u> | <u>(1,221,900)</u> | <u>102,270</u> |
| Change in Fund Balance | (1,003,348) | (2,469,348) | (527,794) | 1,941,554 |
| Fund Balance Beginning of Year | 2,389,108 | 2,389,108 | 2,389,108 | 0 |
| Prior Year Encumbrances Appropriated | <u>196,898</u> | <u>196,898</u> | <u>196,898</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$1,582,658</u></u> | <u><u>\$116,658</u></u> | <u><u>\$2,058,212</u></u> | <u><u>\$1,941,554</u></u> |

City of Wapakoneta
Street and Sewer Improvement Capital Projects Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | Budget | Actual | Variance Over (Under) |
|--|------------------|--------------------|-----------------------------|
| <u>Revenues</u> | | | |
| Special Assessments | \$66,939 | \$108,280 | \$41,341 |
| Intergovernmental | 1,211,936 | 512,029 | (699,907) |
| Interest | 8,061 | 8,061 | 0 |
| Total Revenues | 1,286,936 | 628,370 | (658,566) |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Transportation | | | |
| Street and Sewer Improvement | | | |
| Contractual Services | 199,253 | 193,148 | 6,105 |
| Materials and Supplies | 4,500 | 4,427 | 73 |
| Capital Outlay | 2,264,574 | 2,086,552 | 178,022 |
| Other | 2,492 | 0 | 2,492 |
| Total Transportation | 2,470,819 | 2,284,127 | 186,692 |
| Debt Service: | | | |
| Principal Retirement | 30,000 | 15,800 | 14,200 |
| Interest and Fiscal Charges | 2,000 | 691 | 1,309 |
| Total Debt Service | 32,000 | 16,491 | 15,509 |
| Total Expenditures | 2,502,819 | 2,300,618 | 202,201 |
| Excess of Revenues Under Expenditures | (1,215,883) | (1,672,248) | (456,365) |
| <u>Other Financing Sources</u> | | | |
| Transfers In | 500,000 | 500,000 | 0 |
| Change in Fund Balance | (715,883) | (1,172,248) | (456,365) |
| Fund Balance Beginning of Year | 1,250,094 | 1,250,094 | 0 |
| Prior Year Encumbrances Appropriated | 181,127 | 181,127 | 0 |
| Fund Balance End of Year | \$715,338 | \$258,973 | (\$456,365) |

City of Wapakoneta
Electric Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | Budget | Actual | Variance Over (Under) |
|--------------------------------------|--------------------|--------------------|-----------------------------|
| <u>Revenues</u> | | | |
| Charges for Services | \$15,064,000 | \$14,727,219 | (\$336,781) |
| Other Local Taxes | 110,000 | 54,969 | (55,031) |
| Utility Deposits | 45,000 | 35,502 | (9,498) |
| Other | 17,700 | 27,585 | 9,885 |
| Total Revenues | 15,236,700 | 14,845,275 | (391,425) |
| <u>Expenses</u> | | | |
| Personal Services | 952,700 | 881,180 | 71,520 |
| Contractual Services | 16,020,510 | 14,297,250 | 1,723,260 |
| Materials and Supplies | 1,238,479 | 750,020 | 488,459 |
| Capital Outlay | 6,238,496 | 5,393,578 | 844,918 |
| Utility Refunds | 10,000 | 7,294 | 2,706 |
| Other | 878,500 | 63,656 | 814,844 |
| Debt Service: | | | |
| Principal Retirement | 28,850 | 28,844 | 6 |
| Interest Expense | 4,650 | 4,288 | 362 |
| Total Expenses | 25,372,185 | 21,426,110 | 3,946,075 |
| Excess of Revenues Under Expenses | (10,135,485) | (6,580,835) | 3,554,650 |
| <u>Other Financing Sources</u> | | | |
| Transfers In | 550,000 | 450,000 | (100,000) |
| Change in Fund Balance | (9,585,485) | (6,130,835) | 3,454,650 |
| Fund Balance Beginning of Year | 6,968,584 | 6,968,584 | 0 |
| Prior Year Encumbrances Appropriated | 4,857,485 | 4,857,485 | 0 |
| Fund Balance End of Year | \$2,240,584 | \$5,695,234 | \$3,454,650 |

City of Wapakoneta
Water Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | Budget | Actual | Variance Over (Under) |
|--------------------------------------|--------------------|--------------------|-----------------------------|
| <u>Revenues</u> | | | |
| Charges for Services | \$1,566,300 | \$1,626,472 | \$60,172 |
| Bond Anticipation Notes Issued | 997,800 | 0 | (997,800) |
| OWDA Loan Proceeds | 4,200,000 | 3,885,952 | (314,048) |
| Other | 2,500 | 1,828 | (672) |
| Total Revenues | 6,766,600 | 5,514,252 | (1,252,348) |
| <u>Expenses</u> | | | |
| Personal Services | 491,865 | 419,643 | 72,222 |
| Contractual Services | 565,083 | 452,666 | 112,417 |
| Materials and Supplies | 449,055 | 424,081 | 24,974 |
| Capital Outlay | 5,032,639 | 4,035,115 | 997,524 |
| Other | 226,135 | 667 | 225,468 |
| Debt Service: | | | |
| Principal Retirement | 403,010 | 331,828 | 71,182 |
| Interest Expense | 30,591 | 12,188 | 18,403 |
| Total Expenses | 7,198,378 | 5,676,188 | 1,522,190 |
| Change in Fund Balance | (431,778) | (161,936) | 269,842 |
| Fund Balance Beginning of Year | 1,738,168 | 1,738,168 | 0 |
| Prior Year Encumbrances Appropriated | 125,128 | 125,128 | 0 |
| Fund Balance End of Year | \$1,431,518 | \$1,701,360 | \$269,842 |

City of Wapakoneta
Sewer Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | Budget | Actual | Variance Over (Under) |
|--------------------------------------|--------------------|--------------------|-----------------------------|
| <u>Revenues</u> | | | |
| Charges for Services | \$1,968,500 | \$1,950,775 | (\$17,725) |
| Bond Anticipation Notes Issued | 458,000 | 0 | (458,000) |
| Interest | 0 | 1 | 1 |
| Other | 100 | 4,381 | 4,281 |
| Total Revenues | 2,426,600 | 1,955,157 | (471,443) |
| <u>Expenses</u> | | | |
| Personal Services | 632,650 | 601,130 | 31,520 |
| Contractual Services | 702,553 | 609,719 | 92,834 |
| Materials and Supplies | 232,061 | 214,377 | 17,684 |
| Capital Outlay | 129,635 | 93,739 | 35,896 |
| Other | 6,871 | 18,326 | (11,455) |
| Debt Service: | | | |
| Principal Retirement | 505,517 | 504,903 | 614 |
| Interest Expense | 467,583 | 449,304 | 18,279 |
| Total Expenses | 2,676,870 | 2,491,498 | 185,372 |
| Change in Fund Balance | (250,270) | (536,341) | (286,071) |
| Fund Balance Beginning of Year | 1,706,813 | 1,706,813 | 0 |
| Prior Year Encumbrances Appropriated | 55,270 | 55,270 | 0 |
| Fund Balance End of Year | \$1,511,813 | \$1,225,742 | (\$286,071) |

City of Wapakoneta
Storm Sewer Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--------------------------------------|------------------------|-------------------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Charges for Services | \$152,500 | \$156,429 | \$3,929 |
| OWDA Loan Proceeds | 0 | 4,048 | 4,048 |
| Capital Loan Proceeds | 54,955 | 54,955 | 0 |
| Other | 45 | 0 | (45) |
| Total Revenues | <u>207,500</u> | <u>215,432</u> | <u>7,932</u> |
| <u>Expenses</u> | | | |
| Contractual Services | 40,339 | 9,922 | 30,417 |
| Materials and Supplies | 25,000 | 8,147 | 16,853 |
| Capital Outlay | 626,034 | 106,495 | 519,539 |
| Total Expenses | <u>691,373</u> | <u>124,564</u> | <u>566,809</u> |
| Change in Fund Balance | (483,873) | 90,868 | 574,741 |
| Fund Balance Beginning of Year | 480,673 | 480,673 | 0 |
| Prior Year Encumbrances Appropriated | <u>16,863</u> | <u>16,863</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$13,663</u></u> | <u><u>\$588,404</u></u> | <u><u>\$574,741</u></u> |

City of Wapakoneta
Refuse Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--------------------------------------|------------------------|-------------------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Charges for Services | \$1,080,500 | \$1,109,649 | \$29,149 |
| Other | 53,500 | 1,772 | (51,728) |
| Total Revenues | <u>1,134,000</u> | <u>1,111,421</u> | <u>(22,579)</u> |
| <u>Expenses</u> | | | |
| Personal Services | 454,900 | 442,347 | 12,553 |
| Contractual Services | 655,296 | 609,089 | 46,207 |
| Materials and Supplies | 81,906 | 69,533 | 12,373 |
| Capital Outlay | 16,807 | 8,674 | 8,133 |
| Other | 71,933 | 0 | 71,933 |
| Debt Service: | | | |
| Principal Retirement | 102,288 | 102,102 | 186 |
| Interest Expense | 18,018 | 13,277 | 4,741 |
| Total Expenses | <u>1,401,148</u> | <u>1,245,022</u> | <u>156,126</u> |
| Change in Fund Balance | (267,148) | (133,601) | 133,547 |
| Fund Balance Beginning of Year | 295,918 | 295,918 | 0 |
| Prior Year Encumbrances Appropriated | <u>39,148</u> | <u>39,148</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$67,918</u></u> | <u><u>\$201,465</u></u> | <u><u>\$133,547</u></u> |

City of Wapakoneta
Street Maintenance Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--------------------------------------|-----------------|------------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Charges for Services | \$16,500 | \$20,756 | \$4,256 |
| Intergovernmental | 445,000 | 425,389 | (19,611) |
| Interest | 0 | 1,697 | 1,697 |
| Other | 7,045 | 7,497 | 452 |
| Total Revenues | 468,545 | 455,339 | (13,206) |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Transportation | | | |
| Street Maintenance | | | |
| Personal Services | 318,180 | 257,424 | 60,756 |
| Contractual Services | 125,637 | 116,904 | 8,733 |
| Materials and Supplies | 85,884 | 68,210 | 17,674 |
| Capital Outlay | 88,380 | 88,174 | 206 |
| Other | 1,220 | 0 | 1,220 |
| Total Expenditures | 619,301 | 530,712 | 88,589 |
| Excess of Revenue Under Expenses | (150,756) | (75,373) | (101,795) |
| <u>Other Financing Sources</u> | | | |
| Capital Loan Proceeds | 54,955 | 54,955 | 0 |
| Change in Fund Balance | (95,801) | (20,418) | 75,383 |
| Fund Balance Beginning of Year | 126,976 | 126,976 | 0 |
| Prior Year Encumbrances Appropriated | 17,301 | 17,301 | 0 |
| Fund Balance End of Year | \$48,476 | \$123,859 | \$75,383 |

City of Wapakoneta
State Highway Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--------------------------------------|-----------------------|-------------------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Intergovernmental | \$34,400 | \$500,948 | \$466,548 |
| Interest | 0 | 1,491 | 1,491 |
| Total Revenues | <u>34,400</u> | <u>502,439</u> | <u>468,039</u> |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Transportation | | | |
| State Highway | | | |
| Contractual Services | 10,000 | 0 | 10,000 |
| Capital Outlay | 190,148 | 570,491 | (380,343) |
| Total Expenditures | <u>200,148</u> | <u>570,491</u> | <u>(370,343)</u> |
| Change in Fund Balance | (165,748) | (68,052) | 97,696 |
| Fund Balance Beginning of Year | 166,581 | 166,581 | 0 |
| Prior Year Encumbrances Appropriated | <u>3,748</u> | <u>3,748</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$4,581</u></u> | <u><u>\$102,277</u></u> | <u><u>\$97,696</u></u> |

City of Wapakoneta
Motor Vehicle Permissive Tax Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--------------------------------|-----------------------|------------------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Other Local Taxes | \$72,000 | \$72,675 | \$675 |
| Intergovernmental | 50,000 | 55,640 | 5,640 |
| Interest | 0 | 4,450 | 4,450 |
| Other | 0 | 8,513 | 8,513 |
| Total Revenues | <u>122,000</u> | <u>141,278</u> | <u>19,278</u> |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Transportation | | | |
| Motor Vehicle Permissive Tax | | | |
| Contractual Services | 20,000 | 0 | 20,000 |
| Capital Outlay | 370,000 | 329,921 | 40,079 |
| Total Expenditures | <u>390,000</u> | <u>329,921</u> | <u>60,079</u> |
| Change in Fund Balance | (268,000) | (188,643) | 79,357 |
| Fund Balance Beginning of Year | <u>277,427</u> | <u>277,427</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$9,427</u></u> | <u><u>\$88,784</u></u> | <u><u>\$79,357</u></u> |

City of Wapakoneta
Community Block Grant Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--------------------------------|------------------------|-------------------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Intergovernmental | \$0 | \$30,600 | \$30,600 |
| Interest | 2,000 | 4,222 | 2,222 |
| Revolving Loan Payments | <u>75,000</u> | <u>102,393</u> | <u>27,393</u> |
| Total Revenues | 77,000 | 137,215 | 60,215 |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Community Environment | | | |
| Community Block Grant | | | |
| Contractual Services | <u>438,000</u> | <u>68,000</u> | <u>370,000</u> |
| Change in Fund Balance | (361,000) | 69,215 | 430,215 |
| Fund Balance Beginning of Year | <u>372,561</u> | <u>372,561</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$11,561</u></u> | <u><u>\$441,776</u></u> | <u><u>\$430,215</u></u> |

City of Wapakoneta
Recreation Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--|-----------------|-----------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Property Taxes | \$90,913 | \$95,282 | \$4,369 |
| Intergovernmental | 30,587 | 31,612 | 1,025 |
| Interest | 500 | 411 | (89) |
| Gifts and Donations | 14,000 | 17,289 | 3,289 |
| Other | 0 | 32 | 32 |
| Total Revenues | 136,000 | 144,626 | 8,626 |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Leisure Time Activities | | | |
| Recreation | | | |
| Personal Services | 63,850 | 61,694 | 2,156 |
| Contractual Services | 44,718 | 43,299 | 1,419 |
| Materials and Supplies | 25,805 | 21,557 | 4,248 |
| Capital Outlay | 68,320 | 49,657 | 18,663 |
| Total Expenditures | 202,693 | 176,207 | 26,486 |
| Excess of Revenues Under Expenditures | (66,693) | (31,581) | 35,112 |
| <u>Other Financing Uses</u> | | | |
| Transfers Out | (12,325) | (12,325) | 0 |
| Change in Fund Balance | (79,018) | (43,906) | 35,112 |
| Fund Balance Beginning of Year | 84,884 | 84,884 | 0 |
| Prior Year Encumbrances Appropriated | 17,018 | 17,018 | 0 |
| Fund Balance End of Year | \$22,884 | \$57,996 | \$35,112 |

City of Wapakoneta
Swimming Pool Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--------------------------------------|------------------------|------------------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Charges for Services | \$252,225 | \$249,122 | (\$3,103) |
| Gifts and Donations | 16,300 | 7,282 | (9,018) |
| Other | 2,675 | 2,640 | (35) |
| Total Revenues | <u>271,200</u> | <u>259,044</u> | <u>(12,156)</u> |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Leisure Time Activities | | | |
| Recreation | | | |
| Personal Services | 128,700 | 120,711 | 7,989 |
| Contractual Services | 33,907 | 26,303 | 7,604 |
| Materials and Supplies | 80,974 | 72,584 | 8,390 |
| Capital Outlay | 20,300 | 9,356 | 10,944 |
| Other | 30 | 15 | 15 |
| Total Expenditures | <u>263,911</u> | <u>228,969</u> | <u>34,942</u> |
| Excess of Revenue Over Expenditures | 7,289 | 30,075 | (47,098) |
| <u>Other Financing Sources</u> | | | |
| Transfers In | <u>12,325</u> | <u>12,325</u> | <u>0</u> |
| Change in Fund Balance | 19,614 | 42,400 | 22,786 |
| Fund Balance Beginning of Year | 4,321 | 4,321 | 0 |
| Prior Year Encumbrances Appropriated | <u>3,836</u> | <u>3,836</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$27,771</u></u> | <u><u>\$50,557</u></u> | <u><u>\$22,786</u></u> |

City of Wapakoneta
Law Enforcement Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|----------------------------------|---------------|----------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Fines and Forfeitures | \$200 | \$500 | \$300 |
| Other | 0 | 241 | 241 |
| Total Revenues | 200 | 741 | 541 |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Law Enforcement | | | |
| Materials and Supplies | 200 | 0 | 200 |
| Change in Fund Balance | 0 | 741 | 741 |
| Fund Balance Beginning of Year | 283 | 283 | 0 |
| Fund Balance End of Year | <u>\$283</u> | <u>\$1,024</u> | <u>\$741</u> |

City of Wapakoneta
Enforcement and Education Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|---|---------------|----------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Fines and Forfeitures | \$1,000 | \$1,883 | \$883 |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Security of Persons and Property Enforcement and Education | | | |
| Materials and Supplies | 1700 | 0 | 1,700 |
| Capital Outlay | 2000 | 0 | 2,000 |
| Total Expenditures | 3,700 | 0 | 3,700 |
| Change in Fund Balance | (2,700) | 1,883 | 4,583 |
| Fund Balance Beginning of Year | 2,774 | 2,774 | 0 |
| Fund Balance End of Year | <u>\$74</u> | <u>\$4,657</u> | <u>\$4,583</u> |

City of Wapakoneta
Drug Law Enforcement Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|----------------------------------|--------------------|---------------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Fines and Forfeitures | \$500 | \$876 | \$376 |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Drug Law Enforcement | | | |
| Materials and Supplies | <u>1,250</u> | <u>900</u> | <u>350</u> |
| Change in Fund Balance | (750) | (24) | 726 |
| Fund Balance Beginning of Year | <u>765</u> | <u>765</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$15</u></u> | <u><u>\$741</u></u> | <u><u>\$726</u></u> |

City of Wapakoneta
Recreation Trust Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | Budget | Actual | Variance Over (Under) |
|--------------------------------|----------|----------|-----------------------------|
| <u>Revenues</u> | \$0 | \$0 | \$0 |
| <u>Expenditures</u> | 0 | 0 | 0 |
| Change in Fund Balance | 0 | 0 | 0 |
| Fund Balance Beginning of Year | 21,600 | 21,600 | 0 |
| Fund Balance End of Year | \$21,600 | \$21,600 | \$0 |

City of Wapakoneta
Rudd Park Trust Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | Budget | Actual | Variance Over (Under) |
|--------------------------------|---------|--------|-----------------------------|
| <u>Revenues</u> | | | |
| Gifts and Donations | \$1,000 | \$30 | (\$970) |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Leisure Time Activities | | | |
| Rudd Park | | | |
| Materials and Supplies | 1,300 | 0 | 1,300 |
| Change in Fund Balance | (300) | 30 | 330 |
| Fund Balance Beginning of Year | 866 | 866 | 0 |
| Fund Balance End of Year | \$566 | \$896 | \$330 |

City of Wapakoneta
Debt Service Debt Service Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | Budget | Actual | Variance Over (Under) |
|--------------------------------|---------|---------|-----------------------------|
| <u>Revenues</u> | \$0 | \$0 | \$0 |
| <u>Expenditures</u> | 0 | 0 | 0 |
| Change in Fund Balance | 0 | 0 | 0 |
| Fund Balance Beginning of Year | 1,160 | 1,160 | 0 |
| Fund Balance End of Year | \$1,160 | \$1,160 | \$0 |

City of Wapakoneta
Downtown Debt Debt Service Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--|------------------|------------------|--------------------------------------|
| <u>Revenues</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| <u>Expenditures</u> | | | |
| Debt Service: | | | |
| Principal Retirement | 225,000 | 201,225 | 23,775 |
| Interest and Fiscal Charges | <u>30,000</u> | <u>20,800</u> | <u>9,200</u> |
| Total Expenditures | <u>255,000</u> | <u>222,025</u> | <u>32,975</u> |
| Excess of Revenues Under Expenditures | (255,000) | (222,025) | 32,975 |
| <u>Other Financing Sources</u> | | | |
| Transfers In | <u>150,000</u> | <u>150,000</u> | <u>0</u> |
| Change in Fund Balance | (105,000) | (72,025) | 32,975 |
| Fund Balance Beginning of Year | <u>538,313</u> | <u>538,313</u> | <u>0</u> |
| Fund Balance End of Year | <u>\$433,313</u> | <u>\$466,288</u> | <u>\$32,975</u> |

City of Wapakoneta
Swimming Pool Construction Capital Projects Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | Budget | Actual | Variance Over (Under) |
|--------------------------------|-----------|-----------|-----------------------------|
| <u>Revenues</u> | | | |
| Interest | \$0 | \$55 | \$55 |
| <u>Expenditures</u> | 0 | 0 | 0 |
| Change in Fund Balance | 0 | 55 | 55 |
| Fund Balance Beginning of Year | 727,526 | 727,526 | 0 |
| Fund Balance End of Year | \$727,526 | \$727,581 | \$55 |

City of Wapakoneta
Capital Fire Truck Capital Projects Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|---|-------------------------|-------------------------|--------------------------------------|
| <u>Revenues</u> | | | |
| | \$0 | \$0 | \$0 |
| <u>Expenditures</u> | | | |
| Capital Outlay | <u>0</u> | <u>0</u> | <u>0</u> |
| Excess of Revenues Over Expenditures | 0 | 0 | 0 |
| <u>Other Financing Sources</u> | | | |
| Transfers In | <u>125,000</u> | <u>125,000</u> | <u>0</u> |
| Change in Fund Balance | 125,000 | 125,000 | 0 |
| Fund Balance Beginning of Year | <u>204,192</u> | <u>204,192</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$329,192</u></u> | <u><u>\$329,192</u></u> | <u><u>\$0</u></u> |

City of Wapakoneta
Engineering Internal Service Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2010

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--------------------------------------|-----------------------|--------------------------|--------------------------------------|
| <u>Revenues</u> | | | |
| Charges for Services | \$305,000 | \$175,139 | (\$129,861) |
| Fees, Licenses, and Permits | 8,800 | 12,166 | 3,366 |
| Other | 400 | 402 | 2 |
| Total Revenues | <u>314,200</u> | <u>187,707</u> | <u>(126,493)</u> |
| <u>Expenses</u> | | | |
| Personal Services | 177,600 | 176,750 | 850 |
| Contractual Services | 46,078 | 40,272 | 5,806 |
| Materials and Supplies | 16,010 | 10,281 | 5,729 |
| Capital Outlay | 31,000 | 27,313 | 3,687 |
| Other | 90,300 | 0 | 90,300 |
| Total Expenses | <u>360,988</u> | <u>254,616</u> | <u>106,372</u> |
| Change in Fund Balance | (46,788) | (66,909) | (20,121) |
| Fund Balance Beginning of Year | 51,453 | 51,453 | 0 |
| Prior Year Encumbrances Appropriated | 1,988 | 1,988 | 0 |
| Fund Balance (Deficit) End of Year | <u><u>\$6,653</u></u> | <u><u>(\$13,468)</u></u> | <u><u>(\$20,121)</u></u> |

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**STATISTICAL
SECTION**

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City of Wapakoneta
Statistical Section

This part of the City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents **Page**

Financial Trends.....S-2

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

Revenue Capacity.....S-12

These schedules contain information to help the reader assess the City’s most significant local revenue sources.

Debt Capacity.....S-32

These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

Demographic and Economic Information.....S-39

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

Operating Information.....S-42

These schedules contain service data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.

Source: Unless otherwise noted the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in 2003; schedules presenting government-wide information include information beginning in that year.

City of Wapakoneta
Net Assets
Last Eight Years
(Accrual Basis of Accounting)

| | 2010 | 2009 | 2008 | 2007 | 2006 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities | | | | | |
| Invested in Capital Assets, Net of Related Debt | \$21,307,484 | \$19,716,391 | \$19,192,324 | \$16,550,369 | \$15,550,482 |
| Restricted for | | | | | |
| Debt Service | 461,278 | 533,350 | 609,944 | 534,616 | 440,193 |
| Capital Projects | 2,630,138 | 2,684,217 | 2,534,599 | 4,691,427 | 1,020,043 |
| Other Purposes | 1,433,040 | 1,660,223 | 1,904,101 | 1,651,443 | 3,001,698 |
| Unrestricted | 2,788,840 | 3,115,472 | 4,051,240 | 3,718,111 | 3,002,012 |
| Total Governmental Activities Net Assets | 28,620,780 | 27,709,653 | 28,292,208 | 27,145,966 | 23,014,428 |
| Business-Type Activities | | | | | |
| Invested in Capital Assets, Net of Related Debt | 27,291,889 | 21,792,361 | 18,991,836 | 18,277,471 | 18,054,990 |
| Restricted | 1,108,811 | 1,141,228 | 1,170,970 | 1,236,810 | 1,164,741 |
| Unrestricted | 11,761,858 | 14,886,023 | 15,898,729 | 15,364,398 | 15,117,904 |
| Total Business-Type Activities Net Assets | 40,162,558 | 37,819,612 | 36,061,535 | 34,878,679 | 34,337,635 |
| Primary Government | | | | | |
| Invested in Capital Assets, Net of Related Debt | 48,599,373 | 41,508,752 | 38,184,160 | 34,827,840 | 33,605,472 |
| Restricted | 5,633,267 | 6,019,018 | 6,219,614 | 8,114,296 | 5,626,675 |
| Unrestricted | 14,550,698 | 18,001,495 | 19,949,969 | 19,082,509 | 18,119,916 |
| Total Primary Government Net Assets | \$68,783,338 | \$65,529,265 | \$64,353,743 | \$62,024,645 | \$57,352,063 |

| <u>2005</u> | <u>2004</u> | <u>2003</u> |
|---------------------|---------------------|---------------------|
| \$14,957,082 | \$14,695,619 | \$14,325,984 |
| 344,370 | 550,261 | 555,349 |
| 842,208 | 816,352 | 1,469,441 |
| 2,557,353 | 2,352,316 | 2,002,016 |
| <u>2,471,796</u> | <u>1,874,180</u> | <u>1,184,646</u> |
| <u>21,172,809</u> | <u>20,288,728</u> | <u>19,537,436</u> |
| 18,859,104 | 18,380,759 | 18,897,701 |
| 355,195 | 396,777 | 413,447 |
| <u>16,125,101</u> | <u>14,648,742</u> | <u>12,696,857</u> |
| <u>35,339,400</u> | <u>33,426,278</u> | <u>32,008,005</u> |
| 33,816,186 | 33,076,378 | 33,223,685 |
| 4,099,126 | 4,115,706 | 4,440,253 |
| <u>18,596,897</u> | <u>16,522,922</u> | <u>13,881,503</u> |
| <u>\$56,512,209</u> | <u>\$53,715,006</u> | <u>\$51,545,441</u> |

City of Wapakoneta
Change in Net Assets
Last Eight Years
(Accrual Basis of Accounting)

| | 2010 | 2009 | 2008 | 2007 | 2006 |
|---|-------------------|--------------------|--------------------|--------------------|--------------------|
| <u>Expenses</u> | | | | | |
| Governmental Activities | | | | | |
| Security of Persons and Property | | | | | |
| Police | \$1,443,241 | \$1,468,762 | \$1,353,354 | \$1,283,549 | \$1,266,253 |
| Fire | 1,429,639 | 1,617,800 | 1,287,195 | 1,189,033 | 1,153,285 |
| Other | 15,744 | 15,744 | 27,849 | 14,584 | 11,066 |
| Public Health | 198,272 | 194,857 | 231,505 | 231,311 | 215,334 |
| Leisure Time Activities | 452,815 | 412,328 | 304,089 | 217,175 | 196,271 |
| Community Environment | 88,867 | 137,689 | 109,785 | 87,005 | 98,537 |
| Transportation | 1,366,298 | 1,366,920 | 1,312,919 | 1,212,316 | 1,029,441 |
| General Government | 559,760 | 705,023 | 496,979 | 568,638 | 550,479 |
| Interest and Fiscal Charges | 63,692 | 87,500 | 70,941 | 82,806 | 93,647 |
| Total Governmental Activities Expenses | <u>5,618,328</u> | <u>6,006,623</u> | <u>5,194,616</u> | <u>4,886,417</u> | <u>4,614,313</u> |
| Business-Type Activities | | | | | |
| Electric | 13,905,809 | 13,411,381 | 14,456,015 | 15,018,241 | 14,306,107 |
| Water | 921,970 | 827,854 | 1,084,075 | 1,022,962 | 1,013,762 |
| Sewer | 2,235,926 | 2,927,271 | 2,231,009 | 2,095,884 | 2,077,733 |
| Storm Sewer | 91,075 | 85,127 | 83,831 | 71,239 | 120,408 |
| Refuse | 1,080,264 | 1,005,233 | 1,022,632 | 1,413,105 | 1,033,454 |
| Total Business-Type Activities Expenses | <u>18,235,044</u> | <u>18,256,866</u> | <u>18,877,562</u> | <u>19,621,431</u> | <u>18,551,464</u> |
| Total Primary Government Expenses | <u>23,853,372</u> | <u>24,263,489</u> | <u>24,072,178</u> | <u>24,507,848</u> | <u>23,165,777</u> |
| <u>Program Revenues</u> | | | | | |
| Governmental Activities | | | | | |
| Charges for Services | | | | | |
| Security of Persons and Property | | | | | |
| Police | 7,786 | 9,456 | 8,911 | 10,723 | 9,996 |
| Fire | 45,091 | 43,616 | 41,361 | 42,190 | 49,611 |
| Public Health | 287,206 | 380,940 | 302,651 | 371,603 | 296,934 |
| Leisure Time Activities | 249,666 | 197,945 | 121,592 | 0 | 0 |
| Community Environment | 0 | 0 | 0 | 250 | 0 |
| Transportation | 250,147 | 223,294 | 231,173 | 156,627 | 207,116 |
| General Government | 20,145 | 39,969 | 36,549 | 33,621 | 26,362 |
| Total Charges for Services | <u>860,041</u> | <u>895,220</u> | <u>742,237</u> | <u>615,014</u> | <u>590,019</u> |
| Operating Grants, Contributions, and Interest | 632,254 | 608,906 | 863,897 | 739,172 | 871,074 |
| Capital Grants, Contributions, and Interest | 1,493,506 | 426,237 | 285,219 | 2,150,030 | 161,197 |
| Total Governmental Activities Program Revenues | <u>2,985,801</u> | <u>1,930,363</u> | <u>1,891,353</u> | <u>3,504,216</u> | <u>1,622,290</u> |
| Business-Type Activities | | | | | |
| Charges for Services | | | | | |
| Electric | 14,824,354 | 14,731,146 | 14,705,519 | 14,907,663 | 12,848,899 |
| Water | 1,619,474 | 1,651,348 | 1,609,240 | 1,544,797 | 1,404,361 |
| Sewer | 1,983,565 | 1,789,863 | 1,845,275 | 1,888,360 | 1,856,922 |
| Storm Sewer | 155,831 | 158,771 | 156,374 | 155,588 | 156,184 |
| Refuse | 1,070,336 | 1,085,472 | 1,112,113 | 1,085,587 | 921,989 |
| Total Charges for Services | <u>19,653,560</u> | <u>19,416,600</u> | <u>19,428,521</u> | <u>19,581,995</u> | <u>17,188,355</u> |
| Operating Grants, Contributions, and Interest | 0 | 0 | 0 | 0 | 13,000 |
| Capital Grants, Contributions, and Interest | 247,321 | 0 | 0 | 0 | 0 |
| Total Business-Type Activities Program Revenues | <u>19,900,881</u> | <u>19,416,600</u> | <u>19,428,521</u> | <u>19,581,995</u> | <u>17,201,355</u> |
| Total Primary Government Program Revenues | <u>22,886,682</u> | <u>21,346,963</u> | <u>21,319,874</u> | <u>23,086,211</u> | <u>18,823,645</u> |
| <u>Net (Expense) Revenue</u> | | | | | |
| Governmental Activities | (2,632,527) | (4,076,260) | (3,303,263) | (1,382,201) | (2,992,023) |
| Business-Type Activities | <u>1,665,837</u> | <u>1,159,734</u> | <u>550,959</u> | <u>(39,436)</u> | <u>(1,350,109)</u> |
| Total Primary Government Net Expense | <u>(966,690)</u> | <u>(2,916,526)</u> | <u>(2,752,304)</u> | <u>(1,421,637)</u> | <u>(4,342,132)</u> |

| 2005 | 2004 | 2003 |
|--------------------|--------------------|--------------------|
| \$1,221,018 | \$1,145,709 | \$1,142,760 |
| 1,182,460 | 1,166,485 | 1,011,846 |
| 119,623 | 20,226 | 56,884 |
| 212,986 | 226,206 | 222,529 |
| 223,249 | 165,540 | 161,832 |
| 120,691 | 62,593 | 99,744 |
| 1,439,048 | 1,596,994 | 937,128 |
| 434,292 | 390,067 | 441,101 |
| 103,670 | 120,857 | 203,770 |
| <u>5,057,037</u> | <u>4,894,677</u> | <u>4,277,594</u> |
| 7,035,506 | 6,772,154 | 6,718,403 |
| 813,587 | 1,196,319 | 1,072,455 |
| 1,736,226 | 1,540,649 | 1,426,900 |
| 102,578 | 147,612 | 71,095 |
| 872,598 | 766,336 | 857,056 |
| <u>10,560,495</u> | <u>10,423,070</u> | <u>10,145,909</u> |
| <u>15,617,532</u> | <u>15,317,747</u> | <u>14,423,503</u> |
| 7,352 | 9,314 | 6,203 |
| 38,084 | 37,657 | 41,073 |
| 295,465 | 181,748 | 180,201 |
| 350 | 1,130 | 0 |
| 0 | 0 | 0 |
| 322,510 | 241,842 | 170,253 |
| 26,651 | 35,148 | 30,855 |
| <u>690,412</u> | <u>506,839</u> | <u>428,585</u> |
| 1,263,577 | 778,158 | 604,227 |
| 29,847 | 512,480 | 384,169 |
| <u>1,983,836</u> | <u>1,797,477</u> | <u>1,416,981</u> |
| 7,785,644 | 7,250,248 | 7,250,893 |
| 1,312,634 | 1,210,189 | 1,155,879 |
| 1,827,371 | 1,799,788 | 1,677,186 |
| 154,160 | 151,128 | 149,247 |
| 924,455 | 890,986 | 902,553 |
| <u>12,004,264</u> | <u>11,302,339</u> | <u>11,135,758</u> |
| 0 | 155,203 | 50,000 |
| 0 | 0 | 0 |
| <u>12,004,264</u> | <u>11,457,542</u> | <u>11,185,758</u> |
| <u>13,988,100</u> | <u>13,255,019</u> | <u>12,602,739</u> |
| (3,073,201) | (3,097,200) | (2,860,613) |
| <u>1,443,769</u> | <u>1,034,472</u> | <u>1,039,849</u> |
| <u>(1,629,432)</u> | <u>(2,062,728)</u> | <u>(1,820,764)</u> |

(continued)

City of Wapakoneta
Change in Net Assets
Last Eight Years
(continued)
(Accrual Basis of Accounting)

| | 2010 | 2009 | 2008 | 2007 | 2006 |
|---|--------------------|--------------------|--------------------|--------------------|------------------|
| <u>General Revenues and Other Changes in Net Assets</u> | | | | | |
| Governmental Activities | | | | | |
| Property Taxes Levied for General Purposes | \$376,810 | \$365,898 | \$376,258 | \$382,346 | \$390,020 |
| Property Taxes Levied for Recreation | 95,200 | 92,532 | 100,267 | 103,445 | 106,334 |
| Municipal Income Taxes | 2,244,992 | 2,163,600 | 2,419,511 | 2,286,433 | 2,290,400 |
| Other Local Taxes | 645,090 | 604,597 | 666,801 | 702,847 | 678,614 |
| Grants and Entitlements not Restricted to Specific Programs | 585,145 | 571,917 | 736,776 | 699,524 | 530,856 |
| Franchise Taxes | 85,710 | 70,776 | 67,136 | 50,369 | 45,289 |
| Interest | 75,658 | 123,591 | 522,389 | 919,480 | 892,006 |
| Gifts and Donations | 5,663 | 9,671 | 59,095 | 8,352 | 13,142 |
| Other | 76,118 | 48,787 | 47,323 | 30,384 | 153,570 |
| Gain on Sale of Investment | 0 | 0 | 0 | 758,441 | 0 |
| Transfers | (646,732) | (557,664) | (546,051) | (427,882) | (266,589) |
| Total Governmental Activities | <u>3,543,654</u> | <u>3,493,705</u> | <u>4,449,505</u> | <u>5,513,739</u> | <u>4,833,642</u> |
| Business-Type Activities | | | | | |
| Interest | 1 | 2 | 19,753 | 59,555 | 36,694 |
| Other | 30,376 | 40,677 | 66,093 | 93,043 | 45,061 |
| Transfers | 646,732 | 557,664 | 546,051 | 427,882 | 266,589 |
| Total Business-Type Activities | <u>677,109</u> | <u>598,343</u> | <u>631,897</u> | <u>580,480</u> | <u>348,344</u> |
| Total Primary Government | <u>4,220,763</u> | <u>4,092,048</u> | <u>5,081,402</u> | <u>6,094,219</u> | <u>5,181,986</u> |
| <u>Change in Net Assets</u> | | | | | |
| Governmental Activities | 911,127 | (582,555) | 1,146,242 | 4,131,538 | 1,841,619 |
| Business-Type Activities | 2,342,946 | 1,758,077 | 1,182,856 | 541,044 | (1,001,765) |
| Total Primary Government Change in Net Assets | <u>\$3,254,073</u> | <u>\$1,175,522</u> | <u>\$2,329,098</u> | <u>\$4,672,582</u> | <u>\$839,854</u> |

| <u>2005</u> | <u>2004</u> | <u>2003</u> |
|--------------------|--------------------|--------------------|
| \$356,201 | \$343,628 | \$349,783 |
| 105,934 | 102,350 | 104,731 |
| 2,136,920 | 2,118,637 | 2,004,839 |
| 656,921 | 639,180 | 641,975 |
| 483,500 | 653,985 | 515,817 |
| 39,650 | 37,741 | 57,486 |
| 546,259 | 236,441 | 260,864 |
| 7,791 | 17,348 | 22,090 |
| 9,090 | 24,438 | 32,297 |
| 0 | 0 | 0 |
| <u>(384,984)</u> | <u>(325,256)</u> | <u>(554,880)</u> |
| <u>3,957,282</u> | <u>3,848,492</u> | <u>3,435,002</u> |
| 10,904 | 30,482 | 2,001 |
| 73,465 | 28,063 | 39,259 |
| <u>384,984</u> | <u>325,256</u> | <u>554,880</u> |
| <u>469,353</u> | <u>383,801</u> | <u>596,140</u> |
| <u>4,426,635</u> | <u>4,232,293</u> | <u>4,031,142</u> |
| 884,081 | 751,292 | 574,389 |
| <u>1,913,122</u> | <u>1,418,273</u> | <u>1,635,989</u> |
| <u>\$2,797,203</u> | <u>\$2,169,565</u> | <u>\$2,210,378</u> |

City of Wapakoneta
Fund Balance
Governmental Funds
Last Eight Years
(Modified Accrual Basis of Accounting)

| | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | | |
| Reserved | \$122,631 | \$138,697 | \$159,606 | \$204,428 | \$82,397 |
| Unreserved | <u>2,077,148</u> | <u>2,546,481</u> | <u>3,169,890</u> | <u>2,838,888</u> | <u>2,303,358</u> |
| Total General Fund | <u>2,199,779</u> | <u>2,685,178</u> | <u>3,329,496</u> | <u>3,043,316</u> | <u>2,385,755</u> |
| All Other Governmental Funds | | | | | |
| Reserved | 811,189 | 330,711 | 465,171 | 1,859,426 | 485,067 |
| Unreserved, Reported in | | | | | |
| Special Revenue Funds | 1,081,987 | 1,265,764 | 1,392,222 | 1,078,936 | 2,444,533 |
| Debt Service Funds | 467,448 | 539,473 | 609,729 | 520,071 | 413,201 |
| Capital Projects Funds | <u>1,539,432</u> | <u>2,177,385</u> | <u>1,617,466</u> | <u>1,384,703</u> | <u>688,783</u> |
| Total All Other Governmental Funds | <u>3,900,056</u> | <u>4,313,333</u> | <u>4,084,588</u> | <u>4,843,136</u> | <u>4,031,584</u> |
| Total Governmental Funds | <u>\$6,099,835</u> | <u>\$6,998,511</u> | <u>\$7,414,084</u> | <u>\$7,886,452</u> | <u>\$6,417,339</u> |

Information prior to 2003 not available.

| <u>2005</u> | <u>2004</u> | <u>2003</u> |
|--------------------|--------------------|--------------------|
| \$40,641 | \$38,253 | \$59,165 |
| <u>1,731,727</u> | <u>899,035</u> | <u>690,012</u> |
| <u>1,772,368</u> | <u>937,288</u> | <u>749,177</u> |
| 841,079 | 298,187 | 142,587 |
| 1,894,745 | 2,175,390 | 1,805,603 |
| 301,980 | 229,925 | 161,129 |
| <u>478,067</u> | <u>831,123</u> | <u>1,364,097</u> |
| <u>3,515,871</u> | <u>3,534,625</u> | <u>3,473,416</u> |
| <u>\$5,288,239</u> | <u>\$4,471,913</u> | <u>\$4,222,593</u> |

City of Wapakoneta
Change in Fund Balance
Governmental Funds
Last Eight Years
(Modified Accrual Basis of Accounting)

| | 2010 | 2009 | 2008 | 2007 | 2006 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| <u>Revenues</u> | | | | | |
| Property Taxes | \$472,312 | \$454,699 | \$475,488 | \$485,855 | \$494,322 |
| Municipal Income Taxes | 2,171,986 | 2,138,100 | 2,343,504 | 2,330,159 | 2,186,885 |
| Other Local Taxes | 718,141 | 744,078 | 739,543 | 775,349 | 750,786 |
| Special Assessments | 108,280 | 79,745 | 113,600 | 99,838 | 127,830 |
| Charges for Services | 673,656 | 624,096 | 534,173 | 383,477 | 394,449 |
| Fees, Licenses, and Permits | 82,112 | 98,226 | 84,803 | 58,235 | 49,667 |
| Fines and Forfeitures | 21,292 | 21,495 | 26,414 | 28,153 | 26,397 |
| Intergovernmental | 2,385,316 | 1,985,445 | 2,352,860 | 1,429,731 | 1,112,975 |
| Interest | 101,299 | 167,697 | 638,987 | 1,385,496 | 1,123,113 |
| Gifts and Donations | 30,264 | 51,756 | 306,596 | 29,040 | 39,358 |
| Other | 76,348 | 48,557 | 47,323 | 29,805 | 153,570 |
| Total Revenues | 6,841,006 | 6,413,894 | 7,663,291 | 7,035,138 | 6,459,352 |
| <u>Expenditures</u> | | | | | |
| Current: | | | | | |
| Security of Persons and Property | | | | | |
| Police | 1,423,412 | 1,498,398 | 1,335,039 | 1,275,070 | 1,261,097 |
| Fire | 1,406,482 | 1,771,274 | 1,228,768 | 1,157,457 | 1,468,411 |
| Other | 15,472 | 14,842 | 27,847 | 14,333 | 13,040 |
| Public Health | 172,208 | 171,546 | 270,897 | 218,356 | 191,798 |
| Leisure Time Activities | 389,487 | 425,862 | 1,874,381 | 283,512 | 209,160 |
| Community Environment | 82,067 | 136,721 | 105,721 | 75,643 | 113,779 |
| Transportation | 3,037,581 | 1,651,528 | 1,790,505 | 1,128,899 | 741,257 |
| General Government | 536,168 | 679,793 | 474,176 | 1,129,757 | 533,235 |
| Debt Service: | | | | | |
| Principal Retirement | 365,342 | 358,346 | 449,624 | 454,074 | 448,553 |
| Interest and Fiscal Charges | 52,045 | 74,109 | 61,042 | 73,146 | 84,149 |
| Total Expenditures | 7,480,264 | 6,782,419 | 7,618,000 | 5,810,247 | 5,064,479 |
| Excess of Revenues Over (Under) Expenditures | (639,258) | (368,525) | 45,291 | 1,224,891 | 1,394,873 |
| <u>Other Financing Sources (Uses)</u> | | | | | |
| Loan Proceeds | 54,955 | 368,662 | 0 | 0 | 0 |
| Sale of Capital Assets | 3,100 | 1,531 | 0 | 4,201 | 816 |
| General Obligation Bonds Issued | 0 | 0 | 0 | 0 | 0 |
| General Obligation Refunding Bonds Issued | 0 | 0 | 0 | 0 | 0 |
| Capital Loans Issued | 0 | 0 | 0 | 0 | 0 |
| Gain on Sale of Investments | 0 | 0 | 0 | 758,441 | 0 |
| Transfers In | 919,852 | 907,759 | 1,147,341 | 1,751,741 | 967,411 |
| Transfers Out | (1,237,325) | (1,325,000) | (1,665,000) | (2,270,161) | (1,234,000) |
| Total Other Financing Sources (Uses) | (259,418) | (47,048) | (517,659) | 244,222 | (265,773) |
| Change in Fund Balance | (\$898,676) | (\$415,573) | (\$472,368) | \$1,469,113 | \$1,129,100 |
| Debt Service as a Percentage of Noncapital Expenditures | 7.56% | 7.68% | 10.18% | 11.15% | 12.11% |

Information prior to 2003 not available.

| 2005 | 2004 | 2003 |
|------------------|------------------|--------------------|
| \$463,550 | \$450,912 | \$449,601 |
| 2,155,844 | 2,064,190 | 2,031,494 |
| 729,535 | 712,250 | 714,371 |
| 141,800 | 110,523 | 122,025 |
| 314,313 | 282,566 | 272,376 |
| 53,014 | 54,022 | 44,452 |
| 19,469 | 28,312 | 25,471 |
| 1,932,243 | 1,319,319 | 1,202,606 |
| 622,515 | 497,487 | 304,393 |
| 33,081 | 35,090 | 105,535 |
| 9,443 | 24,085 | 30,794 |
| <u>6,474,807</u> | <u>5,578,756</u> | <u>5,303,118</u> |
| 1,184,347 | 1,115,067 | 1,175,836 |
| 1,201,714 | 1,127,628 | 995,116 |
| 119,204 | 20,343 | 56,880 |
| 188,684 | 204,721 | 315,559 |
| 284,270 | 140,660 | 249,335 |
| 121,393 | 133,654 | 134,590 |
| 1,203,088 | 1,395,155 | 995,578 |
| 416,606 | 374,390 | 426,549 |
| 448,060 | 431,989 | 3,020,000 |
| 94,174 | 118,485 | 306,967 |
| <u>5,261,540</u> | <u>5,062,092</u> | <u>7,676,410</u> |
| <u>1,213,267</u> | <u>516,664</u> | <u>(2,373,292)</u> |
| 0 | 0 | 0 |
| 0 | 0 | 1,510 |
| 0 | 0 | 288,400 |
| 0 | 0 | 2,836,000 |
| 0 | 0 | 145,000 |
| 0 | 0 | 0 |
| 500,059 | 876,428 | 1,225,000 |
| (897,000) | (1,143,772) | (1,758,500) |
| <u>(396,941)</u> | <u>(267,344)</u> | <u>2,737,410</u> |
| <u>\$816,326</u> | <u>\$249,320</u> | <u>\$364,118</u> |
| 11.61% | 11.90% | 48.13% |

City of Wapakoneta
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

| Year | Real Property | | | | Public Utility Personal Property | | |
|------|------------------------------|---------------------------|-------------------|----------------------------|-------------------------------------|-------------------|---------------------------|
| | Assessed Value | | | Total Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value |
| | Residential/ Agricultural | Commercial/ Industrial | Public Utility | | | | |
| 2010 | \$107,696,140 | \$45,716,950 | \$61,680 | \$153,474,770 | \$438,499,343 | \$401,430 | \$456,170 |
| 2009 | 108,578,130 | 47,073,300 | 87,780 | 155,739,210 | 444,969,171 | 577,790 | 656,580 |
| 2008 | 99,932,540 | 43,264,780 | 46,920 | 143,244,240 | 409,269,257 | 584,380 | 664,068 |
| 2007 | 98,356,360 | 41,575,210 | 43,590 | 139,975,160 | 399,929,029 | 3,300,180 | 3,750,205 |
| 2006 | 96,797,980 | 39,755,360 | 77,760 | 136,631,100 | 390,374,571 | 3,745,680 | 4,256,455 |
| 2005 | 85,608,830 | 33,803,110 | 76,420 | 119,488,360 | 341,395,314 | 3,715,910 | 4,222,625 |
| 2004 | 84,027,250 | 33,452,810 | 75,780 | 117,555,840 | 335,873,829 | 3,816,660 | 4,337,114 |
| 2003 | 82,548,700 | 33,025,070 | 74,390 | 115,648,160 | 330,423,314 | 3,954,800 | 4,494,091 |
| 2002 | 76,609,370 | 32,569,640 | 71,520 | 109,250,530 | 312,144,371 | 4,045,290 | 4,596,920 |
| 2001 | 74,844,900 | 33,066,020 | 73,910 | 107,984,830 | 308,528,086 | 4,711,420 | 5,353,886 |

Source: Auglaize County Auditor

Note: Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. Personal property tax was assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of actual value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent of actual value for machinery and equipment and 23 percent for inventory. The general business tangible personal property tax was phased out. The assessment percentage was 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four-year phase out on the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 or 2010 from general business taxpayers, except telephone companies whose last year to pay tangible personal property tax was 2010.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property was eliminated.

| Tangible Personal Property | | Total | | Weighted Average Tax Rate |
|-------------------------------|---------------------------|-------------------|---------------------------|------------------------------------|
| Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value | |
| \$434,390 | \$434,390 | \$154,310,590 | \$439,389,903 | \$3.43 |
| 868,780 | 868,780 | 157,185,780 | 446,494,531 | 3.43 |
| 4,227,152 | 67,634,432 | 148,055,772 | 477,567,757 | 3.45 |
| 8,454,304 | 67,634,432 | 151,729,644 | 471,313,666 | 3.47 |
| 10,846,559 | 57,848,315 | 151,223,339 | 452,479,341 | 3.48 |
| 14,938,545 | 59,754,180 | 138,142,815 | 405,372,119 | 3.55 |
| 21,012,884 | 84,051,536 | 142,385,384 | 424,262,479 | 3.56 |
| 22,326,522 | 89,306,088 | 141,929,482 | 424,223,493 | 3.56 |
| 22,437,024 | 89,748,096 | 135,732,844 | 406,489,387 | 3.59 |
| 25,315,900 | 101,263,600 | 138,012,150 | 415,145,572 | 3.59 |

City of Wapakoneta
Property Tax Rates - Direct and All Overlapping Governments
Per \$1,000 of Assessed Values
Last Ten Years

| Collection Year | 2010 | 2009 | 2008 | 2007 | 2006 |
|---|---------------|---------------|---------------|---------------|---------------|
| Voted Millage | | | | | |
| 2007 Recreation - 5 Years | | | | | |
| Effective Millage Rates | | | | | |
| Residential/Agriculture | \$0.5995 | \$0.5989 | \$0.5989 | \$0.6299 | \$0.6316 |
| Commerical/Industrial | 0.8555 | 0.8441 | 0.8693 | 0.8607 | 0.8528 |
| Tangible/Public Utility Personal | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Unvoted Millage | | | | | |
| General | 2.1500 | 2.1500 | 2.1500 | 2.1500 | 2.1500 |
| Fire Pension | 0.3000 | 0.3000 | 0.3000 | 0.3000 | 0.3000 |
| Police Pension | 0.3000 | 0.3000 | 0.3000 | 0.3000 | 0.3000 |
| Total Unvoted Millage | 2.7500 | 2.7500 | 2.7500 | 2.7500 | 2.7500 |
| Total Millage | | | | | |
| Total Effective Millage by Type of Property | | | | | |
| Residential/Agriculture | 3.3495 | 3.3489 | 3.3489 | 3.3799 | 3.3816 |
| Commerical/Industrial | 3.6055 | 3.5941 | 3.6193 | 3.6107 | 3.6028 |
| Tangible/Public Utility Personal | 3.7500 | 3.7500 | 3.7500 | 3.7500 | 3.7500 |
| Auglaize County | 11.7500 | 11.7500 | 11.7500 | 11.7500 | 11.2500 |
| Wapakoneta City School District | 31.3000 | 31.3000 | 31.3000 | 31.3000 | 29.6000 |
| Apollo Career Center | 2.2000 | 2.2000 | 2.2000 | 2.2000 | 2.2000 |
| Duchouquet Township | 0.2000 | 0.2000 | 0.2000 | 0.2000 | 0.2000 |

Source: Auglaize County Auditor

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The basic property tax rate can only be increased by a majority vote of the City's residents.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Overlapping rates are those of local and county governments that apply to property owners within the City of Wapakoneta. Property tax rates for all overlapping governments are based upon the original voted levy.

| <u>2005</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2001</u> |
|---------------|---------------|---------------|---------------|---------------|
| \$0.7014 | \$0.7028 | \$0.7035 | \$0.7451 | \$0.7477 |
| 0.9316 | 0.9314 | 0.9301 | 0.9256 | 0.8999 |
| <u>1.0000</u> | <u>1.0000</u> | <u>1.0000</u> | <u>1.0000</u> | <u>1.0000</u> |
| 2.1500 | 2.1500 | 2.1500 | 2.1500 | 2.1500 |
| 0.3000 | 0.3000 | 0.3000 | 0.3000 | 0.3000 |
| <u>0.3000</u> | <u>0.3000</u> | <u>0.3000</u> | <u>0.3000</u> | <u>0.3000</u> |
| <u>2.7500</u> | <u>2.7500</u> | <u>2.7500</u> | <u>2.7500</u> | <u>2.7500</u> |
| 3.4514 | 3.4528 | 3.4535 | 3.4951 | 3.4977 |
| 3.6816 | 3.6814 | 3.6801 | 3.6756 | 3.6499 |
| <u>3.7500</u> | <u>3.7500</u> | <u>3.7500</u> | <u>3.7500</u> | <u>3.7500</u> |
| 11.2500 | 11.2500 | 9.3700 | 9.4000 | 9.4000 |
| 29.6000 | 29.6000 | 29.8000 | 30.7000 | 30.7000 |
| 2.2000 | 2.2000 | 2.2000 | 2.2000 | 2.2000 |
| 0.2000 | 0.2000 | 0.2000 | 0.2000 | 0.2000 |

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City of Wapakoneta
Property Tax Levies and Collections
Last Ten Years

| Year | Current Tax Levy (1) | Current Tax Collections | Percent Collected | Total Outstanding Delinquent Taxes | Percent Delinquent |
|------|----------------------------|-------------------------------|----------------------|---|-----------------------|
| 2010 | \$562,605 | \$589,717 | 104.82% | \$11,496 | 2.04% |
| 2009 | 567,693 | 460,924 | 81.19 | 11,798 | 2.08 |
| 2008 | 579,024 | 565,256 | 97.62 | 8,248 | 1.42 |
| 2007 | 545,199 | 598,187 | 109.72 | 14,151 | 2.60 |
| 2006 | 553,228 | 606,765 | 109.68 | 12,849 | 2.32 |
| 2005 | 548,783 | 583,413 | 106.31 | 7,559 | 1.38 |
| 2004 | 508,913 | 491,031 | 96.49 | 13,257 | 2.60 |
| 2003 | 502,468 | 486,704 | 96.86 | 20,341 | 4.05 |
| 2002 | 494,903 | 469,867 | 94.94 | 12,646 | 2.56 |
| 2001 | 481,194 | 471,669 | 98.02 | 8,475 | 1.76 |

Source: Auglaize County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The County does not maintain delinquency information by tax year.

City of Wapakoneta
Principal Real Property Taxpayers
Current Year and Nine Years Ago

| Taxpayer | Type of Business | 2010 | | |
|---------------------------------|--|----------------------------------|------|--|
| | | Real Property Assessed Valuation | Rank | Percentage of Total Assessed Valuation |
| Wal-Mart Stores East LP | Retail Business | \$3,355,230 | 1 | 2.19% |
| GAMCO Components Group LLC | Automotive Suspension Manufacturing | 1,785,000 | 2 | 1.16 |
| Schlenker Enterprises | Land Developments and Apartments | 1,662,530 | 3 | 1.08 |
| Lowes Home Centers, Inc. | Retail Business | 1,629,310 | 4 | 1.06 |
| Ametek, Inc. | Plastic Compounds | 1,164,360 | 5 | 0.76 |
| DW 28 Wapakoneta LLC | Retail Business | 1,097,780 | 6 | 0.72 |
| Koneta, Inc. | Rubber Truck Accessories Manufacturing | 1,081,660 | 7 | 0.70 |
| Quaker Run Farms | Warehousing and Distribution | 987,150 | 8 | 0.64 |
| Miller's Textile Services, Inc. | Uniform Rentals | 844,160 | 9 | 0.55 |
| Dr. Soo (Midwest Elastomers) | Granulated rubber and plastic | 821,150 | 10 | 0.54 |
| Normandy Ridge Limited | Residential Apartments | | | |
| LRV Acquisition | Hotel Properties | | | |
| L&G Truckers | Truck Stop | | | |
| Auglaize Investment Company | Big Bear Department Store | | | |
| Quaker Run | Residential Apartments | | | |
| WBW LLC | Hotel Properties | | | |
| JB Tool and Machine Company | Metal Stamping and Turning | | | |
| | Total | 14,428,330 | | 9.40 |
| | All Other Taxpayers | 139,046,440 | | 90.60 |
| | Total Assessed Valuation | <u>\$153,474,770</u> | | <u>100.00%</u> |

Source: Auglaize County Auditor

| 2001 | | |
|---|------|---|
| Real Property Assessed Valuation | Rank | Percentage of Total Assessed Valuation |
| \$1,573,840 | 1 | 1.46% |
| 1,328,890 | 2 | 1.23 |
| 943,650 | 5 | 0.87 |
| 1,202,280 | 3 | 1.11 |
| 975,080 | 4 | 0.91 |
| 875,810 | 6 | 0.81 |
| 801,830 | 7 | 0.74 |
| 795,420 | 8 | 0.74 |
| 656,020 | 9 | 0.61 |
| <u>584,440</u> | 10 | <u>0.54</u> |
| 9,737,260 | | 9.02 |
| <u>98,247,570</u> | | <u>90.98</u> |
| <u><u>\$107,984,830</u></u> | | <u><u>100.00%</u></u> |

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City of Wapakoneta
Income Tax Revenue Base and Collections
Last Seven Years

| Tax Year | Tax Rate | Total Tax Collected | Taxes from Withholding | Percentage of Taxes from Withholding | Taxes from Net Profits | Percentage of Taxes from Net Profits | Taxes from Individual Payments | Percentage of Taxes from Individual Payments |
|----------|----------|---------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|--------------------------------|--|
| 2010 | 1.00% | \$2,244,992 | \$1,831,471 | 81.58% | \$143,612 | 6.40% | \$269,909 | 12.02% |
| 2009 | 1.00 | 2,163,600 | 1,706,006 | 78.85 | 119,471 | 5.52 | 338,123 | 15.63 |
| 2008 | 1.00 | 2,419,511 | 1,843,971 | 76.21 | 228,064 | 9.43 | 347,476 | 14.36 |
| 2007 | 1.00 | 2,286,433 | 1,794,095 | 78.47 | 169,089 | 7.40 | 323,249 | 14.13 |
| 2006 | 1.00 | 2,290,400 | 1,689,748 | 73.78 | 309,030 | 13.49 | 291,622 | 12.73 |
| 2005 | 1.00 | 2,136,920 | 1,726,299 | 80.78 | 139,636 | 6.53 | 270,985 | 12.68 |
| 2004 | 1.00 | 2,118,637 | 1,648,114 | 77.79 | 157,669 | 7.44 | 312,854 | 14.77 |

Source: City Records

Note: Tax years prior to 2004 not available.

City of Wapakoneta
Electric Utility Statistics
Last Ten Years

| | 2010 | 2009 | 2008 | 2007 | 2006 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Kilowatt Hours Purchased from: | | | | | |
| American Electric Power | 0 | 0 | 0 | 197,661,771 | 187,474,222 |
| AMP-Ohio | 182,091,811 | 170,099,880 | 191,475,666 | 4,149,000 | 4,122,000 |
| Total Kilowatt Hours Purchased | 182,091,811 | 170,099,880 | 191,475,666 | 201,810,771 | 191,596,222 |
| Payments for Purchased Power to: | | | | | |
| American Electric Power | \$0 | \$0 | \$11,197 | \$13,344,311 | \$12,570,995 |
| AMP-Ohio | 12,224,095 | 11,750,318 | 12,608,416 | 146,348 | 136,101 |
| Total Payments for Purchased Power | \$12,224,095 | \$11,750,318 | \$12,619,613 | \$13,490,659 | \$12,707,096 |
| Kilowatt Hours Sold to Users | | | | | |
| Residential | 51,220,653 | 48,207,823 | 49,579,753 | 50,710,462 | 48,981,563 |
| Commercial | 54,671,941 | 51,504,966 | 54,894,606 | 59,434,626 | 62,709,278 |
| Industrial | 67,158,540 | 60,748,180 | 73,796,880 | 78,444,120 | 70,704,980 |
| Total Kilowatt Hours Sold to Users | 173,051,134 | 160,460,969 | 178,271,239 | 188,589,208 | 182,395,821 |
| Charges for Kilowatt Hours Sold to Users | | | | | |
| Residential | \$4,816,497 | \$4,619,968 | \$4,420,838 | \$4,324,976 | \$3,691,525 |
| Commercial | 5,566,648 | 5,364,868 | 5,355,024 | 5,510,541 | 4,938,547 |
| Industrial | 5,201,984 | 5,013,166 | 5,503,887 | 5,511,166 | 4,587,937 |
| Total Dollar Amount of Kilowatt Hours Sold to Users | \$15,585,129 | \$14,998,002 | \$15,279,749 | \$15,346,683 | \$13,218,009 |

Rate

| | | |
|--------------------------|-----------|-----------|
| Residential | | |
| Service Charge (base) | \$2.50 | per month |
| Energy Charge: | | |
| 0 - 750 kwh | \$0.092 | per kwh |
| 751 - 9,999,999 kwh | \$0.084 | per kwh |
| Commercial | | |
| Service Charge (base) | \$10.00 | per month |
| Demand: | | |
| First 5 kwh | No Charge | |
| 6 - 9,999,999 kwh | \$6.00 | per kwh |
| Energy Charge: | | |
| First 1,000 kwh | \$0.1085 | per kwh |
| 1,001 - 9,999,999 kwh | \$0.0785 | per kwh |
| Industrial (Large Power) | | |
| Service Charge (base) | \$100.00 | per month |
| Demand | \$18.00 | per kwh |
| Energy Charge | \$0.0340 | per kwh |

Source: City Records

Note: Charges for kilowatt hours sold are based on collection cycles which will differ from billing cycles as reflected on the Statement of Revenues, Expenses, and Changes in Fund Net Assets.

| 2005 | 2004 | 2003 | 2002 | 2001 |
|--------------------|--------------------|--------------------|--------------------|--------------------|
| 187,080,998 | 182,064,625 | 179,583,038 | 179,215,817 | 169,197,813 |
| 4,096,736 | 4,172,642 | 4,749,257 | 5,021,624 | 4,706,427 |
| <u>191,177,734</u> | <u>186,237,267</u> | <u>184,332,295</u> | <u>184,237,441</u> | <u>173,904,240</u> |
| \$5,252,736 | \$5,035,490 | \$4,939,067 | \$4,977,901 | \$4,744,500 |
| 165,854 | 97,896 | 115,651 | 121,407 | 112,609 |
| <u>\$5,418,590</u> | <u>\$5,133,386</u> | <u>\$5,054,718</u> | <u>\$5,099,308</u> | <u>\$4,857,109</u> |
| 51,072,037 | 48,335,392 | 47,658,779 | 49,167,864 | 45,955,454 |
| 61,528,576 | 56,617,209 | 55,814,108 | 56,865,233 | 57,127,766 |
| 63,297,900 | 65,596,500 | 68,457,100 | 69,255,300 | 62,258,000 |
| <u>175,898,513</u> | <u>170,549,101</u> | <u>171,929,987</u> | <u>175,288,397</u> | <u>165,341,220</u> |
| \$2,568,233 | \$2,404,143 | \$2,364,694 | \$2,442,441 | \$2,309,352 |
| 3,158,202 | 2,862,108 | 2,817,770 | 2,867,954 | 2,896,209 |
| 2,604,184 | 2,548,999 | 2,601,531 | 2,646,084 | 2,466,596 |
| <u>\$8,330,619</u> | <u>\$7,815,250</u> | <u>\$7,783,995</u> | <u>\$7,956,479</u> | <u>\$7,672,157</u> |

City of Wapakoneta
Water Utility Statistics
Last Ten Years

| Type of Customer | 2010 | 2009 | 2008 | 2007 | 2006 |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Residential | \$1,029,780 | \$1,048,899 | \$977,828 | \$931,953 | \$845,137 |
| Industrial | 291,804 | 274,435 | 312,965 | 310,036 | 263,913 |
| Commercial | 277,948 | 280,266 | 270,467 | 271,697 | 264,331 |
| Total Billed | \$1,599,532 | \$1,603,600 | \$1,561,260 | \$1,513,686 | \$1,373,381 |
| Billed in Cubic Feet | | | | | |
| Rate in Cubic Feet: | | | | | |
| All Customers | | | | | |
| 0 - 200 | \$7.72 | \$7.72 | \$7.14 | \$6.61 | \$6.12 |
| 201 - 1,300 | 3.25 | 3.25 | 3.01 | 2.79 | 2.58 |
| 1,301 - 6,100 | 2.71 | 2.71 | 2.51 | 2.32 | 2.15 |
| 6,101 - 22,800 | 2.20 | 2.20 | 2.04 | 1.89 | 1.75 |
| 22,801 and up | 1.99 | 1.99 | 1.84 | 1.70 | 1.57 |
| Multi Residential | | | | | |
| 0 - 200 | \$7.72 | \$7.72 | \$7.14 | \$6.61 | \$6.12 |
| Each Additional 100 | 3.15 | 3.15 | 2.91 | 2.69 | 2.49 |

Outside Rates prior to February 1, 2005, add 150%

Outside Rates after February 1, 2005, add 200%

Source: City Records

Note: Charges are based on collection cycles which will differ from billing cycles as reflected on the Statement of Revenues, Expenses, and Changes in Fund Net Assets.

| 2005 | 2004 | 2003 | 2002 | 2001 |
|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$803,042 | \$709,519 | \$707,773 | \$754,799 | \$743,662 |
| 209,814 | 207,575 | 167,426 | 156,204 | 159,939 |
| 256,465 | 204,331 | 227,810 | 246,097 | 228,353 |
| <u>\$1,269,321</u> | <u>\$1,121,425</u> | <u>\$1,103,009</u> | <u>\$1,157,100</u> | <u>\$1,131,954</u> |

| | | | | |
|--------|--------|--------|--------|--------|
| \$5.67 | \$5.25 | \$5.25 | \$5.25 | \$5.25 |
| 2.39 | 2.21 | 2.21 | 2.21 | 2.21 |
| 1.99 | 1.84 | 1.84 | 1.84 | 1.84 |
| 1.62 | 1.50 | 1.50 | 1.50 | 1.50 |
| 1.45 | 1.34 | 1.34 | 1.34 | 1.34 |
| \$5.67 | \$5.25 | \$5.25 | \$5.25 | \$5.25 |
| 2.31 | 2.14 | 2.14 | 2.14 | 2.14 |

City of Wapakoneta
Sewer Utility Statistics
Last Ten Years

| Type of Customer | 2010 | 2009 | 2008 | 2007 | 2006 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Residential | \$1,081,696 | \$1,051,463 | \$1,035,296 | \$1,045,093 | \$1,013,454 |
| Commercial | 307,324 | 291,326 | 300,312 | 318,508 | 348,872 |
| Industrial | 393,287 | 400,621 | 473,693 | 512,977 | 471,939 |
| Total Billed | \$1,782,307 | \$1,743,410 | \$1,809,301 | \$1,876,578 | \$1,834,265 |
| Billed in Cubic Feet | | | | | |
| Base Rate for First 200 Cubic Feet: | | | | | |
| Residential | \$11.07 | \$10.20 | \$10.05 | \$9.90 | \$9.75 |
| Commercial | \$11.07 | 10.20 | 10.05 | 9.90 | 9.75 |
| Industrial | \$11.07 | 10.20 | 10.05 | 9.90 | 9.75 |
| Additional per 100 Cubic Feet: | | | | | |
| Residential | \$3.23 | \$2.98 | \$2.93 | \$2.89 | \$2.85 |
| Commercial | 3.48 | 3.21 | 3.16 | 3.11 | 3.06 |
| Industrial | 3.23 | 2.98 | 2.93 | 2.89 | 2.85 |

Outside Rates add 115%

Source: City Records

Note: Charges are based on collection cycles which will differ from billing cycles as reflected on the Statement of Revenues, Expenses, and Changes in Fund Net Assets.

| 2005 | 2004 | 2003 | 2002 | 2001 |
|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$1,016,743 | \$994,203 | \$974,159 | \$854,661 | \$667,021 |
| 365,911 | 304,829 | 342,570 | 318,176 | 231,829 |
| 414,251 | 425,951 | 337,538 | 285,997 | 233,445 |
| <u>\$1,796,905</u> | <u>\$1,724,983</u> | <u>\$1,654,267</u> | <u>\$1,458,834</u> | <u>\$1,132,295</u> |

| | | | | |
|--------|--------|--------|--------|--------|
| \$9.60 | \$9.46 | \$9.32 | \$7.76 | \$6.21 |
| 9.60 | 9.46 | 9.32 | 7.76 | 6.21 |
| 9.60 | 9.46 | 9.32 | 7.76 | 6.21 |

| | | | | |
|--------|--------|--------|--------|--------|
| \$2.81 | \$2.77 | \$2.73 | \$2.28 | \$1.82 |
| 3.01 | 2.97 | 2.93 | 2.44 | 1.95 |
| 2.81 | 2.77 | 2.73 | 2.28 | 1.82 |

City of Wapakoneta
Storm Sewer Utility Statistics
Last Ten Years

| Type of Customer | 2010 | 2009 | 2008 | 2007 | 2006 |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| Residential | \$87,960 | \$87,722 | \$87,772 | \$87,348 | \$86,742 |
| Commercial/Industrial | 68,249 | 68,133 | 66,802 | 67,425 | 67,411 |
| Total Billed | \$156,209 | \$155,855 | \$154,574 | \$154,773 | \$154,153 |

Rates:

Residential: \$2 per month

Commercial/Industrial:

| Area of Property (square feet) | Monthly Fee |
|-----------------------------------|----------------|
| 1 to 10,000 | \$4 |
| 10,001 to 25,000 | 7 |
| 25,001 to 50,000 | 10 |
| 50,001 to 100,000 | 20 |
| 100,000 and over | 40 |

Source: City Records

Note: Charges are based on collection cycles which will differ from billing cycles as reflected on the Statement of Revenues, Expenses, and Changes in Fund Net Assets.

| <u>2005</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2001</u> |
|------------------|----------------|------------------|------------------|------------------|
| \$85,832 | \$84,732 | \$83,888 | \$82,568 | \$82,146 |
| <u>66,755</u> | <u>64,812</u> | <u>63,852</u> | <u>63,684</u> | <u>62,757</u> |
| <u>\$152,587</u> | <u>149,544</u> | <u>\$147,740</u> | <u>\$146,252</u> | <u>\$144,903</u> |

City of Wapakoneta
Refuse Utility Statistics
Last Ten Years

| Type of Customer | 2010 | 2009 | 2008 | 2007 | 2006 |
|--|------------------|------------------|------------------|------------------|------------------|
| Residential | \$411,384 | \$386,024 | \$366,097 | \$342,334 | \$294,849 |
| Commercial/Industrial | 190,085 | 194,305 | 207,471 | 203,805 | 136,612 |
| Bag Sales (all customers) | 267,688 | 254,313 | 287,938 | 267,579 | 236,150 |
| Total | \$869,157 | \$834,642 | \$861,506 | \$813,718 | \$667,611 |
| Amount Paid by City to Waste Management | \$223,051 | \$206,999 | \$215,993 | \$220,755 | \$219,332 |
| Amount per Ton Paid to Waste Management | \$61.99 | \$59.15 | \$55.09 | \$53.55 | \$51.00 |
| <u>Monthly Base Rate:</u> | | | | | |
| Residential Inside | \$8.50 | \$8 | \$7 | \$7 | \$6 |
| Residential Outside | 12.50 | 12 | 11 | 11 | 10 |

Commercial/Industrial (dumpsters) \$5 per cubic yard, plus \$5 stop charge

In addition to a flat fee, customers must also purchase trash bags from the City, which sell for \$.75 or \$1.25 each. Customers are also charged a monthly fee for landfill monitoring that varies for type of customer and size of commercial dumpster.

Source: City Records

Note: Charges are based on collection cycles which will differ from billing cycles as reflected on the Statement of Revenues, Expenses, and Changes in Fund Net Assets.

| 2005 | 2004 | 2003 | 2002 | 2001 |
|------------------|------------------|------------------|------------------|------------------|
| \$291,252 | \$290,097 | \$289,368 | \$288,412 | \$289,659 |
| 141,192 | 128,449 | 128,209 | 124,606 | 125,568 |
| 241,800 | 195,500 | 188,450 | 209,700 | 225,200 |
| <u>\$674,244</u> | <u>\$614,046</u> | <u>\$606,027</u> | <u>\$622,718</u> | <u>\$640,427</u> |
| <u>\$180,182</u> | <u>\$161,692</u> | <u>\$160,854</u> | <u>\$146,767</u> | <u>\$144,449</u> |
| \$41.60 | \$39.30 | \$37.30 | \$37.30 | \$36.50 |
| \$6 10 | \$6 10 | \$6 10 | \$6 10 | \$6 10 |

City of Wapakoneta
Ratio of Outstanding Debt by Type
Last Ten Years

| Year | Governmental Activities | | | Business-Type Activities | | | |
|------|--------------------------------|------------------|------------------|--------------------------------|------------------------------|------------------------------|---------------|
| | General Obligation Bonds | Capital Loans | Loans Payable | General Obligation Bonds | Mortgage Revenue Bonds | Due to Auglaize County | OWDA Loans |
| 2010 | \$750,428 | \$54,955 | \$315,374 | \$23,300 | \$8,940,000 | \$6,250 | \$8,743,063 |
| 2009 | 1,071,228 | 0 | 348,316 | 45,900 | 9,315,000 | 8,750 | 4,853,063 |
| 2008 | 1,397,951 | 0 | 0 | 67,900 | 9,655,196 | 11,250 | 1,007 |
| 2007 | 1,805,581 | 31,024 | 0 | 89,300 | 9,986,450 | 13,750 | 0 |
| 2006 | 2,218,912 | 61,098 | 0 | 110,300 | 10,308,232 | 16,250 | 0 |
| 2005 | 2,627,902 | 90,251 | 0 | 130,900 | 3,050,543 | 18,750 | 0 |
| 2004 | 3,037,372 | 118,511 | 0 | 151,100 | 3,213,383 | 21,250 | 0 |
| 2003 | 3,432,764 | 145,000 | 0 | 170,600 | 3,367,280 | 23,750 | 0 |
| 2002 | 3,425,000 | 0 | 0 | 0 | 3,516,177 | 26,250 | 0 |
| 2001 | 3,705,000 | 0 | 0 | 0 | 3,760,000 | 28,750 | 943,414 |

Source: City Records

(1) See S-39 for population and personal income. These ratios are calculated using population and personal income for the prior calendar year.

| Capital Loans | Loans Payable | Landfill Closure | Total Debt | Per Capita (1) | Percentage of Personal Income (1) |
|------------------|------------------|---------------------|---------------|-------------------|---|
| \$266,866 | \$799,824 | \$1,555,627 | \$21,455,687 | \$2,267 | 11.95% |
| 280,568 | 883,369 | 1,622,901 | 18,429,095 | 1,953 | 10.29 |
| 80,256 | 0 | 1,673,180 | 12,886,740 | 1,366 | 7.20 |
| 126,906 | 0 | 1,711,318 | 13,764,329 | 1,437 | 7.57 |
| 57,749 | 0 | 1,274,332 | 14,046,873 | 1,463 | 7.71 |
| 105,765 | 0 | 1,294,710 | 7,318,821 | 768 | 4.05 |
| 151,762 | 0 | 1,315,484 | 8,008,862 | 841 | 4.43 |
| 195,789 | 0 | 1,342,111 | 8,677,294 | 916 | 4.83 |
| 115,913 | 0 | 1,380,609 | 8,463,949 | 893 | 4.71 |
| 53,977 | 0 | 1,404,221 | 9,895,362 | 1,044 | 5.50 |

City of Wapakoneta
Ratio of General Bonded Debt to Estimated Actual Value
and Bonded Debt Per Capita
Last Ten Years

| Year | Population | Estimated Actual Value | Gross Bonded Debt | Ratio of Bonded Debt to Estimated Actual Value | Bonded Debt Per Capita |
|------|------------|------------------------|-------------------|--|------------------------|
| 2010 | 9,464 | \$439,389,903 | \$773,728 | 0.18% | \$81.75 |
| 2009 | 9,438 | 446,494,531 | 1,117,128 | 0.25 | 118.36 |
| 2008 | 9,432 | 477,567,757 | 1,465,851 | 0.31 | 155.41 |
| 2007 | 9,579 | 471,313,666 | 1,894,881 | 0.40 | 197.82 |
| 2006 | 9,602 | 452,479,341 | 2,329,212 | 0.51 | 242.58 |
| 2005 | 9,531 | 405,372,119 | 2,758,802 | 0.68 | 289.46 |
| 2004 | 9,518 | 424,262,479 | 3,188,472 | 0.75 | 334.99 |
| 2003 | 9,474 | 424,223,493 | 3,603,364 | 0.85 | 380.34 |
| 2002 | 9,474 | 406,489,387 | 3,425,000 | 0.84 | 361.52 |
| 2001 | 9,474 | 415,145,572 | 3,705,000 | 0.89 | 391.07 |

Source: City Records
Auglaize County Auditor
U.S. Census Bureau

City of Wapakoneta
 Computation of Direct and Overlapping Debt for Governmental Activities
 December 31, 2010

| Jurisdiction | Outstanding Debt | Percentage Applicable to City of Wapakoneta (1) | Amount Applicable to City of Wapakoneta |
|---------------------------------|---------------------|--|--|
| City of Wapakoneta | | | |
| 2003 Various Purpose | \$750,428 | 100.00% | \$750,428 |
| Capital Loans Payable | 54,955 | | \$54,955 |
| Loans Payable | 315,374 | | 315,374 |
| | <u>1,120,757</u> | | <u>1,120,757</u> |
| Wapakoneta City School District | 25,775,000 | 47.25 | 12,178,688 |
| Auglaize County | 42,512 | 17.51 | 7,444 |
| | <u>42,512</u> | | <u>7,444</u> |
| Total | <u>\$26,938,269</u> | | <u>\$13,251,934</u> |

Source: City Records
 Ohio Municipal Advisory Council

(1) The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

City of Wapakoneta
 Computation of Legal Debt Margin
 Last Ten Years

| | 2010 | 2009 | 2008 | 2007 |
|--|----------------------|----------------------|----------------------|----------------------|
| Total Assessed Valuation | <u>\$154,310,590</u> | <u>\$157,185,780</u> | <u>\$148,055,772</u> | <u>\$151,729,644</u> |
| Overall Debt Limitation - 10.5 Percent of Assessed Valuation | 16,202,612 | 16,504,507 | 15,545,856 | 15,931,613 |
| Gross Indebtedness | 19,915,082 | 17,130,316 | 11,861,263 | 13,112,930 |
| Less Debt Outside Limitation | | | | |
| Bond Anticipation Notes | 0 | 300,000 | 600,000 | 990,000 |
| General Obligation Bonds | 23,300 | 45,900 | 67,900 | 89,300 |
| Mortgage Revenue Bonds | 8,940,000 | 9,315,000 | 9,670,000 | 10,015,000 |
| OWDA Loans | 8,743,063 | 4,853,063 | 1,007 | 0 |
| Capital Loans | 266,866 | 280,568 | 80,256 | 157,930 |
| Loans Payable | <u>799,824</u> | <u>883,369</u> | <u>0</u> | <u>0</u> |
| Net Indebtedness | 1,142,029 | 1,452,416 | 1,442,100 | 1,860,700 |
| Less Fund Balance in Debt Service Fund | <u>467,448</u> | <u>539,473</u> | <u>609,729</u> | <u>520,071</u> |
| Net Debt Within 10.5 Percent Limitation | <u>674,581</u> | <u>912,943</u> | <u>832,371</u> | <u>1,340,629</u> |
| Legal Debt Margin Within 10.5 Percent Limitation | <u>\$15,528,031</u> | <u>\$15,591,564</u> | <u>\$14,713,485</u> | <u>\$14,590,984</u> |
| Legal Debt Margin as a Percentage of the Overall Debt Limitation | 95.84% | 94.47% | 94.65% | 91.59% |
| Unvoted Debt Limitation - 5.5 Percent of Assessed Valuation | \$8,487,082 | \$8,645,218 | \$8,143,067 | \$8,345,130 |
| Gross Indebtedness | 19,915,082 | 17,130,316 | 11,861,263 | 13,112,930 |
| Less Debt Outside Limitation | | | | |
| Bond Anticipation Notes | 0 | 300,000 | 600,000 | 990,000 |
| General Obligation Bonds | 23,300 | 45,900 | 67,900 | 89,300 |
| Mortgage Revenue Bonds | 8,940,000 | 9,315,000 | 9,670,000 | 10,015,000 |
| OWDA Loans | 8,743,063 | 4,853,063 | 1,007 | 0 |
| Capital Loans | 266,866 | 280,568 | 80,256 | 157,930 |
| Loans Payable | <u>799,824</u> | <u>883,369</u> | <u>0</u> | <u>0</u> |
| Net Indebtedness | 1,142,029 | 1,452,416 | 1,442,100 | 1,860,700 |
| Less Fund Balance in Debt Service Fund | <u>467,448</u> | <u>539,473</u> | <u>609,729</u> | <u>520,071</u> |
| Net Debt Within 5.5 Percent Limitation | <u>674,581</u> | <u>912,943</u> | <u>832,371</u> | <u>1,340,629</u> |
| Legal Debt Margin Within 5.5 Percent Limitation | <u>\$7,812,501</u> | <u>\$7,732,275</u> | <u>\$7,310,696</u> | <u>\$7,004,501</u> |
| Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation | 92.05% | 89.44% | 89.78% | 83.94% |

Source: City Records

| 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>\$151,223,339</u> | <u>\$138,142,815</u> | <u>\$142,385,384</u> | <u>\$141,929,482</u> | <u>\$135,732,844</u> | <u>\$138,012,150</u> |
| 15,878,451 | 14,504,996 | 14,950,465 | 14,902,596 | 14,251,949 | 14,491,276 |
| 14,313,847 | 14,724,416 | 15,082,873 | 14,762,589 | 9,958,036 | 13,323,554 |
| 1,450,000 | 8,588,400 | 8,257,600 | 7,276,800 | 2,547,941 | 4,730,977 |
| 110,300 | 130,900 | 151,100 | 170,600 | 0 | 0 |
| 10,350,000 | 3,105,000 | 3,280,000 | 3,445,000 | 3,605,000 | 3,760,000 |
| 0 | 0 | 0 | 0 | 1,123 | 943,414 |
| 118,847 | 196,016 | 270,273 | 340,789 | 115,913 | 53,977 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 2,284,700 | 2,704,100 | 3,123,900 | 3,529,400 | 3,688,059 | 3,835,186 |
| 413,201 | 301,980 | 229,925 | 161,129 | 118,215 | 60,695 |
| 1,871,499 | 2,402,120 | 2,893,975 | 3,368,271 | 3,569,844 | 3,774,491 |
| <u>\$14,006,952</u> | <u>\$12,102,876</u> | <u>\$12,056,490</u> | <u>\$11,534,325</u> | <u>\$10,682,105</u> | <u>\$10,716,785</u> |
| 88.21% | 83.44% | 80.64% | 77.40% | 74.95% | 73.95% |
| \$8,317,284 | \$7,597,855 | \$7,831,196 | \$7,806,122 | \$7,465,306 | \$7,590,668 |
| 14,313,847 | 14,724,416 | 15,082,873 | 14,762,589 | 9,958,036 | 13,323,554 |
| 1,450,000 | 8,588,400 | 8,257,600 | 7,276,800 | 2,547,941 | 4,730,977 |
| 110,300 | 130,900 | 151,100 | 170,600 | 0 | 0 |
| 10,350,000 | 3,105,000 | 3,280,000 | 3,445,000 | 3,605,000 | 3,760,000 |
| 0 | 0 | 0 | 0 | 1,123 | 943,414 |
| 118,847 | 196,016 | 270,273 | 340,789 | 115,913 | 53,977 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 2,284,700 | 2,704,100 | 3,123,900 | 3,529,400 | 3,688,059 | 3,835,186 |
| 413,201 | 301,980 | 229,925 | 161,129 | 118,215 | 60,695 |
| 1,871,499 | 2,402,120 | 2,893,975 | 3,368,271 | 3,569,844 | 3,774,491 |
| <u>\$6,445,785</u> | <u>\$5,195,735</u> | <u>\$4,937,221</u> | <u>\$4,437,851</u> | <u>\$3,895,462</u> | <u>\$3,816,177</u> |
| 77.50% | 68.38% | 63.05% | 56.85% | 52.18% | 50.27% |

City of Wapakoneta
Revenue Bond Coverage
Sewer Fund
Last Ten Years

| Year | Gross Revenues (1) | Operating Expenses (2) | Net Revenue Available for Debt Service | Debt Service Requirements | | | Coverage |
|------|--------------------|------------------------|--|---------------------------|-----------|-----------|----------|
| | | | | Principal | Interest | Total | |
| 2010 | \$1,987,702 | \$1,305,730 | \$681,972 | \$375,000 | \$407,905 | \$782,905 | 0.87 |
| 2009 | 1,803,106 | 1,936,809 | (133,703) | 355,000 | 423,123 | 778,123 | (0.17) |
| 2008 | 1,879,320 | 1,324,362 | 554,958 | 345,000 | 437,210 | 782,210 | 0.71 |
| 2007 | 1,961,301 | 1,176,047 | 785,254 | 335,000 | 450,788 | 785,788 | 1.00 |
| 2006 | 1,901,842 | 1,192,376 | 709,466 | 180,000 | 291,933 | 471,933 | 1.50 |
| 2005 | 1,864,785 | 963,590 | 901,195 | 175,000 | 155,092 | 330,092 | 2.73 |
| 2004 | 1,832,802 | 896,473 | 936,329 | 165,000 | 161,610 | 326,610 | 2.87 |
| 2003 | 1,693,997 | 860,093 | 833,904 | 160,000 | 167,770 | 327,770 | 2.54 |
| 2002 | 1,495,944 | 829,276 | 666,668 | 155,000 | 173,583 | 328,583 | 2.03 |
| 2001 | 1,217,966 | 659,164 | 558,802 | 150,000 | 179,058 | 329,058 | 1.70 |

Source: City Records

- (1) Includes operating revenues and interest.
- (2) Total operating expenses exclusive of depreciation.

City of Wapakoneta
Demographic and Economic Statistics
Last Ten Years

| Year | Population (1) | Total Personal Income (2) | Per Capita Personal Income (3) | School Enrollment (4) | Unemployment Rate Auglaize County (5) |
|------|----------------|---------------------------|--------------------------------|-----------------------|---------------------------------------|
| 2010 | 9,464 | \$179,588,864 | \$18,976 | 3,036 | 8.20% |
| 2009 | 9,438 | 179,095,488 | 18,976 | 3,025 | 10.60 |
| 2008 | 9,432 | 178,981,632 | 18,976 | 3,025 | 6.80 |
| 2007 | 9,579 | 181,771,104 | 18,976 | 3,043 | 4.70 |
| 2006 | 9,602 | 182,207,552 | 18,976 | 3,023 | 4.20 |
| 2005 | 9,531 | 180,860,256 | 18,976 | 3,163 | 4.20 |
| 2004 | 9,518 | 180,613,568 | 18,976 | 3,119 | 3.30 |
| 2003 | 9,474 | 179,778,624 | 18,976 | 3,069 | 5.50 |
| 2002 | 9,474 | 179,778,624 | 18,976 | 3,269 | 5.30 |
| 2001 | 9,474 | 179,778,624 | 18,976 | 3,285 | 4.60 |

Source: (1) Chamber of Commerce and U.S. Census Bureau
(2) U.S. Census Bureau - Computation of per capita personal income multiplied by population.
(3) U.S. Census Bureau
(4) Wapakoneta City School District
(5) Ohio Bureau of Employment Services

City of Wapakoneta
Principal Employers
Current Year and Seven Years Ago

| Employer | Type of Business | 2010 | | |
|--|--|---------------------|------|--------------------------------|
| | | Number of Employees | Rank | Percentage of Total Employment |
| Auglaize County | Government | 469 | 1 | 9.53% |
| Wapakoneta City School District | Government | 291 | 2 | 5.91 |
| Wal-Mart Stores East LP | Retail Business | 170 | 3 | 3.46 |
| Miller's Textile Services, Inc. | Uniform Rentals | 170 | 4 | 3.46 |
| Trupointe | Agricultural Commodities Supplier | 165 | 5 | 3.35 |
| Koneta, Inc. | Rubber Truck Accessories Manufacturing | 161 | 6 | 3.27 |
| American Trim Limited | Metal Stamping | 150 | 7 | 3.05 |
| General Aluminum Manufacturing Company | Aluminum Manufacturing | 120 | 8 | 2.44 |
| GA Wintzer & Son Company | Manufacturing | 114 | 9 | 2.32 |
| City of Wapakoneta | Government | 85 | 10 | 1.73 |
| Ametek, Inc. | Plastic Compounds | | | |
| Superior Metal Products, Inc. | Metal Stamping | | | |
| LRV Acquisition | Hotel Properties | | | |
| Penn Traffic Company | Retail Grocery and Department Store | | | |
| HCF, Inc. | Nursing Home | | | |
| Amcast Industrial Corporation | Automotive Parts | | | |
| Total | | <u>1,895</u> | | <u>38.52%</u> |
| Total Employment Within the City | | <u>4,920</u> | | |

Source: City Records

Note: Information prior to 2003 not available.

Total employment based on 2009 numbers (latest information available)

| 2003 | | |
|---------------------|------|--------------------------------|
| Number of Employees | Rank | Percentage of Total Employment |
| 469 | 1 | 9.90% |
| 324 | 2 | 6.84 |
| 115 | 8 | 2.43 |
| 160 | 6 | 3.38 |
| 105 | 9 | 2.21 |
| 300 | 3 | 6.33 |
| 183 | 5 | 3.86 |
| 120 | 7 | 2.53 |
| 105 | 10 | 2.21 |
| 245 | 4 | 5.17 |
| <u>2,126</u> | | <u>44.86%</u> |
| <u>4,739</u> | | |

City of Wapakoneta
 Full Time Equivalent City Government Employees by Program/Department
 Last Seven Years

| Function/Program | 2010 | 2009 | 2008 | 2007 |
|---|---------------|---------------|---------------|---------------|
| General Government | | | | |
| Mayor | 1.00 | 1.00 | 1.00 | 1.00 |
| Council | 8.00 | 8.00 | 8.00 | 8.00 |
| Clerk of Council | 0.50 | 0.50 | 0.50 | 0.50 |
| Auditor | 1.00 | 1.00 | 1.00 | 1.00 |
| Treasurer | 1.00 | 1.00 | 1.00 | 1.00 |
| Income Tax Administrator | 1.00 | 1.00 | 1.00 | 1.00 |
| Income Tax Clerk | 1.00 | 1.00 | 1.00 | 1.00 |
| Law Director | 1.00 | 1.00 | 1.00 | 1.00 |
| Administrative Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| Security of Persons and Property | | | | |
| Police | 14.00 | 14.00 | 14.00 | 13.00 |
| Police - Dispatchers | 5.00 | 5.00 | 5.00 | 5.00 |
| Police - Auxiliary | 16.00 | 14.00 | 15.00 | 14.00 |
| Fire | 15.00 | 15.00 | 15.00 | 14.00 |
| Fire - Auxiliary | 11.00 | 13.00 | 11.00 | 11.00 |
| Safety Director | 1.00 | 1.00 | 1.00 | 1.00 |
| Public Health | | | | |
| Emergency Medical Services | 7.00 | 7.00 | 9.00 | 14.00 |
| Leisure Time Activities | | | | |
| Recreation Director | 1.00 | 1.00 | 1.00 | 0.50 |
| Transportation | | | | |
| Public Works | 10.00 | 10.00 | 10.00 | 10.00 |
| Basic Utility Services | | | | |
| Engineering | 3.00 | 3.00 | 3.00 | 2.00 |
| Utility Clerks | 2.00 | 2.00 | 2.00 | 2.00 |
| Electric | 11.00 | 11.00 | 12.00 | 13.00 |
| Water | 6.00 | 6.00 | 4.00 | 4.00 |
| Sewer | 5.00 | 5.00 | 6.00 | 6.00 |
| Refuse | 7.00 | 7.00 | 6.00 | 6.00 |
| Total | 129.50 | 129.50 | 129.50 | 131.00 |

Using 1.0 for each full-time employee and 0.50 for each part-time employee as of December 31.

Source: City Payroll Records

Note: Information prior to 2004 not available.

| 2006 | 2005 | 2004 |
|---------------|---------------|---------------|
| 1.00 | 1.00 | 1.00 |
| 8.00 | 8.00 | 8.00 |
| 0.50 | 0.50 | 0.50 |
| 1.00 | 1.00 | 1.00 |
| 1.00 | 1.00 | 1.00 |
| 1.00 | 1.00 | 1.00 |
| 1.00 | 1.00 | 1.00 |
| 1.00 | 1.00 | 1.00 |
| 1.00 | 1.00 | 1.00 |
| 14.00 | 14.00 | 19.00 |
| 5.00 | 5.00 | 5.00 |
| 15.00 | 15.00 | 16.00 |
| 14.00 | 15.00 | 14.00 |
| 11.00 | 14.00 | 16.00 |
| 1.00 | 1.00 | 1.00 |
| 14.00 | 10.00 | 12.00 |
| 0.50 | 0.50 | 0.50 |
| 10.00 | 10.00 | 10.00 |
| 2.00 | 4.00 | 4.00 |
| 2.00 | 3.00 | 3.00 |
| 11.00 | 12.00 | 12.00 |
| 4.00 | 4.00 | 4.00 |
| 6.00 | 6.00 | 6.00 |
| 7.00 | 7.00 | 7.00 |
| <u>132.00</u> | <u>136.00</u> | <u>145.00</u> |

City of Wapakoneta
 Operating Indicators by Program/Department
 Last Ten Years

| Function/Program | 2010 | 2009 | 2008 | 2007 |
|---|--------------|--------------|--------------|--------------|
| Security of Persons and Property-Police | | | | |
| Vehicle Mileage | 118,129 | 104,347 | 100,909 | 105,005 |
| Number of Traffic Citations and Arrests | 1,092 | 1,008 | 1,239 | 1,316 |
| Number of Parking Tickets Issued | 489 | 478 | 474 | 457 |
| Dollar Amount Collected for Tickets | \$4,630 | \$4,390 | \$4,650 | \$4,410 |
| Security of Persons and Property-Fire | | | | |
| Number of EMS Calls | 1,016 | 928 | 1,009 | 966 |
| Number of Fire Calls | 41 | 41 | 41 | 34 |
| Miscellaneous Calls | 240 | 201 | 246 | 186 |
| Transportation | | | | |
| Number of Gallons of R-S-2 Used to Fill Potholes | 2,200 | 5,250 | 5,320 | 2,750 |
| Number of Pounds of Crack Sealer Used | 2,000 | 4,000 | 4,730 | 4,928 |
| General Government | | | | |
| Income Tax | | | | |
| Number of Individual Accounts | 4,713 | 4,837 | 4,805 | 4,697 |
| Number of Business Accounts | 804 | 820 | 805 | 790 |
| Number of Business Withholding Accounts | 879 | 907 | 856 | 854 |
| Total Receipts Collected | \$2,244,992 | \$2,163,600 | \$2,419,511 | \$2,286,433 |
| Amount of Interest and Penalties Charged | \$29,401 | \$22,951 | \$19,780 | \$6,119 |
| Amount of Interest and Penalties Collected | \$11,130 | \$14,998 | \$6,604 | \$9,392 |
| City Commission | | | | |
| Number of Ordinances Passed | 46 | 45 | 53 | 63 |
| Number of Resolutions Passed | 9 | 13 | 6 | 7 |
| Electric Department | | | | |
| Kilowatt Hours Used | 182,091,811 | 170,099,880 | 191,475,666 | 201,810,771 |
| City Cost of Power | \$12,224,095 | \$11,750,318 | \$12,619,613 | \$13,490,659 |
| Water Department | | | | |
| Number of Wells Operating | 7 | 7 | 7 | 7 |
| Millions of Gallons of Finished Water | 532.00 | 523.52 | 576.70 | 559.13 |
| Chlorine Used (pounds) | 14,362 | 13,667 | 17,424 | 14,497 |
| Phosphate Used (gallons) | 2,961 | 2,190 | 2,649 | 3,154 |
| Salt in Tons (regenerates softening units) | 1,448 | 1,420 | 2,150 | 2,253 |
| Number of Gallons of Water Able to be Pumped a Day Combined | 2,700,000 | 2,700,000 | 2,000,000 | 2,000,000 |
| Daily Average Consumption (gallons) | 1,579,000 | 1,576,000 | 1,576,000 | 1,530,000 |
| Maximum Daily Capacity of Treatment Plant (gallons) | 2,722,000 | 2,722,000 | 2,722,000 | 2,722,000 |
| Sewer Department | | | | |
| Number of Gallons of Sewage Treated (in millions) | 911 | 822 | 1,281 | 1,242 |
| Average Daily Flow (millions of gallons per day) | 2.49 | 2.25 | 3.50 | 3.40 |
| Maximum Daily Capacity of Treatment Plant (gallons) | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 |
| Number of Tons of N-Viro Produced (fertilizer) | 3,152 | 3,762 | 4,460 | 4,242 |
| Refuse Department | | | | |
| Number of Tons of Refuse Collected | 4,119 | 3,575 | 3,849 | 4,169 |
| Number of Trash Bags Sold (in cases of 250 bags) | 757 | 855 | 966 | 903 |
| Number of Tons of Recycling Collected | 1,077 | 1,017 | 1,305 | 1,376 |
| Number of Gallons of Used Motor Oil Collected and Recycled | 2,900 | 5,300 | 5,600 | 4,800 |
| Engineering | | | | |
| Number of Registered Contractors | 239 | 253 | 287 | 245 |
| Number of Building Permits Issued | 213 | 194 | 264 | 223 |

Source: City Records

| 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|--------------|-------------|-------------|-------------|-------------|-------------|
| 102,691 | 104,561 | 108,388 | 102,354 | 96,139 | 97,946 |
| 1,070 | 845 | 1,278 | 1,068 | 1,228 | 1,135 |
| 429 | 371 | 377 | 465 | 465 | 389 |
| \$3,870 | \$3,930 | \$3,280 | \$4,420 | \$4,280 | \$3,630 |
| 995 | 926 | 899 | 841 | 789 | 885 |
| 40 | 46 | 57 | 56 | 54 | 37 |
| 198 | 422 | 423 | 294 | 271 | 281 |
| 2,760 | 2,569 | 4,920 | 2,186 | 750 | 1,160 |
| 8,928 | 4,630 | 6,120 | n/a | n/a | n/a |
| 4,709 | 4,392 | 4,541 | 4,600 | 4,544 | 4,659 |
| 823 | 464 | 756 | 681 | 657 | 665 |
| 817 | 805 | 816 | 764 | 789 | 820 |
| \$2,290,400 | \$2,136,920 | \$2,118,637 | \$2,004,839 | \$1,970,435 | \$1,962,036 |
| \$4,901 | \$5,576 | \$15,676 | \$20,887 | \$22,313 | \$33,012 |
| \$446 | \$1,211 | \$7,387 | \$15,611 | \$18,655 | \$25,927 |
| 62 | 48 | 47 | 72 | 62 | 56 |
| 8 | 5 | 12 | 13 | 20 | 14 |
| 191,596,222 | 191,177,734 | 186,237,267 | 184,332,295 | 184,237,441 | 173,904,240 |
| \$12,707,096 | \$5,418,590 | \$5,133,386 | \$5,054,718 | \$5,099,308 | \$4,857,109 |
| 7 | 7 | 7 | 7 | 7 | 7 |
| 530.86 | 561.44 | 562.37 | 564.50 | 589.20 | 599.20 |
| 13,074 | 10,349 | 9,403 | 8,948 | 8,246 | 7,174 |
| 2,606 | 2,639 | 11,449 | 10,571 | 11,346 | 10,979 |
| 1,929 | 2,232 | 2,181 | 2,047 | 2,257 | 2,163 |
| 2,000,000 | 2,000,000 | n/a | n/a | n/a | n/a |
| 1,540,000 | 1,540,000 | 1,540,000 | 1,500,000 | 1,614,000 | 1,641,100 |
| 2,722,000 | 2,722,000 | 2,722,000 | 2,722,000 | 2,722,000 | 2,722,000 |
| 1,141 | 1,208 | 1,132 | 1,267 | 922 | 945 |
| 3.13 | 3.31 | 3.10 | 3.50 | 2.60 | 2.60 |
| 6,000,000 | 8,000,000 | 8,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |
| 3,460 | 3,145 | 3,285 | 2,693 | 2,288 | n/a |
| 4,326 | 4,346 | 4,129 | 4,120 | 3,953 | 3,917 |
| 998 | 1,058 | 889 | 889 | 982 | 950 |
| 1,338 | 1,429 | 1,466 | 1,444 | 1,473 | 1,524 |
| 4,200 | 3,800 | 4,200 | 3,100 | 2,400 | 3,400 |
| 245 | 226 | 194 | 190 | 153 | 192 |
| 206 | 192 | 197 | 203 | 176 | 170 |

City of Wapakoneta
 Capital Assets by Program/Department
 Last Ten Years

| Function/Program | 2010 | 2009 | 2008 | 2007 |
|--|--------|--------|--------|--------|
| Security of Persons and Property-Police | | | | |
| Stations | 1 | 1 | 1 | 1 |
| Vehicles | 10 | 8 | 8 | 8 |
| Security of Persons and Property-Fire | | | | |
| Stations | 1 | 1 | 1 | 1 |
| Fire Trucks | 5 | 6 | 6 | 6 |
| Trailer | 1 | 1 | 1 | 1 |
| Vehicles | 2 | 2 | 2 | 2 |
| Public Health | | | | |
| Vehicles | 3 | 3 | 3 | 3 |
| Leisure Time Activities | | | | |
| Vehicles | 0 | 0 | 0 | 0 |
| Transportation | | | | |
| Streets (miles) | 46.16 | 46.16 | 46.16 | 46.15 |
| Vehicles | 19 | 19 | 19 | 19 |
| General Government | | | | |
| Vehicles | 1 | 1 | 1 | 1 |
| Electric | | | | |
| Electric Lines (miles) | 103.37 | 102.88 | 106.37 | 106.37 |
| Number of Substations | 8 | 8 | 8 | 8 |
| Vehicles | 9 | 9 | 15 | 15 |
| Water | | | | |
| Water Lines (miles) | 61.00 | 59.91 | 59.91 | 59.73 |
| Number of Treatment Plants | 1 | 1 | 1 | 1 |
| Vehicles | 5 | 4 | 4 | 4 |
| Sewer | | | | |
| Sanitary Sewer Lines (miles) | 48.20 | 48.20 | 48.20 | 47.93 |
| Storm Sewer Lines (miles) | 27.93 | 27.93 | 27.93 | 27.80 |
| Number of Treatment Plants | 1 | 1 | 1 | 1 |
| Vehicles | 4 | 4 | 4 | 4 |
| Refuse | | | | |
| Vehicles | 4 | 4 | 4 | 4 |
| Recycling | | | | |
| Vehicles | 4 | 4 | 4 | 3 |
| Engineering | | | | |
| Vehicles | 3 | 3 | 3 | 3 |

Source: City Records

| 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1 7 | 1 9 | 1 8 | 1 8 | 1 8 | 1 7 |
| 1 6 1 2 | 1 6 1 2 | 1 6 1 2 | 1 6 1 2 | 1 6 1 2 | 1 6 1 3 |
| 3 | 3 | 3 | 3 | 2 | 2 |
| 0 | 0 | 1 | 0 | 1 | 1 |
| 46.15 18 | 45.90 20 | 45.90 19 | 45.00 20 | 45.00 19 | 46.00 17 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 106.37 8 12 | 106.37 8 11 | 102.15 8 11 | 98.72 8 11 | 98.72 8 11 | 98.22 7 12 |
| 59.73 1 5 | 59.73 1 4 | 59.73 1 4 | 58.72 1 4 | 58.52 1 3 | 58.52 1 3 |
| 47.93 27.80 1 4 | 47.93 27.80 1 4 | 47.93 27.80 1 4 | 47.05 26.27 1 4 | 47.05 25.83 1 3 | 47.05 25.50 1 4 |
| 5 | 4 | 6 | 6 | 6 | 5 |
| 3 | 3 | 3 | 3 | 3 | 3 |
| 3 | 3 | 3 | 3 | 3 | 4 |

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Dave Yost • Auditor of State

CITY OF WAPAKONETA

AUGLAIZE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
AUGUST 23, 2011