

**CITY OF WILLARD, OHIO**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

For the year ended December 31, 1999

*Issued by the Department of Finance*

*Anne A. Fritz, Director*

CITY OF WILLARD, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE YEAR ENDED DECEMBER 31, 1999  
 TABLE OF CONTENTS

INTRODUCTORY SECTION

	PAGE
Title Page	
Table of Contents	I
Letter of Transmittal	1
Organizational Chart	11
List of Elected Officials	12
List of Administrative Personnel	13
Certificate of Achievement for Excellence in Financial Reporting	14
Management Report on Responsibility for Financial Reporting	15

FINANCIAL SECTION

Independent Auditors' Report	17
Combined Financial Statements Overview ("Liftable" General Purpose Financial Statements):	
Combined Balance Sheet - All Fund Types and Account Groups	18
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds	20
Combined Statement of Revenues and Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - All Governmental Fund Types and Expendable Trust Funds	22
Combined Statement of Revenues, Expenses and Changes in Fund Equity - All Proprietary Fund Types and Similar Trust Funds	24
Combined Statement of Changes in Cash Flow - All Proprietary Fund Types and Similar Trust Funds	25
Notes to Financial Statements	27
Financial Statements of Combining, Individual Funds and Account Group Schedules:	
General Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis)	45
Special Revenue Funds:	
Combining Balance Sheet	52
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	54
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Income Tax Operation Fund	56
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) - Street Maintenance and Repair Fund	57
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) State Highway Improvement Fund	58

	PAGE
FINANCIAL SECTION (Continued)	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Recreation Fund.....	59
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Airport Fund.....	60
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Police and Fire Pension Fund.....	61
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Community Development Block Grant.....	62
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Issue 2 Fund.....	63
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Community Development Block Grant - County.....	64
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Natureworks Grant.....	65
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) DUI Education Fund.....	66
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Municipal Road Permissive Fund.....	67
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Auto Registration City Levy Fund.....	68
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Tree Commission Fund.....	69
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Police Restitution Fund.....	70
Debt Service Funds:	
Combining Balance Sheet - All Debt Service Funds.....	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Debt Service Funds.....	73
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - Note Retirement Fund.....	74
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - Special Assessment Bond Retirement Fund.....	75
Capital Project Funds:	
Combining Balance Sheet - All Capital Project Funds.....	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Capital Project Funds..	80
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Income Tax Capital Improvement Fund.....	82
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Sidewalk Capital Improvement Fund.....	83

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Pineview Estates Improvement Fund.....	84
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Main Street Sanitary Capital Improvement Fund.....	85
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Tax Increment Financing (TIF)- Willard Industrial Park.....	86
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Hospital Improvement Fund.....	87
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Midwest Drive Improvement Fund.....	88
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Y2K Capital Improvement Fund.....	89
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Sewer System Improvement Fund.....	90
<b>Enterprise Funds:</b>	
Combining Balance Sheet - All Enterprise Funds.....	92
Combining Statement of Revenues, Expenses and Changes in Fund Equity - All Enterprise Funds.....	93
Combining Statement of Changes in Cash Flow - All Enterprise Funds.....	94
Schedule of Revenue, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis) Water Fund.....	95
Schedule of Revenue, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis) Sewer Fund.....	96
Schedule of Revenue, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis) Storm Water Fund.....	97
<b>Internal Service Funds:</b>	
Schedule of Revenue, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis) Central Supply Fund.....	98
<b>Fiduciary Funds:</b>	
Combining Balance Sheet - All Trust and Agency Funds....	100
Combining Balance Sheet - All Expendable Trust Funds....	101
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Expendable Trust Funds	102
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Leila Leininger Trust Fund.....	103
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Electric System Sale Fund.....	104
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) Drug Abuse Trust .....	105

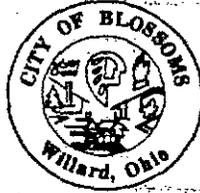
## FINANCIAL SECTION (Continued):

Schedule of Revenue, Expenditures and Changes in Fund	
Balance - Budget and Actual (Budget Basis)	
Cemetery Trust Fund.....	106
Schedule of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual (Budget Basis) Fire/Rescue	
Trust Fund.....	107
Schedule of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual (Budget Basis) City	
Decoration .....	108
Schedule of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual (Budget Basis)	
Police Trust Fund.....	109
Combining Statement of Changes in Assets and Liabilities-	
All Agency Funds.....	110
General Fixed Assets Account Group Schedules:	
Schedule of General Fixed Assets by Source.....	112
Schedule of General Fixed Assets by Function and	
Activity.....	113
Schedule of Changes in General Fixed Assets - By	
Function and Activity.....	114

## STATISTICAL SECTION

	Table	
General Governmental Revenues By Source - Last Ten		
Fiscal Years.....	1	115
General Governmental Expenditures By Function - Last Ten		
Fiscal Years.....	2	116
Property Tax Levies and Collections - Last Ten Fiscal		
Years.....	3	117
Assessed Valuation and Estimated Actual Value of Taxable		
Property - Last Ten Fiscal Years.....	4	118
Ratio of Net General Obligation Bonded Debt to Assessed		
Value and Net General Obligation Bonded Debt Per		
Capita - Last Ten Fiscal Years.....	5	119
Property Tax Rates - Direct and Overlapping - Last Ten		
Fiscal Years.....	6	120
Special Assessment Billings and Collections - Last Ten		
Fiscal Years.....	7	121
Computation of Legal Debt Margin.....	8	122
Ratio of Annual Debt Service Expenditures for General		
Obligation Bonded Debt to Total General Governmental		
Expenditures - Last Ten Fiscal Years.....	9	123
Computation of Direct and Overlapping Bonded Debt -		
General Obligation Bonds & Notes - Last Ten Fiscal		
Years.....	10	124
Demographic Statistics - Last Ten Fiscal Years.....	11	125
Property Value, Construction, and Bank Deposits - Last		
Ten Fiscal Years.....	12	126
Principal Taxpayers.....	13	127
Ten Largest Employers by Employee Withholding.....	14	128
Miscellaneous Statistical Data.....	15	129

# City of Willard



P. O. Box 367, Willard, Ohio 44890-0367

June 23, 2000

To the Citizens of the City of Willard  
Willard, Ohio

Happy 125th Anniversary, Willard! The year 1999 marked not only the end of a century, but also the celebration of the founding of our city.

With both our history and future in mind, and continuing our effort to furnish complete and accurate financial information to our community, we are pleased to present our *Comprehensive Annual Financial Report (CAFR)* for the year ended December 31, 1999.

The *Comprehensive Annual Financial Report* provides a full and complete disclosure of the financial operations of the City of Willard for the fiscal year ended December 31, 1999. This report is prepared by the Finance Director's office and is intended to inform elected officials, employees, bond holders, investment bankers, rating agencies and all persons interested in the financial affairs of the City. Additionally, this report reflects the City's effort to enhance Generally Accepted Accounting Principles (GAAP) set forth by the Governmental Accounting Standards Board (GASB) and its predecessor, the National Council on Governmental Accounting (NCGA). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The report is divided into three sections for ease of use. The *Introductory Section* contains a table of contents, letter of transmittal, organizational chart of the City and a listing of the City's principal officials and department heads. The *Financial Section*, which begins with the independent auditors' report, includes the *General Purpose Financial Statements* and notes to these statements which provide an overview of the financial position and operating results of the City. It also presents the *Combining Statements by Fund Type* and other schedules that provide information to the *General Purpose Financial Statements*. The *Statistical Section* provides selected financial, economic and demographic information about the City for the last ten years or other specified periods of time.

This report includes all funds and account groups of the City. The City provides a full range of services including police and fire protection, construction and maintenance of highways, streets and airport, and recreational activities. The City also operates the water and sewer systems within the City.

The City of Willard is not required by law to prepare a CAFR. However, the City Council and the City Manager believe that the preparation of a CAFR will increase fiscal controls and provide more meaningful financial information to citizens and investors.

## CITY ORGANIZATION

The City of Willard is located in North Central Ohio. It was incorporated in 1882. It presently covers approximately 4 square miles. The City operates under a Council-City Manager form of government and provides the following services: public safety, public service, recreation and economic development.

City Manager (419) 933-2591 • Finance Department & Service Desk (419) 933-2581 • Fax (419) 933-4545

COUNCIL-MANAGER CHARTER—COUNCIL MEETS FIRST AND THIRD MONDAYS AT 7:30 P.M.

## REPORTING ENTITY

Education services are provided by the Willard City School District, library facilities are maintained by the Willard Memorial Library and are separate political subdivisions of the State of Ohio. The hospital land and buildings are City-owned but leased to Willard Area Hospital, Inc. The school district, library, and hospital financial statements are not a part of this report.

The City has reviewed its reporting definition in order to insure conformance with Governmental Accounting Standards Board, Codification Section 2100. In conformance with GASB Section 2100, the City includes, for financial reporting purposes, all funds, account groups, agencies, boards, commissions and authorities that are controlled by or dependent upon the City's executive or legislative branches. The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for government organizations that are fiscally dependent on it.

## ACCOUNTING POLICIES

The City's financial statements conform to generally accepted accounting principles (GAAP). Under this system, the City's financial statements for governmental funds (General, Special Revenue, Capital Projects and Debt Service) have been prepared on the modified accrual basis of accounting. On this basis, revenues are recognized when measurable and available to finance current expenditures and expenditures are recognized when goods and services are received and liabilities are incurred. The Proprietary Fund Types are accounted for on the accrual basis of accounting. Revenues on this basis are recognized when they are earned, not necessarily when they are received and expenses are recognized when incurred, not necessarily when they are expended.

The City of Willard adopts fiscal year budgets for all funds except agency funds. Amendments to these budgets require the passage of legislation by Council. Estimated purchase order amounts are encumbered prior to the release of the order to the vendor. When an encumbrance exceeds available appropriation authority, the order is delayed until the budget is amended. Open encumbrances are reviewed prior to year end and a determination is made whether or not to carry them forward to the following year. Unencumbered appropriations lapse at year-end.

## INTERNAL ACCOUNTING AND REPORTING CONTROLS

During the past few years, the City's financial accounting and reporting capabilities and operations have been significantly enhanced. The implementation of a fully integrated computer system coupled with an upgrading of skills for the employees has strengthened the City's system of internal controls.

The City's system of internal controls has been specifically designed to provide reasonable assurance regarding: (1) the safeguarding of assets against loss resulting from unauthorized use or disposition; (2) maintaining accountability for assets; and (3) the reliability of financial statements. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits which are likely to be derived. Regular reviews of internal control occur within this policy framework.

## MAJOR INITIATIVES

The City administration has greatly expanded the prospects for economic development with the team-based effort of Comprehensive Development Solutions, the City of Willard, the State of Ohio, and the area utility providers in the joint effort of seeing the Willard Industrial Park become a reality during 1999.

Other major initiatives planned include large storm water projects, street reconstructions, and sewer lines. A recreation center proposal was also proposed to the voters, but was unsuccessful in passage in its current form. A new recreation center committee has been formed and is looking into funding alternatives for the major project.

The highlight of the year before entering the new century was the early expiration of the 1% municipal income tax that reduces the city's income tax rate from 2 1/4% to 1 1/4% as of January 1, 2000.

## DEPARTMENT FOCUS

As we present the 1999 CAFR, it is our intention to recognize each of the City's major departments and explain briefly their impact on the City.

### *POLICE*

Our 15 person police force is committed to preserving the peace as it relates to persons and property. There is one Chief, one Assistant Chief, three Sergeants and ten officers. In addition to the officers, there are five dispatchers that handle the dispatching of all police calls as well as fire and rescue calls.

During the year 1999, the Willard Police Department had 6,892 reported offenses, as compared to 6,597 during 1998. There were 1,033 traffic citations issued, 59 drunk drivers arrested and 145 prisoners held in the jail. The police cruisers traveled 131,256 miles and burned 10,681 gallons of fuel. Dispatchers answered 26,759 telephone calls, transmitted 73,544 radio messages and 79,102 LEADS messages. Police officers attended 1,201 hours of training sessions.

### *FIRE*

There are 32 members in the fire department. During 1999 a full-time staff position was added so that there are now four full-time firefighters: one Chief, one Assistant Chief, two EMTA/Firefighters, and 28 volunteers. They are not only responsible for structure fires but also for the ambulance service. Besides the area within the City of Willard, they are responsible for four townships: Greenfield, New Haven, Norwich and Richmond. During 1999, there were a total of 138 fire calls, 197 assistance calls and record 1,069 rescue calls answered. Training hours for the fire and rescue personnel during the year totaled 592 hours.

### *STREET AND MAINTENANCE DEPARTMENT*

The street and maintenance department has 14 full time, 2 part time, and 3 seasonal employees who are kept extremely busy year-round. In addition to maintaining the streets and alleys, they are responsible for water and sewer distribution, water meter reading, cemetery maintenance and service of all City owned vehicles. During the year 1999, the street department used 432 tons of salt, mowed 23 acres weekly at the cemetery, maintained 31 miles of public streets, 27.6 miles of water mains, 30.3 miles of sanitary sewer lines, and 14.5 miles of storm sewer, installed 698 new water meters, and picked up 146 tons of trash during the spring and fall citywide pickups,

### *TAXATION*

The City Income Tax Department is made up of one full-time employee, the Tax Administrator who is also the Finance Director, and part-time assistance from employees of the Finance Department. This department works very hard to collect the City's 2 1/4% income tax. The total collections during 1999 were \$4,093,233, up from \$3,981,427 collected during the prior year. The estimated collections for 2000 are \$2,200,000 as effective January 1, 2000 the income tax rate was reduced from 2 1/4% to 1 1/4%. The reduction is due to the fact that collections since 1990 were in excess of debt requirements for the dedicated repayment of the wastewater treatment plant, and the income tax was reduced in 2000 instead of in 2005 as was originally expected.

### *UTILITIES*

The City utilities include water and sewer service. The sewer service consists mostly of residents inside the corporation limits of the City. However, water is available to certain residents outside the City limits as well as the Village of Plymouth, which is located about 6 miles southeast of the City. The City is dedicated to providing and improving service to its citizens and surrounding areas.

Water pumped during 1999 included 462.86 million gallons, or an average of 1.2681 million gallons per day. Unaccounted for water was at 14.4% during the year. Treated water met current EPA drinking standards and 214 treated water samples were examined with the results showing no bacterial contamination. Approximately 562.047 million gallons of wastewater was treated during 1999 at the City's wastewater treatment plant without any EPA violations. The average per day was 1.543 million gallons, with a plant capacity of 4.5 million gallons per day.

## **PARKS**

The City of Willard maintains 50 acres of park which includes a swimming pool, miniature golf course, picnic shelters, ballfields and other activities for families within the community or surrounding vicinity. During 1999, a new water slide attraction was added to the pool facility for the enjoyment of area residents, and lighting was installed at the ballfield area for night games.

The Annual Festival-in-the-Park was combined with the City's 125th anniversary celebration in July 1999. Concert-in-the-Park series also was continued during the summer months.

## **BUDGETARY CONTROL**

The City Manager and the Finance Director continually monitor the encumbrances and expenditures against the appropriation ordinance approved by Council and the County Auditor's Certificate of Estimated Resources. The Certificate, which is issued by the County Auditor, uses the year-end and carry-over balance plus an estimate of revenues which will be collected during the current fiscal year. These documents are prepared on a cash basis. Ohio law prohibits total fund appropriations to exceed the amounts on the County Auditor's Certificate for each fund. When the City is able to demonstrate additional revenue sources, the County Auditor amends the certificate to allow the legislative authority to fund additional appropriations.

The City has the following fund categories and fund types:

### **GOVERNMENTAL FUNDS**

General Fund - to account for all financial resources except those required to be accounted for in a separate fund.

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Capital Projects Funds - to account for financial resources to be used for the acquisition or construction of major capital facilities, except those financed by proprietary or trust funds.

### **PROPRIETARY FUNDS**

Enterprise Funds - to account for operations that are financed and operated in a manner that is similar to private business where the City's intent is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Funds - to account for services utilized by various city departments.

### **FIDUCIARY FUNDS**

Trust and Agency Funds - 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.

### **ACCOUNT GROUPS**

General Fixed Asset Account Group - to account for all fixed assets of the City, except those accounted for in the proprietary funds.

General Long-Term Obligation Account Group - to account for all long-term debt obligations of the City, except for those accounted for in the Proprietary Funds.

### **GENERAL GOVERNMENTAL REVENUES AND EXPENDITURES**

Revenues for general government functions are classified under the following sources:

Municipal Income Taxes - taxes levied at a rate of 2 1/4% on all wages and other compensation and net profits earned within the City, as well as incomes of residents which are earned outside the City.

Property and Other Taxes - amounts levied against all real and public utility property and tangible personal property used in business.

Charges for Services - includes charges for general governmental services, such as water consumption, sewer treatment and other City provided services.

Intergovernmental Revenues - includes local, state and federal grants, and local intergovernmental operating contracts.

Licenses and Permits - includes charges for zoning, building, plumbing, licenses, permits and inspections.

Investment Earnings - interest earned and investments other than that portion of interest required to be paid to other restricted City funds.

Fines and Forfeitures - payments made to the City from the Willard Mayor's Court and the Norwalk Municipal Court for fines and costs.

All Other Revenues - miscellaneous resources not accounted for in any other classification.

The following summary schedule shows the revenues and other financing sources for general governmental functions which include general, special revenue, debt service, capital project funds and expendable trust.

REVENUE SOURCE	1999	1998	Increase (Decrease)	Percent Inc (Dec)
Municipal Income Tax	\$4,193,795	\$3,984,103	\$ 209,692	5.3 %
Property and Other Taxes	345,840	421,142	(75,302)	(17.9)
Intergovernmental Revenues	1,174,991	872,142	302,849	34.7
Charges for Services	334,744	288,379	46,365	16.1
Investment Income	675,924	660,292	15,632	2.4
Licenses and Permits	8,715	12,348	(3,633)	(29.4)
Special Assessments	21,196	38,130	(16,934)	(44.4)
Fines and Forfeitures	77,113	82,593	(5,480)	(6.6)
All Other Revenues	420,428	284,382	136,046	47.8
<b>SUBTOTAL</b>	<b>\$7,252,746</b>	<b>\$6,643,511</b>	<b>\$609,235</b>	<b>9.2 %</b>
Other Financing Sources	5,328,374	4,446,188	882,186	19.8
<b>TOTAL</b>	<b>\$12,581,120</b>	<b>\$11,089,699</b>	<b>\$1,491,421</b>	<b>13.4 %</b>

The major fluctuations between 1998 and 1999 included the increase in income tax collections, an increase in intergovernmental revenues due to grants for the industrial park and other capital projects, charges for services increasing due to additional revenues from the recreation facilities and services, and increase in other revenues due to the large participation reimbursement from the developer for the industrial park. Property taxes decreased due to lower amounts of personal property taxes collected. Special assessments decreased because of certain assessments paid in full during 1998 and thus not collected during 1999. Other financing sources increased because of the note borrowing for the industrial park during 1999.

Expenditures for general governmental functions are classified under the following categories:

Security of Persons and Property - expenditures for police and fire protection, traffic signs and signals, criminal control and other activities where the primary purpose is to protect the health, safety and welfare of our citizens.

Public Health and Welfare - expenditures for health services, assistance to the aged and other activities which provide for the physical

and mental health of citizens by reducing the number, length and severity of illnesses and disabilities.

Community Environment - expenditures for community planning and zoning, housing and building code enforcement, community relations and public relations, all for the purpose of providing citizens with decent, safe and sanitary housing as well as improving the overall general economic development of the City.

Transportation - expenditures for street maintenance and repair, parking meters and vehicle maintenance.

General Government - expenditures for the administration of activities such as City Council, City Manager, Law Director, as well as costs of independent audits, workers compensation, county auditor deductions and overall administrative support.

Capital Outlay - expenditures for furniture, fixtures and equipment used for general government functions.

Debt Service - expenditures for principal and interest of the City's general obligation bonds and notes.

The following summary schedule shows the expenditures and other financing uses for general governmental functions which include the General, Special Revenue, Debt Service, Capital Project and Expendable Trust Funds:

FUNCTION	1999	1998	Increase (Decrease)	Percent Inc (Dec)
Security of Persons and Property	\$1,792,035	\$1,670,154	121,881	7.3%
Public Health and Welfare	29,911	41,274	(11,363)	(27.5)
Leisure Time Activities	303,169	285,950	17,219	6.0
Community Environment	200,839	210,044	(9,205)	(4.4)
Transportation	589,058	510,356	78,702	15.4
General Government	906,739	886,421	20,318	2.3
Capital Outlay	1,750,321	727,402	1,022,919	140.6
Debt Service	1,357,846	1,365,886	(8,040)	(0.6)
<b>SUBTOTAL</b>	<b>\$6,929,918</b>	<b>\$5,697,487</b>	<b>\$1,232,431</b>	<b>21.6%</b>
Other Financing Uses	4,287,744	4,879,188	(591,444)	(12.1)
<b>TOTAL</b>	<b>\$11,217,662</b>	<b>\$10,576,675</b>	<b>\$640,987</b>	<b>6.1%</b>

The increase in Security of persons and property was due to the purchase of new computer software and related equipment for the police department, and the additional full-time person in the fire department hired during 1999. Public health and welfare decreased because of the purchase of new equipment in the cemetery during the prior year. Leisure time activities increased due to the addition of the water slide attraction at the pool area. Transportation increased because of capital improvements made during 1999 as compared to 1998. Capital outlay increased due to industrial park project being completed during 1999. Other financing uses decreased because of a decrease in available income tax transfers during 1999.

#### GENERAL FUND REVENUES AND EXPENDITURES

Since the General Fund is the primary operating fund of the City, it therefore traditionally accounts for most of the general governmental revenues and expenditures. Consequently, schedules of the General Fund's revenues and expenditures follow:

REVENUES AND OTHER FINANCING SOURCES	1999	1998	Increase (Decrease)	Percent Inc (Dec)
Property and Other Taxes	\$ 294,816	\$ 309,082	\$ (14,266)	(4.6)%
Intergovernmental Revenues	523,253	543,423	(20,170)	(3.7)
Charges for Services	232,297	208,648	23,649	11.3
Licenses and Permits	6,983	12,348	(5,365)	(43.4)
Investment Earnings	236,990	166,547	70,443	42.3
Fines and Forfeitures	77,113	81,016	(3,903)	(4.8)
All Other Revenues	257,013	269,271	(12,258)	(4.6)
<b>SUBTOTAL</b>	<b>\$1,628,465</b>	<b>\$1,590,335</b>	<b>\$ 38,130</b>	<b>2.4%</b>
Other Financing Sources	1,028,000	1,028,000	0	0.0
<b>TOTAL</b>	<b>\$2,656,465</b>	<b>\$2,618,335</b>	<b>\$ 38,130</b>	<b>1.5%</b>

Revenues were fairly consistent during 1999 with certain exceptions. Property taxes experienced a slight decline in 1999 due to a reduction in the amounts collected for personal property taxes. Charges for services increased due to a larger number of emergency rescue runs. Investment earnings increased in 1999 for the general fund due to high amounts available for investment for the general fund, and an increase in interest rates. Licenses and permits decreased due to fewer construction permits issued during 1999.

EXPENDITURES AND OTHER USES	1999	1998	Increase (Decrease)	Percent Inc (Dec)
Security of Persons and Property	\$1,787,925	\$1,665,946	\$121,979	7.3%
Public Health and Welfare	29,911	41,274	(11,363)	(27.5)
Community Environment	181,046	202,478	(21,432)	(10.6)
General Government	716,691	634,757	81,934	12.9
Transportation	29,122	30,797	(1,675)	(5.4)
<b>SUBTOTAL</b>	<b>\$2,744,695</b>	<b>\$2,575,252</b>	<b>\$169,443</b>	<b>6.6%</b>
Other Financing Uses	0	0	0	0
<b>TOTAL</b>	<b>\$2,744,695</b>	<b>\$2,575,252</b>	<b>169,443</b>	<b>6.6%</b>

Expenditures remained consistent with the prior year except for Security of Persons and Property with an additional full-time firefighter position added during 1999, and large capital outlay for the police department for computer software and related equipment. Public health and welfare declined during 1999 due to large capital purchases made in the prior year. General government increased due to an additional part-time person in the finance department and the one-time payoff of the Police and Fire Pension accrued liability during 1999.

#### PROPRIETARY OPERATIONS

The water, sewer, and stormwater funds comprise the City's proprietary funds. The following table highlights a portion of the 1999 financial data of these funds:

	Water	Sewer (1)	Storm Water	Total
Operating revenues	\$ 1,152,784	\$ 1,336,536	\$ 0	\$ 2,489,320
Depreciation Expense	\$ 224,926	\$ 568,062	1,967	\$ 794,955
Operating transfers-in	\$ 50,000	\$ 150,000	0	\$ 200,000
Operating transfers-out	\$ 0	\$ 0	0	\$ 0
Operating Income (Loss)	\$ (25,859)	\$ (352,931)	(1,967)	\$ (380,757)
Net Income (Loss)	\$ 13,284	\$ (304,950)	(1,967)	\$ (293,633)
Current Capital Contributions	\$ 205,528	\$ 959,029	150,000	\$ 1,314,557
Property/Equipment Additions	\$ 208,236	\$ 464,937	181,075	\$ 854,248
Net Working Capital	\$ 670,747	\$ (452,529)	19,896	\$ 238,114
Total Assets	\$ 7,630,290	\$ 15,361,136	407,668	\$ 23,399,094
Notes and Bonds Payable	\$ 353,320	\$ 7,219,510	164,321	\$ 7,737,151
Total Equity	\$ 7,142,334	\$ 8,011,929	243,347	\$ 15,397,610

(1) The Sewer Fund will receive an annual capital contribution equal to the amount of the 1989 Sewer Improvement OWDA loan repayment which is repaid by a dedicated 1% income tax.

## CASH MANAGEMENT

The City of Willard maintains an aggressive program of cash management. Through the use of Super Now Accounts, various Short-Term Certificates of Deposit, Long-Term Certificates of Deposit and U.S. Treasury Bills, all funds are always invested and maximum interest earned. All monies are invested through the Treasury Investment Board comprised of the City Finance Director, City Manager and Law Director.

## GENERAL FIXED ASSETS

The general fixed assets of the City include all City-owned land, buildings, improvements, equipment and construction in progress used in the performance of general governmental functions. The general fixed assets do not include assets of proprietary funds.

## DEBT

At December 31, 1999 the City's current outstanding debt obligations and interest rate were as follows:

### Revenue Bonds:

1980 Sewer Plant Loan (6.87%)	\$1,155,508
1982 Sewer Plant Loan (12.0%)	\$ 80,364
1989 Sewer Plant Loan (7.51%)	\$5,641,638
1998 Storm Water (1.2%)	\$ 114,554
1998 WWTP Lagoon (1.2%)	\$ 325,854
1999 Storm Water (1.2%)	\$ 44,091

### Issue 2 Notes:

1991 Water Line (0.00%)	\$ 12,999
1993 Feeder Main (0.00%)	\$ 20,953
1994 Water Line (0.00%)	\$ 83,820
1996 Water Line (0.00%)	\$ 65,548
1999 Street (0.00%)	\$ 140,630

### Special Assessment Bonds & Notes:

1994 Street Improvement	\$ 20,005
1996 Kennedy Drive Improvement	\$ 45,913

### General Obligation Bonds & Notes:

City Hall Improvement Bond 1993	\$ 480,000
Water System Improvement Bond 1993	\$ 170,000
T.I.F. Bond Anticipation Notes 1999	\$1,100,000

Debt is administered by the Director of Finance utilizing financial advisors and bond counsel if necessary. Each year, all debt is reviewed to determine refinancing options to take advantage of current market conditions. Proceeds from debt are invested until utilized and interest is credited to the general funds. The per capita total outstanding debt is \$1,443 for 1999.

## RISK MANAGEMENT

The City participates with other cities in The Buckeye Ohio Risk Management Agency, Inc. (BORMA) in jointly funded risk financing programs administered by the Arthur J. Gallagher & Co. One program currently includes the following areas of risk: Commercial Automobile Liability, Automobile Physical Damage, Comprehensive General Liability, Crime and Property Liability and Public Officials Liability. This program includes the following municipalities: Bowling Green, Defiance, Huron, Napoleon, Sandusky and Willard. A third party administrator, Arthur J. Gallagher & Co. - Cleveland, reviews all claims which are then paid by the Pool. Member contributions are calculated to annually produce a sufficient sum of money within the Pool to fund administrative expenses and to create reserves for claims. As of December 31, 1999, the Pool has cash reserves of \$704,737, which, in the opinion of BORMA management, is adequate for any claims against the Pool. The City contributed \$14,176 towards the reserve, \$37,886 towards the premium and administration costs of the Pool and \$1,000 towards claims for which the City is directly liable.

The other program is for employee benefits and includes life insurance, accidental death and dismemberment insurance, health insurance, prescription drug insurance and dental insurance. Each member has an option on the coverage it has elected for its employees. Willard provides to its employees all available options offered by the Pool. The members included in this Pool are: Archbold, Bowling Green, Carey, Defiance, Harrison, Huron, Napoleon, Oberlin, Sandusky and Willard. A third party, Arthur J. Gallagher & Co. and Gallagher-Bassett Services, Inc. headquartered in Itasca, Illinois, reviews all claims which are then paid by the Pool. As of December 31, 1999, the Pool has cash reserves of \$1,018,242 which, in the opinion of BORMA management, is adequate for any claims against the Pool.

Premiums are paid to the Benefits Pool at a cost of \$242.05 for single coverage and \$656.67 for family coverage. Life insurance monthly premium is \$6.20. During 1999, the City paid \$442,068 into the Pool for coverage. These costs are paid by the fund that pays the salary for the employee. Both Pools purchase insurance coverage for excess claims to limit the potential loss to its members. The amount of risk retained within the Pool for property/casualty is \$25,000 per claim. Claims in excess of \$25,000 up to \$10,000,000 are covered by various excess carriers. In the Benefits Pool, an annual aggregate limit of \$75,000 per individual is retained by the Pool and claims exceeding that limit are covered by Lloyds of London Company. The City may be liable for any claims which exceed the Pool's assets and are less than the excess claims amount, which could be charged at a pro-rata share of the individual member's premium to the total Pool premiums. The probability of this occurring is considered remote due to the adequacy of Pool reserves and premium levels and no amounts have been reserved in the City's financial statements. Audited financial statements are maintained separately by the BORMA Pools.

## GENERAL ENVIRONMENT

The construction of the high-speed railroad with Willard as the East-West hub has been completed and railroad activity continues to increase. The Willard Industrial park was completed during 1999 which provides 77 acres of land available for business expansion. The City Administration believes that these projects will bring both immediate and long-term economic benefit to the City.

## CERTIFICATE OF ACHIEVEMENT

The City received the 1998 Certificate of Achievement for Excellence in Financial Reporting from the Governmental Finance Officers' Association. This award is a tremendous achievement and complements our dedication to providing complete and accurate financial data to our citizens.

## MANAGEMENT'S RESPONSIBILITIES

All information included in the Comprehensive Annual Financial Report is the responsibility of management. The management letter is separately included with the Introductory Section of this report.

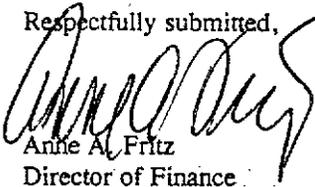
## AUDIT INFORMATION

The financial statements have been audited by Weber-O'Brien, Ltd., CPA's and the opinion letter is included with the general purpose financial statements.

## ACKNOWLEDGMENTS

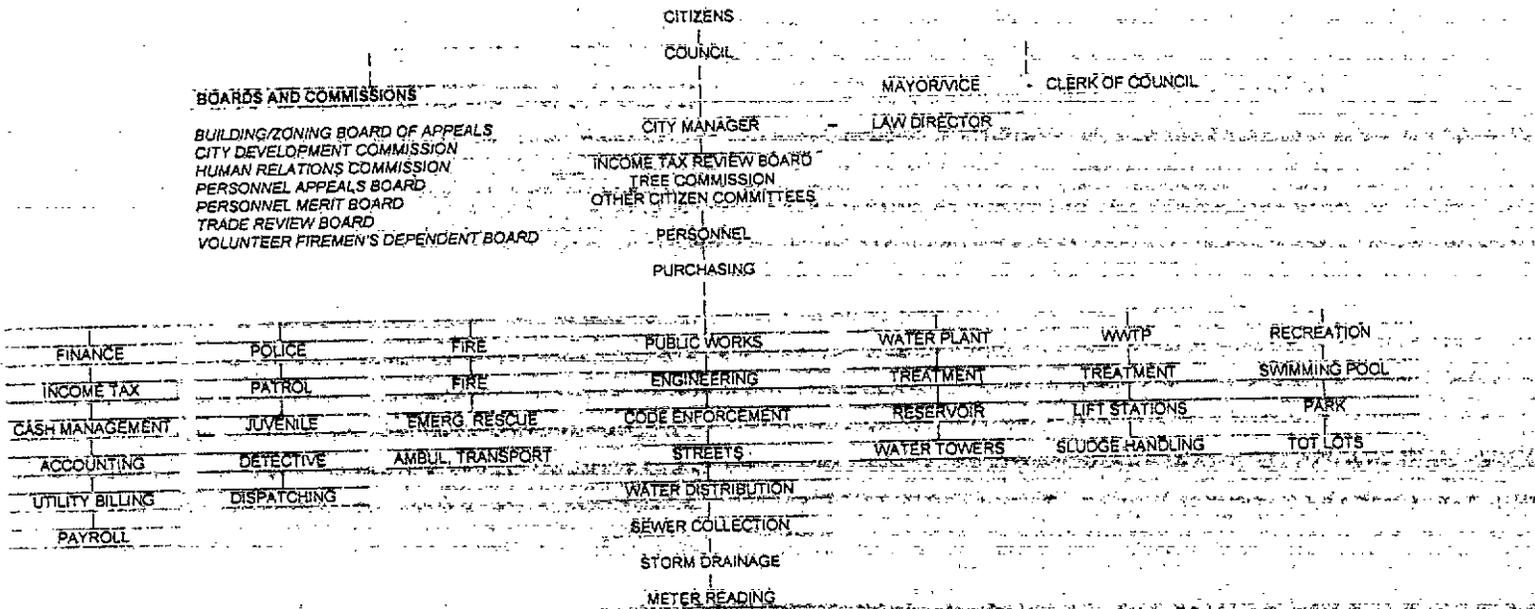
The preparation of a report such as this requires considerable time, energy, resources and cooperation. Only the dedicated assistance of the employees of the City of Willard have made this effort possible. Additional appreciation is extended to City Council, the City Manager and the Finance Department employees for encouraging and supporting responsible fiscal reporting and disclosure.

Respectfully submitted,



Annie A. Fritz  
Director of Finance  
City of Willard

CITY OF WILLARD, OHIO  
 ORGANIZATIONAL CHART



CITY OF WILLARD  
ELECTED OFFICIALS  
AS OF DECEMBER 31, 1999

OFFICIAL	TERM OF OFFICE	SURETY	AMOUNT	PERIOD
Council President	Larry Jacobs 01/1/96- 12/31/99	(A)	\$150,000	10/01/98- 10/01/00
Council Member	Mike Elmlinger 01/1/98- 12/31/01	(A)	\$150,000	10/01/98- 10/01/00
Council Member	Robert Owens 01/1/98- 12/31/01	(A)	\$150,000	10/01/98- 10/01/00
Council Member	Richard Robinson 01/01/98- 12/31/01	(A)	\$150,000	10/01/98- 10/01/00
Council Member	Peter Bellamy (1) 1/01/99- 12/31/99	(A)	\$150,000	10/01/98- 10/01/00
Council Member	Roderick Shiningier 01/01/96- 12/31/99	(A)	\$150,000	10/01/98- 10/01/00
Council Member	Grover Sparkman 01/01/98- 12/31/01	(A)	\$150,000	10/01/98- 10/01/00

(A) BORMA, Inc. (Blanket Official Policy)

(1) Replaced Thomas Secor who resigned.

CITY OF WILLARD  
ADMINISTRATIVE PERSONNEL  
AS OF DECEMBER 31, 1999

<u>TITLE</u>	<u>TERM OF OFFICE OR</u>	<u>CONTRACT PERIOD</u>	<u>SURETY</u>	<u>AMOUNT</u>	<u>PERIOD</u>
City Manager: James K. Koshmider	(A)	1	\$150,000	10/01/98- 10/01/00	
Mayor: Todd Shiningier	(A)	1	\$150,000	10/01/98- 10/01/00	
Finance Director: Anne A. Fritz	(B)	1	\$150,000	10/01/98- 10/01/00	
Law Director: David B. Harwood	(B)	1	\$150,000	10/01/98- 10/01/00	

(A) Serves at the discretion of the City Council.

(B) Serves at the discretion of the City Manager.

(1) BORMA, Inc.

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Willard,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1998

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.



*Cary Brueck*  
President

*Jeffrey L. Esser*  
Executive Director

June 23, 2000

## MANAGEMENT REPORT ON RESPONSIBILITY FOR FINANCIAL REPORTING

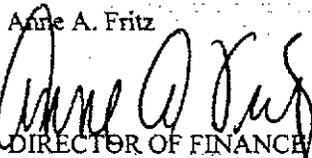
The management of the City of Willard has the responsibility for preparing the accompanying financial statements and for their integrity and objectivity. Neither the School Board nor Mercy Hospital of Willard are under the direct control of the City Manager, so their accounts are not under the control of the City Director of Finance. The responsibilities for financial management of these organizations are with their respective governing boards and management. Therefore, the City management responsibility for these organizations is limited to reliance upon the representations of their respective management and the audits by their respective independent auditors. The financial statements were prepared in accordance with generally accepted accounting principles and to the best of our knowledge are not misstated due to material fraud or error. The financial statements include amounts that are based on management's best estimates and judgments. Management also prepared the other information in this annual report, and is responsible for its accuracy and consistency with the financial statements.

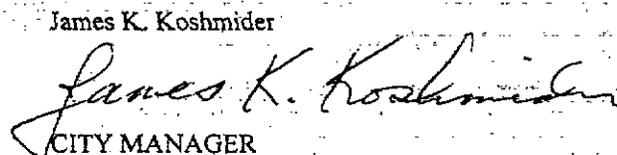
The City's financial statements have been audited by Weber\*O'Brien, Ltd, CPA's. Management has made available to Weber\*O'Brien, Ltd, CPA's all the City's financial records and related data, as well as the minutes of the City Council meetings. Furthermore, management believes that all representations made to Weber\*O'Brien, Ltd, CPA's during its audit were valid and appropriate.

Management of the City has established and maintains a system of internal control that provides reasonable assurance as to the integrity and reliability of the financial statements, the protection of assets from unauthorized use or disposition, and the prevention and detection of fraudulent financial reporting. The system of internal control provides for appropriate division of responsibility and is communicated to employees with significant roles in the financial reporting process. This system is updated as necessary. Management continually monitors the system of internal control for compliance.

The City maintains a strong internal auditing program through the Finance Department. As part of its audit of the City's financial statements, Weber\*O'Brien, Ltd, CPA's considered the city's internal control structure in determining the nature, timing, and extent of audit tests to be applied. Management has considered Weber\*O'Brien, Ltd., CPA's recommendations concerning the City's system of internal control and has taken actions that we believe are cost-effective in the circumstances to respond appropriately to these recommendations. Management believes that as of December 31, 1999, the City's system of internal control is adequate to accomplish the objectives discussed herein.

Management also recognizes its responsibility for fostering a strong ethical climate so that the City's affairs are conducted according to the highest standards of personal and City conduct. Management communicates ethical standards to employees by Personnel Rules, Administrative Regulations, and City law. A strong system of internal controls, ethical standards, and hands-on management assures the citizens that the Financial Statements are true and accurate.

Anne A. Fritz  
  
DIRECTOR OF FINANCE

James K. Koshmider  
  
CITY MANAGER

*This page has been left blank intentionally.*



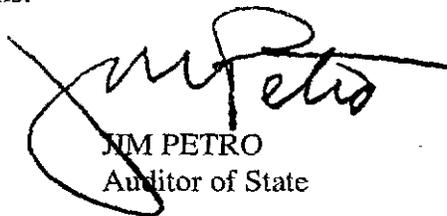
STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1<sup>st</sup> Floor  
Columbus, Ohio 43215  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-728-7398

City Council  
City of Willard  
631 S. Myrtle Avenue  
Willard, Oh 44890

We have reviewed the Independent Auditor's Report of the City of Willard, Huron County, prepared by Weber O'Brien Ltd, for the audit period January 1, 1999 to December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Willard is responsible for compliance with these laws and regulations.



JIM PETRO  
Auditor of State

July 14, 2000



**weber • obrien ltd.**

## INDEPENDENT AUDITORS' REPORT

City Council  
City of Willard  
631 S. Myrtle Avenue  
Willard, OH 44890

We have audited the accompanying general purpose financial statements of the City of Willard, Ohio, as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose 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 that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Willard, Ohio, as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 18, 2000 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Willard, Ohio. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the Introductory and Statistical data included in those sections of this report and, accordingly, express no opinion thereon.

*Weber • O'Brien, LTD.*

May 18, 2000

City of Willard, Ohio  
 Combined Balance Sheet - All Fund Types and Account Groups  
 December 31, 1999

Governmental Fund Types

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b>Assets and other debits</b>				
<b>Assets:</b>				
Equity in Pooled Cash	\$66,802	\$128,832	\$16,713	\$936,435
Cash & Equivalents in Segregated Accts.	800	100	0	0
Taxes Receivable	366,570	1,159,052	0	0
Accounts Receivable	166,383	23,419	0	0
Special Assessment Receivable	0	0	287,634	0
Accrued Interest	85,258	0	0	118,414
Due from Other Governments	0	2,046	0	0
Material & Supplies Inventory	6,289	75,332	0	0
Investments	638,172	945,504	122,565	6,859,856
Equity in Pooled Cash - Restricted	0	0	0	0
Fixed Assets, Net	0	0	0	0
<b>Other debits:</b>				
Amount Available in Debt Service Funds	0	0	0	0
Amount to be Provided from General Gov't	0	0	0	0
<b>Total assets</b>	<b><u>\$1,330,274</u></b>	<b><u>\$2,334,285</u></b>	<b><u>\$426,912</u></b>	<b><u>\$7,913,705</u></b>
<b>Liabilities and Equity</b>				
<b>Liabilities:</b>				
Accounts Payable	\$18,393	\$12,018	\$0	\$10,470
Accrued Wages & Benefits	118,428	22,553	0	0
Compensated Absences Payable	0	0	0	0
Deferred Revenue	366,570	158,848	287,634	0
Deposits Held and Due to Others	0	0	0	0
Notes Payable	0	0	0	0
Special Assessment Debt w/ Gov't Comm.	0	0	0	0
Current Portion of OWDA Loans Payable	0	0	0	0
Current Portion of Issue 2 Loan	0	0	0	0
Current Portion of G.O. Bonds	0	0	0	0
G.O. Bonds Payable, Net of Current	0	0	0	0
Refundable Deposits	0	0	0	0
OWDA Loan Payable, Net of Current	0	0	0	0
OEPA Loan Payable, Net of Current	0	0	0	0
Issue 2 Loan Payable, Net of Current	0	0	0	0
<b>Total liabilities</b>	<b><u>\$503,391</u></b>	<b><u>\$193,419</u></b>	<b><u>\$287,634</u></b>	<b><u>\$10,470</u></b>
<b>Equity and other credits:</b>				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
<b>Retained Earnings:</b>				
Unreserved Retained Earnings	0	0	0	0
<b>Fund Balances:</b>				
Reserved for Encumbrances	60,152	90,962	0	98,343
Reserved for Inventory	6,289	75,332	0	0
Reserve for Debt Service	0	0	139,278	0
Reserve for Endowments	0	0	0	0
Undesignated Fund Balance	760,442	1,974,572	0	7,804,892
<b>Total equity and other credits</b>	<b><u>\$826,883</u></b>	<b><u>\$2,140,866</u></b>	<b><u>\$139,278</u></b>	<b><u>\$7,903,235</u></b>
<b>Total liabilities, equity and other credits</b>	<b><u>\$1,330,274</u></b>	<b><u>\$2,334,285</u></b>	<b><u>\$426,912</u></b>	<b><u>\$7,913,705</u></b>

See accompanying notes to the general purpose financial statements.

City of Willard, Ohio  
 Combined Balance Sheet - All Fund Types and Account Groups  
 December 31, 1999

Enterprise	Fund Type		Account Groups		Totals
	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Debt	Memorandum Only 1999
\$83,195	\$91	\$226,595	\$0	\$0	\$1,457,663
0	0	0	0	0	900
0	0	0	0	0	1,525,622
335,997	0	0	0	0	525,799
0	0	0	0	0	287,634
0	0	33,156	0	0	236,828
0	0	0	0	0	2,046
150,125	0	0	0	0	231,746
837,453	665	1,661,703	0	0	11,065,918
31,000	0	0	0	0	31,000
21,961,324	0	0	4,173,288	0	26,134,612
0	0	0	0	140,446	140,446
0	0	0	0	1,819,704	1,819,704
<u>\$23,399,094</u>	<u>\$756</u>	<u>\$1,921,454</u>	<u>\$4,173,288</u>	<u>\$1,960,150</u>	<u>\$43,459,918</u>
\$72,552	\$0	\$0	\$0	\$0	\$113,433
71,409	0	0	0	0	212,390
89,372	0	0	0	173,602	262,974
0	0	0	0	0	813,052
0	0	18,332	0	0	18,332
0	0	0	0	1,720,630	1,720,630
0	0	0	0	65,918	65,918
897,524	0	0	0	0	897,524
27,799	0	0	0	0	27,799
10,000	0	0	0	0	10,000
160,000	0	0	0	0	160,000
31,000	0	0	0	0	31,000
5,979,986	0	0	0	0	5,979,986
506,321	0	0	0	0	506,321
155,521	0	0	0	0	155,521
<u>\$8,001,484</u>	<u>\$0</u>	<u>\$18,332</u>	<u>\$0</u>	<u>\$1,960,150</u>	<u>\$10,974,880</u>
0	0	0	4,173,288	0	4,173,288
5,428,286	0	0	0	0	5,428,286
9,969,324	756	0	0	0	9,970,080
0	0	0	0	0	249,457
0	0	0	0	0	81,621
0	0	0	0	0	139,278
0	0	9,125	0	0	9,125
0	0	1,893,997	0	0	12,433,903
<u>\$15,397,610</u>	<u>\$756</u>	<u>\$1,903,122</u>	<u>\$4,173,288</u>	<u>\$0</u>	<u>\$32,485,038</u>
<u>\$23,399,094</u>	<u>\$756</u>	<u>\$1,921,454</u>	<u>\$4,173,288</u>	<u>\$1,960,150</u>	<u>\$43,459,918</u>

City of Willard, Ohio  
 Combined Statement of Revenue, Expenditures and Changes in Fund Balances  
 All Governmental Fund Types and Expendable Trust Fund  
 For the Year Ended December 31, 1999

	Governmental Fund Types				Fiduciary	Total
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	Memorandum Only
<b>Revenues:</b>						
Local taxes	\$294,816	\$4,244,819	\$0	\$0	\$0	\$4,539,635
Intergovernmental Revenues	523,253	451,738	0	200,000	0	1,174,991
Charges for Service	232,297	102,447	0	0	0	334,744
Permits and Licenses	6,983	1,732	0	0	0	8,715
Fines	77,113	0	0	0	0	77,113
Special Assessments	0	0	10,377	10,819	0	21,196
Investment Income	236,990	10,640	0	339,092	89,202	675,924
Other	257,013	24,455	0	128,525	10,435	420,428
<b>Total Revenues</b>	<b>1,628,465</b>	<b>4,835,831</b>	<b>10,377</b>	<b>678,436</b>	<b>99,637</b>	<b>7,252,746</b>
<b>Expenditures:</b>						
Current:						
Security of Persons and Property	1,787,925	2,310	0	0	1,800	1,792,035
Public Health Services	29,911	0	0	0	0	29,911
Community Environment	181,046	19,793	0	0	0	200,839
Transportation	29,122	559,936	0	0	0	589,058
General Government	716,691	170,398	0	0	19,650	906,739
Leisure Time Activities	0	303,169	0	0	0	303,169
Capital Outlay	0	452,767	0	1,297,554	0	1,750,321
Debt Service:						
Principal Retirement	0	0	168,995	674,737	0	843,732
Interest Charges	0	0	37,040	476,844	0	513,884
Fiscal Charges	0	0	230	0	0	230
<b>Total Expenditures</b>	<b>2,744,695</b>	<b>1,508,373</b>	<b>206,265</b>	<b>2,449,135</b>	<b>21,450</b>	<b>6,929,918</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,116,230)</b>	<b>3,327,458</b>	<b>(195,888)</b>	<b>(1,770,699)</b>	<b>78,187</b>	<b>322,828</b>
<b>Other Financing Sources (Uses):</b>						
Proceeds from Notes	0	140,630	0	1,100,000	0	1,240,630
Operating Transfers - In	1,028,000	674,000	200,000	2,180,744	5,000	4,087,744
Operating Transfers - Out	0	(4,087,744)	0	(200,000)	0	(4,287,744)
<b>Total Other Financing Sources (Uses)</b>	<b>1,028,000</b>	<b>(3,273,114)</b>	<b>200,000</b>	<b>3,080,744</b>	<b>5,000</b>	<b>1,040,630</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Use</b>	<b>(88,230)</b>	<b>54,344</b>	<b>4,112</b>	<b>1,310,045</b>	<b>83,187</b>	<b>1,363,458</b>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<b>915,677</b>	<b>2,062,998</b>	<b>135,166</b>	<b>6,593,190</b>	<b>1,810,810</b>	<b>11,517,841</b>
<b>Increase (Decrease) in Reserve for Inventory</b>	<b>(564)</b>	<b>23,524</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,960</b>
<b>Fund Balances (Deficits) at End of Year</b>	<b>\$826,883</b>	<b>\$2,140,866</b>	<b>\$139,278</b>	<b>\$7,903,235</b>	<b>\$1,893,997</b>	<b>\$12,904,259</b>

See accompanying notes to the general purpose financial statements.

*This page has been left blank intentionally.*

City of Willard, Ohio  
 Combined Schedule of Revenue, Expenditures and Changes in Fund Balances  
 Budget and Actual - (Budget Basis)  
 All Governmental Fund Types and Expendable Trust Funds  
 For the Year Ended December 31, 1999

	Governmental Fund Types								
	General Fund			Special Revenue Funds			Debt Service Funds		
	Budget	Actual	Variance Favorable/ (Unfavorable)	Budget	Actual	Variance Favorable/ (Unfavorable)	Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Revenues:</b>									
Local Taxes	\$312,880	\$294,816	(\$18,064)	\$4,118,420	\$4,198,257	\$79,837	\$0	\$0	\$0
Intergovernmental Revenues	442,400	516,581	74,181	384,100	459,647	75,547	0	0	0
Charge for Services	216,500	215,853	(647)	88,100	97,815	9,715	0	0	0
Permits and Licenses	8,500	7,982	(518)	0	0	0	0	0	0
Fines	71,800	78,063	6,263	1,600	1,718	118	0	0	0
Special Assessments	0	0	0	0	0	0	6,500	10,377	3,877
Investment Income	275,000	221,289	(53,711)	6,000	10,640	4,640	0	0	0
Other	249,000	257,219	8,219	5,500	27,097	21,597	0	0	0
<b>Total Revenues</b>	<b>1,574,080</b>	<b>1,591,803</b>	<b>17,723</b>	<b>4,603,720</b>	<b>4,785,174</b>	<b>181,454</b>	<b>6,500</b>	<b>10,377</b>	<b>3,877</b>
<b>Expenditures:</b>									
<b>Current:</b>									
Security of Persons and Property	1,960,470	1,831,832	128,638	2,800	2,310	490	0	0	0
Public Health Services	39,016	30,184	8,832	0	0	0	0	0	0
Community Environment	229,254	184,883	44,371	20,875	19,793	1,082	0	0	0
Transportation	49,828	34,145	15,683	834,751	650,813	183,938	0	0	0
General Government	999,061	745,600	253,461	187,758	172,657	15,101	0	0	0
Leisure Time Activities	0	0	0	605,940	314,538	291,402	0	0	0
Capital Outlay	0	0	0	510,824	452,767	57,857	0	0	0
Principal Retirement	0	0	0	0	0	0	168,995	168,995	0
Interest Expense	0	0	0	0	0	0	38,040	37,040	1,000
Fiscal Charges	0	0	0	0	0	0	500	230	270
<b>Total Expenditures</b>	<b>3,297,629</b>	<b>2,826,644</b>	<b>470,985</b>	<b>2,162,748</b>	<b>1,612,878</b>	<b>549,870</b>	<b>207,535</b>	<b>206,265</b>	<b>1,270</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,723,549)</b>	<b>(1,234,841)</b>	<b>488,708</b>	<b>2,440,972</b>	<b>3,182,296</b>	<b>741,324</b>	<b>(201,035)</b>	<b>(195,888)</b>	<b>5,147</b>
<b>Other Financing Sources (Uses):</b>									
Proceeds from Notes	0	0	0	188,000	140,830	(47,170)	0	0	0
Operating Transfers - In	1,028,000	1,028,000	0	674,000	674,000	0	200,000	200,000	0
Operating Transfers - Out	0	0	0	(3,995,890)	(4,087,744)	(91,854)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>1,028,000</b>	<b>1,028,000</b>	<b>0</b>	<b>(3,133,890)</b>	<b>(3,273,114)</b>	<b>(139,224)</b>	<b>200,000</b>	<b>200,000</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(695,549)</b>	<b>(206,841)</b>	<b>488,708</b>	<b>(692,918)</b>	<b>(90,818)</b>	<b>602,100</b>	<b>(1,035)</b>	<b>4,112</b>	<b>5,147</b>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<b>767,662</b>	<b>767,662</b>	<b>0</b>	<b>915,463</b>	<b>915,463</b>	<b>0</b>	<b>135,166</b>	<b>135,166</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>68,162</b>	<b>68,162</b>	<b>0</b>	<b>147,016</b>	<b>147,016</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances (Deficits) at End of Year</b>	<b>\$140,275</b>	<b>\$628,983</b>	<b>\$488,708</b>	<b>\$369,561</b>	<b>\$971,661</b>	<b>\$602,100</b>	<b>\$134,131</b>	<b>\$139,278</b>	<b>\$5,147</b>

See accompanying notes to the general purpose financial statements.

City of Willard, Ohio  
 Combined Statement of Revenue, Expenditures and Changes in Fund Balances  
 Budget and Actual - (Budget Basis)  
 All Governmental Fund Types and Expendable Trust Funds  
 For the Year Ended December 31, 1999

Governmental Fund Type Capital Projects Funds			Expendable Trust Funds			Totals Memorandum Only 1999		
Budget	Actual	Variance Favorable/ (Unfavorable)	Budget	Actual	Variance Favorable/ (Unfavorable)	Budget	Actual	Variance Favorable/ (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0	\$4,431,300	\$4,493,073	\$61,773
200,000	200,000	0	0	0	0	1,026,500	1,176,228	149,728
0	0	0	0	0	0	304,800	313,668	9,068
0	0	0	0	0	0	6,500	7,982	1,482
0	0	0	0	0	0	73,400	79,781	6,381
15,700	10,819	(4,881)	0	0	0	22,200	21,196	(1,004)
250,000	317,285	67,285	85,000	83,096	(1,904)	618,000	632,310	16,310
200,000	128,525	(71,475)	10,500	10,435	(65)	485,000	423,276	(61,724)
865,700	656,629	(209,071)	95,500	93,531	(1,969)	6,945,500	7,147,514	202,014
0	0	0	5,500	1,800	3,700	1,868,770	1,835,942	152,828
0	0	0	0	0	0	39,016	30,184	8,832
0	0	0	0	0	0	250,129	204,676	45,453
0	0	0	0	0	0	884,579	684,958	199,621
0	0	0	0	0	0	1,186,819	918,257	268,562
0	0	0	0	0	0	605,940	314,538	291,402
2,725,000	1,459,207	1,265,793	22,000	19,650	2,350	3,257,624	1,931,624	1,326,000
674,745	674,737	8	0	0	0	843,740	843,732	8
476,860	476,844	16	0	0	0	514,900	513,884	1,016
0	0	0	0	0	0	500	230	270
3,876,605	2,610,788	1,265,817	27,500	21,450	6,050	9,572,017	7,278,025	2,293,992
(3,210,905)	(1,954,159)	1,256,746	68,000	72,081	4,081	(2,626,517)	(130,511)	2,496,006
1,712,000	1,100,000	(612,000)	0	0	0	1,900,000	1,240,830	(659,170)
2,188,890	2,180,744	(8,146)	5,000	5,000	0	4,095,890	4,087,744	(8,146)
(308,500)	(200,000)	108,500	0	0	0	(4,304,390)	(4,287,744)	16,646
3,592,390	3,080,744	(511,646)	5,000	5,000	0	1,681,500	1,040,830	(640,670)
381,485	1,126,585	745,100	73,000	77,081	4,081	(935,017)	910,119	1,845,136
6,496,581	6,496,581	0	1,783,761	1,783,761	0	10,096,633	10,096,633	0
0	0	0	0	0	0	215,178	215,178	0
<u>\$6,878,066</u>	<u>\$7,623,166</u>	<u>\$745,100</u>	<u>\$1,856,761</u>	<u>\$1,860,842</u>	<u>\$4,081</u>	<u>\$9,376,794</u>	<u>\$11,223,930</u>	<u>\$1,845,136</u>

City of Willard, Ohio  
 Combined Statement of Revenue,  
 Expense and Changes in Fund Equity  
 All Proprietary Fund Types and Similar Trust Funds

For the Year Ended December 31, 1999

	Proprietary Fund Types		Fiduciary Fund Types	Totals (Memo Only)
	Enterprise	Internal Service	Non- Expendable Trust	
Operating Revenues:				
Charges for Services	\$2,489,320	\$0	\$1,000	\$2,490,320
Total Operating Revenues	2,489,320	0	1,000	2,490,320
Operating Expenses:				
Personal Services	1,325,335	0	0	1,325,335
Contractual Services	562,727	0	0	562,727
Materials and Supplies	182,889	0	0	182,889
Travel Transportation	4,171	0	0	4,171
Depreciation	794,955	0	0	794,955
Total Operating Expenses	2,870,077	0	0	2,870,077
Operating Income (Loss)	(380,757)	0	1,000	(379,757)
Non-Operating Revenues (Expenses):				
Interest and Fiscal charges	(111,670)	0	0	(111,670)
Gain (Loss) on Disposal of Fixed Assets	(1,206)	0	0	(1,206)
Total Non-Operating Revenues (Expenses)	(112,876)	0	0	(112,876)
Income (Loss) Before Operating Transfers	(493,633)	0	1,000	(492,633)
Operating Transfers - In	200,000	0	0	200,000
Net Income (Loss)	(\$293,633)	\$0	\$1,000	(\$292,633)
Depreciation on Fixed Assets Acquired by Contributed Capital	457,747	0	0	457,747
Fund Balance, Beginning of Year	0	0	8,125	8,125
Fund Balance, End of Year	\$0	\$0	\$9,125	\$9,125
Retained Earnings, Beginning of of Year	9,805,210	756	0	9,805,966
Retained Earnings, End of Year	9,969,324	756	0	9,970,080
Contributed Capital at Beginning of Year	4,571,476	0	0	4,571,476
Contributions from Other Funds, net	1,314,557	0	0	1,314,557
Depreciation on Fixed Assets Acquired by Contributed Capital	(457,747)	0	0	0
Contributed Capital at End of Year	5,428,286	0	0	5,428,286
Total Fund Equity at End of Year	\$15,397,610	\$756	\$9,125	\$15,407,491

See accompanying notes to the general purpose financial statements.

City of Willard, Ohio  
 Combined Statement of Cash Flow  
 All Proprietary Fund Types and Similar Trust Funds  
 For the Year Ended December 31, 1999

	Proprietary Fund Types		Fiduciary Fund Type	(MEMO ONLY)
	Enterprise Fund	Internal Service Fund	Non-Expendable Trust	Totals
Cash Flows from Operating Activities:				
Cash Received for Services	\$2,474,408	\$0	\$1,000	\$2,475,408
Cash Paid to Employees	(1,323,445)	0	0	(1,323,445)
Cash Paid to Suppliers and Services	(772,840)	0	0	(772,840)
Cash Received for Refundable Deposits	14,840	0	0	14,840
Cash Paid for Refund of Deposits	(15,795)	0	0	(15,795)
Net Cash Provided by Operating Activities	<u>377,168</u>	0	1,000	<u>378,168</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(854,248)	0	0	(854,248)
Debt proceeds	44,091	0	0	44,091
Principal Payments - Bonds	(10,000)	0	0	(10,000)
Principal Payments - Loans	(208,438)	0	0	(208,438)
Interest Paid	(111,670)	0	0	(111,670)
Net Cash Used by Financing Activities	<u>(1,138,265)</u>	0	0	<u>(1,138,265)</u>
Cash Flows from Noncapital Financing Activities:				
Operating Transfers from Other Funds	200,000	0	0	200,000
Operating Transfers to Other Funds	0	0	0	0
Net Cash Flows provided by Noncapital Financing Activities	<u>200,000</u>	0	0	<u>200,000</u>
Net Cash Flows from Investing Activities:				
Sales of Investments	251,715	0	0	251,715
Purchases of Investments	(195,192)	(227)	(3,322)	(198,741)
Net Cash Flows Provided (Used) by Investing Activities	<u>56,523</u>	<u>(227)</u>	<u>(3,322)</u>	<u>52,974</u>
Net Increase (Decrease) in Cash	<u>(\$504,574)</u>	<u>(\$227)</u>	<u>(\$2,322)</u>	<u>(\$507,123)</u>
Cash and Equivalents, Beginning of Year	<u>618,789</u>	<u>318</u>	<u>3,417</u>	<u>622,504</u>
Cash and Equivalents, End of Year	<u>\$114,195</u>	<u>\$91</u>	<u>\$1,095</u>	<u>\$115,381</u>
Reconciliation of Cash and Cash Equivalents:				
Equity in Pooled Cash	\$83,195	\$91	\$1,095	\$84,381
Equity in Pooled Cash - Restricted	31,000	0	0	31,000
Total Cash and Equivalents	<u>\$114,195</u>	<u>\$91</u>	<u>\$1,095</u>	<u>\$115,381</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	<u>(\$380,757)</u>	0	\$1,000	<u>(\$379,757)</u>
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities:				
Depreciation Expense	\$794,955	\$0	\$0	\$794,955
Net (Increase) Decrease in Accounts Receivable	(14,912)	0	0	(14,912)
(Increase) Decrease in Inventories	(21,808)	0	0	(21,808)
Increase (Decrease) in Accounts Payable	(38,952)	0	0	(38,952)
Increase (Decrease) in Accrued Wages and Benefits	(5,924)	0	0	(5,924)
Increase (Decrease) in Compensated Absences Payable	7,830	0	0	7,830
Increase (Decrease) in Customer Deposits Payable	(955)	0	0	(955)
Increase (Decrease) in Accounts Payable from Fixed Asset Purchases	37,691	0	0	37,691
Total Adjustments	<u>\$757,925</u>	0	0	<u>\$757,925</u>
Net Cash Provided by Operating Activities	<u>\$377,168</u>	0	\$1,000	<u>\$378,168</u>
Reconciliation of Equity in Pooled Cash to the Combined Balance Sheet:				
Equity in Pooled Cash:				\$223,300
Expendable Trust Funds				1,095
Non-Expendable Trust Funds				2,200
Agency Trust Fund Funds				228,595
Total Equity in Pooled Cash - Fiduciary Fund Types				

See accompanying notes to the general purpose financial statements.

*This page has been left blank intentionally.*

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

**NOTE A – DESCRIPTION OF REPORTING ENTITY**

**REPORTING ENTITY**

The City of Willard is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The City of Willard was originally organized as the Village of Chicago Junction in 1874. The name was changed to the Village of Willard in 1917, which became the City of Willard in 1959 as a home rule municipal corporation under the laws of the State of Ohio. The City operates under a council-manager form of government and provides the following services as authorized by its charter: public safety, public services, recreation and development.

Educational services are provided by the City of Willard School District. Library facilities are maintained by the Willard Memorial Library. Senior citizens activities, including a meal program and transportation, are the responsibility of Services for the Aging, Inc., a private, non-profit agency. None of these entities' financial statements are included in this report.

The City of Willard owns and is responsible for the lighting and any major repairs and improvements of the Willard Airport. Rental fees for use of public property and proceeds from the sale of airplane fuel are collected by the City; however, minor repairs, services, and operations at the airport are provided by a private business and its related financial statements are not included in the financial statements of the City of Willard.

Mercy Hospital is a non-profit corporation privately owned by Willard Area Hospital, Inc. The Board is appointed by the Willard Area Hospital, Inc., whose board members are appointed from private citizens within the community. Although the City originally purchased the land, built the building and had issued debt relating to capital improvements, the administration of the hospital is controlled by the Mercy staff. A lease agreement was entered into in 1968 and on December 31, 2013, the property and operation of the hospital will be returned to and be managed by the City unless Willard Area Hospital, Inc. exercises its purchase option. The financial statements of the hospital are not included with the financial statements of the City of Willard.

The Buckeye Ohio Risk Management Agency, Inc. (BORMA) organized on October 1, 1987, is a joint self-insurance pool established pursuant to Chapter 2744.081 of the Ohio Revised Code. The purpose of BORMA is to enable the subscribing political subdivisions to obtain insurance and to administer the pool. Membership in BORMA consists of the following ten

municipalities: Archbold, Bowling Green, Carey, Defiance, Harrison, Huron, Napoleon, Oberlin, Sandusky and Willard. The entities must remain members for at least three years after joining the pool.

None of the financial statements of The Buckeye Ohio Risk Management Agency, Inc. are included with the financial statements of the City of Willard.

This report includes all activities considered by management to be part of the City by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

Section 2100 indicates that the reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services provided by, the organization. A financial benefit or burden relationship exists if the primary government (1) is entitled to the organization's resources; (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or is obligated in some manner for the debt of the organization.

The financial statements of the reporting entity allow the users to distinguish between the primary government and its component units. Most component units are included in the financial reporting entity by discrete presentation (one or more columns separate from the financial data of the primary government). Some component units are so intertwined with the primary government that they are reported in a manner similar to the balances and transactions of the primary government itself (this method is known as blending).

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

Management believes the financial statements included in this report represent all of the funds of the City over which the City has the ability to exercise direct operating control.

**NOTE B -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Willard have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

**BASIS OF PRESENTATION**

**Fund Accounting:** The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The various funds and account groups are reported by type columns in the financial statements.

Amounts in the "total--memorandum only" columns in the financial statements represent a summation of the combined financial statement line items of the fund types and account groups and are presented only for analytical purposes. The summation includes fund types and account groups that use different bases of accounting, both restricted and unrestricted amounts, interfund transactions that have not been eliminated, and the caption "amounts to be provided", which is not an asset in the usual sense. Consequently, amounts shown in the "total--memorandum only" columns are not comparable to a consolidation and do not represent the total resources available or the total revenues and expenditures/expenses of the City.

The City uses the following fund categories, fund types and account groups:

**GOVERNMENTAL FUNDS:**

**General Fund** - to account 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.

**Special Revenue Funds** - limited by state and/or federal law for the financing of certain governmental functions (other than expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes.

**Debt Service Funds** - to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Capital Projects Funds** - to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

**PROPRIETARY FUNDS:**

**Enterprise Funds** - to account for operations (1) that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis (water, sewer, and refuse) be financed or recovered primarily through user charges; or (2) where it has been decided that periodic determination of revenues earned, expenses incurred, and/or income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**Internal Service Funds** - to account for activities that produce goods or services to be provided, on a cost-reimbursement basis, to other departments within the reporting entity.

**FIDUCIARY FUNDS:**

**Trust and Agency Funds** - 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. These include Expendable and Non-Expendable Trust Funds and Agency Funds.

**ACCOUNT GROUPS:**

**General Fixed Assets Account Group** - to account for fixed assets other than those accounted for in the proprietary funds.

**General Long-Term Debt Account Group** - to account for all long-term obligations of the City that are not a specific liability of any proprietary fund.

**CITY OF WILLARD, OHIO  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999**

**BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The modified accrual basis of accounting is followed in the governmental fund types, expendable trust funds and the agency funds. Revenues are recognized when they become both measurable and available, while expenditures are generally recognized when the related fund liability is incurred, with the exception of unmaturing interest on general long-term debt and special assessment debt secured by interest bearing special assessment levies, which is recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis of accounting, the following major revenue sources are deemed both measurable and available: City income tax estimated by individuals and withheld by employers, utility billings unpaid and unbilled and interest earnings. Property taxes are levied on January 1 of each year upon the assessed value at the preceding January 1, the lien date. Property taxes are due in the calendar year levied and are intended to finance the operations of the City in the year levied. Property taxes are payable to the County Treasurer in two equal installments in January and July of the year levied and, if not paid, become delinquent after December 31 of the year levied. Other revenues are recorded as revenue when received as they are generally not measurable until actually received.

The accrual basis of accounting is followed in the Proprietary Funds and Non-Expendable Trust Funds. Accordingly, revenues are recognized when they are earned and expenses, including depreciation, are recognized when they are incurred.

**MEASUREMENT FOCUS**

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds and Expendable Trust Funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All Proprietary Funds and Non-Expendable Trust Funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with this

activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary Fund and Non-Expendable Trust Fund operating statements present increases (revenues) and decreases (expenses) in net total assets.

The City has adopted GASB 20 for Proprietary Funds and Non-Expendable Trust Funds in which all government proprietary activities apply all applicable GASB pronouncements, and all relevant FASB, APB, and ARB pronouncements issued on or before November 30, 1989 unless they conflict with or contradict GASB pronouncements.

**BUDGETARY PROCESS**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinances. The tax budget, certificate of estimated resources and appropriation ordinances are prepared on the cash basis as required by the County Budget Commission. The certificate of estimated resources and the appropriation ordinances are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources as certified. All changes in appropriated amounts require action by the City Council.

**Tax Budget** - A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 15 of each year, for the period January 1 to December 31 of the following year.

**Estimated Resources** - The County Budget Commission certifies its actions to the City by September 1. As part of this process, the City receives the official certificate of estimated resources, which states the projected cash receipts of each Fund. On or about January 1, this certificate is amended to include any unencumbered cash balances from the preceding year.

**Appropriations** - An annual appropriation ordinance must be passed by December 26 of each preceding year for the period January 1 to December 31. The appropriation ordinance may be amended during the year as new information becomes available provided that the total appropriations do not exceed estimated resources, as certified.

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

At the end of the fiscal year, all unexpended and unencumbered balances of operating appropriations revert to the fund from which the appropriation was initially made, where they become subject to future appropriation. The Governmental Fund Types for which annual appropriation ordinances are adopted are the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds. Although not required by generally accepted accounting principles (GAAP), the City is required by law to budget the proprietary and expendable and non-expendable trust funds.

The City's budgetary process is based upon accounting for transactions on the non-GAAP basis.

#### ENCUMBRANCES

Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation is employed as an extension of formal budgetary integration in the governmental fund types. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

#### CASH AND INVESTMENTS

Cash and cash equivalents include amounts on hand, in demand deposits, as well as short-term investments with a maturity date within three months of the date acquired by the government.

State statutes authorize the government to invest in obligations of the U.S. Treasury, repurchase agreements, and bonds of sub-divisions of the State of Ohio.

Investments are stated at fair value. Cost-based measures of fair value were applied to nonnegotiable certificates of deposit and money market investments.

#### SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables".

#### ADVANCES TO OTHER FUNDS

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not

constitute expendable available financial resources and therefore are not available for appropriation.

As of December 31, 1999 there were no interfund balances.

#### INVENTORIES

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The City uses the purchase method to record costs. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

#### PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond December 31, 1999 are recorded as prepaid items.

#### RESTRICTED ASSETS

Amounts held as deposits for water service are restricted and can only be expended for the return of such deposit, or to apply to the customer's account when the service is discontinued.

#### FIXED ASSETS AND DEPRECIATION

The fixed asset values were initially determined at December 31, 1989, assigning historical cost for the majority of purchased assets, and fair market value at the date of acquisition for donated assets. For certain assets where the historical costs were not practicably determinable, other methods were used to establish estimated historical costs. During the initial development of the fixed asset records, it was not practical to determine the source of the fixed asset financing, other than for certain capital contributions in the Enterprise Funds.

Public domain (infrastructure) general fixed assets consisting of streets, sidewalks and storm sewers are not capitalized by the City since they are immovable and of value only to the City.

The City records depreciation in the Proprietary Fund Types and has elected to record depreciation in the General Fixed Assets Account Group in accordance with generally accepted accounting principles for governmental entities. Depreciation is recorded using the straight-line basis over the estimated useful lives of the related assets.

#### COMPENSATED ABSENCES

GASB Statement No. 16 specifies that a liability should be accrued for leave benefits that meet the following conditions:

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

customers or other funds. Reserves represent those portions

1. The employer's obligation relating to employees' rights to receive compensation for future absences is attributed to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

For governmental funds, the City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The City records a liability for accumulated unused sick leave for eligible employees in the period the employee becomes eligible to receive payment. These amounts are reported in the general long-term debt account group. In proprietary funds, compensated absences are expended when earned. The entire amount of compensated absences is reported as a fund liability.

Vacation is earned and accrued monthly based upon the years of service, ranging from 4 hours/month to 20 hours/month. Vacation may be accrued up to two full years. Accrued vacation is paid at termination unless the employee has not completed one full year of service. The total obligation for vacation accrual for the City as a whole amounted to \$170,517 at December 31, 1999. Sick leave accumulates at a rate of 10 hours/month for all full-time employees. Accumulation of sick leave is limited to 1,440 hours. The amount payable to an eligible retiree is 35% of the unused accumulated sick leave.

The pay-off of the sick leave provision is also applicable in the case of death. The maximum liability to the City for accumulated sick leave to vested employees on December 31, 1999 was \$92,457. At December 31, 1999, the maximum liability to the City for accumulated unpaid sick leave, assuming all accumulated unpaid sick leave will be used through time off from work, approximated \$820,626.

#### LONG-TERM OBLIGATIONS

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

#### FUND EQUITY

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers,

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

of fund equity not appropriate for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

**BOND DISCOUNTS/ISSUANCE COSTS**

In governmental fund types, bond discounts and issuance costs are recognized in the current period. Bond discounts and issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable whereas issuance costs are recorded as deferred charges.

**INTERFUND TRANSACTIONS**

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**NOTE C -- EQUITY IN POOLED CASH AND INVESTMENTS**

The City maintains a cash and cash equivalent pool which is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash". In addition, investments are separately held by one of the City's funds.

**DEPOSITS:** At year-end, the carrying amount of the City's deposits and cash on hand was \$12,489,563 and the bank balance was \$12,660,924. The carrying amount and bank balance of the City's certificates of deposit, which are classified as investments in the financial statements, were both \$11,000,000 at year end.

The City's deposits are categorized to give an indication of the level of credit risk assumed by the entity at year end. Category 1 includes deposits that are insured or collateralized with securities held by the City or its safekeeping agent in the City's name. Category 2 includes uninsured deposits collateralized with securities held by the pledging financial institution's trust department or safekeeping agent in the City's name. Category 3 includes uninsured and uncollateralized

deposits, including any bank balance that is collateralized with securities held by the pledging institution, or by its trust department or safekeeping agent, but not in the City's name. The following show the City deposits in each category:

Category 1. \$6,642,106 was covered by federal depository insurance, by collateral held by the City or by collateral held by a qualified third party trustee in the name of the City.

Category 3. \$6,018,818 was covered by pooled collateral held by the pledging institution's trust department.

Collateral is required for demand deposits and certificates of deposit at 110 percent of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States, its agencies and obligations of the State and its municipalities.

Obligations pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required.

**INVESTMENTS:** Statutes authorize the City of Willard to invest in bank certificates of deposit, in obligations of the U.S. Treasury, agencies and instrumentalities, bonds and other obligations of this State, repurchase agreements and the State Treasurer's Asset Reserve investment pool.

The City's investments are categorized to give an indication of the level of risk assumed by the entity at year end. Category A includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category B includes uninsured and unregistered investments for which the securities are held by the counter party's trust department or agent in the City's name. Category C includes uninsured and unregistered investments for which securities are held by the counter party or its trust department but not in the City's name. The City's investment in bank certificates of deposit is not categorized here as this credit risk is categorized in the Deposits disclosure above.

		Carrying Amount	Fair Value
City of Willard Special Assessment Bonds	Category A	\$ 65,918	\$ 65,918
Certificates of Deposit	N/A	<u>11,000,000</u>	<u>11,000,000</u>
<b>Total Investments</b>		<b>\$11,065,918</b>	<b>\$11,065,918</b>

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

**NOTE D -- CONTRIBUTED CAPITAL**

Assets constructed or acquired by the governmental fund types and transferred to the Enterprise Funds, or assets partially financed through grants to the Enterprise Funds from other governmental entities, represents contributed capital to the enterprise operations. To determine the amount to be initially recorded as contributed capital, the City performed a review of financial data in the Enterprise Funds for approximately the preceding 80-year period. Contributed capital identified during this review and recorded in the accompanying financial statements represents grants received toward construction of water lines, sewer lines and the wastewater treatment plant.

**NOTE E -- BUDGET BASIS OF ACCOUNTING**

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (non-GAAP Budgetary Basis) - All Governmental Fund Types and Expendable Trust Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts and disbursements. The major differences between the budget basis and the GAAP basis are:

- (1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
- (2) Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

It is the City's policy to formally budget and appropriate those funds which derive their primary revenues from levied taxes, other governments or user charges.

Enterprise Funds and Similar Trust Funds are required by law to be budgeted and encumbered. Although not required by generally accepted accounting principles, these individual fund statements are shown as supplemental information.

Budgeted control is exercised at the object code level. Reported budgeted amounts are as originally adopted and amended by appropriation resolutions of the Council. Department budgets are represented by appropriations and can only be modified by Council resolution. Modifications at the object code level are allowed within each department by the Finance Director or City Manager. Unencumbered appropriations lapse at year end. Modifications were made during the year which were routine and immaterial to the budget as a whole.

A reconciliation of the results of operations for the year from the GAAP basis to the budgetary basis follows:

	Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses				
	General Fund	Special Revenue	Debt Serv.	Capital Projects	Expendable Trust
Budget Basis	(\$206,841)	(\$90,818)	\$4,112	\$1,126,585	\$77,081
Increase (decrease) due to:					
Change in accrued receivables not recognized in budget - Jan. 1 to Dec. 31	36,662	40,657	-	-21,807	6,106
Change in accrued liabilities not recognized in budget Jan. 1 to Dec. 31	21,797	13,543	-	63,310	-
Encumbrances	60,152	90,962	-	98,343	-
GAAP Basis	(\$ 88,230)	\$54,344	\$4,112	\$1,310,045	\$83,187

**NOTE F -- TAXES**

**PROPERTY TAX**

Property taxes include amounts levied against all real and public utility property and tangible personal property (used in business) located in the City. Real property taxes are levied each January 1 on the assessed value as of the prior January 1, the lien date. Assessed values are established by the County Auditor at 35% of the appraised market value.

The County Auditor re-appraises all real property every six years with a triennial update. The last update was completed for tax year 1997. The assessed value upon which the 1999 levy was based was \$105,397,730.

The full tax rate applied to real property for the fiscal year ended December 31, 1999 was \$61.50 per \$1,000 of assessed valuation.

The full tax rate was all inside millage, therefore no adjustment of the rate for inflationary increases in property values was made. The effective tax rate was the same per \$1,000 of assessed valuation for real property classified as residential/agricultural and other property. Real property owners' tax bills were reduced by homestead and rollback deductions, when applicable. The amount of these homestead and rollback reductions is reimbursed to the City by the State of Ohio.

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

Real Property - 1999 Valuation

Residential	\$ 37,270,680
Public Utilities	466,250
Commercial/Industrial/Agriculture	22,359,340

Tangible Personal Property - 1999 Valuation

General	40,883,770
Public Utilities	4,417,690

TOTAL VALUATION 105,397,730

EXEMPTED PROPERTY 18,988,500

TOTAL VALUATION + EXEMPTED \$124,386,230

The Huron County Treasurer collects property tax on behalf of all taxing districts within Huron County, including the City of Willard. Taxes are payable to the County in two equal installments in January and July and, if not paid, become delinquent after December 31 of the year they are due. The Huron County Auditor periodically remits to the City its portion of the taxes collected. Such collections are available only to pay current period liabilities.

**CITY INCOME TAX**

The City levies an income tax of 2 1/4% on the gross salaries, wages and other personnel service compensation earned by residents of the City and to the earnings of nonresidents working within the City. This tax also applies to the net income of businesses operating within the City. Residents of the City are granted a full credit for taxes paid to other Ohio municipalities, up to the percentage which would be due the City. Effective January 1, 2000 this income tax rate will decrease to 1 1/4%.

All the revenue received from income tax is recorded directly into the City income tax fund. The costs of operating the income tax department and income tax refunds are expended from this fund. Pursuant to 197.14 of the City Charter, at least forty percent of the remaining funds shall be allocated to capital improvements, maintenance and repair. The remaining balance shall be used in accordance with ordinances adopted and approved by Council.

**NOTE G -- RECEIVABLES**

The City's receivables at December 31, 1999, by fund type consist of the following:

	General Fund	Special Revenue	Debt Service	Enterprise Fund	Capital Projects
<b>City Income Taxes:</b>					
Withholdings	\$ -	\$ 961,110	\$ -	\$ -	\$ -
Estimates	-	39,094	-	-	-
<b>Property Taxes:</b>					
Deferred	347,085	150,404	-	-	-
Delinquent	19,485	8,444	-	-	-
<b>Total Taxes</b>	<b>\$366,570</b>	<b>\$1,159,052</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Accounts Receivable:</b>					
Billed - Unpaid	413	-	-	218,880	-
Ambulance	100,830	-	-	-	-
Unbilled	65,140	23,419	-	117,117	-
<b>Total Accounts</b>	<b>\$166,383</b>	<b>\$ 23,419</b>	<b>\$ -</b>	<b>\$335,997</b>	<b>\$ -</b>
<b>Special Assessments:</b>					
Delinquent	-	-	39,496	-	-
Deferred	-	-	248,138	-	-
<b>Interest</b>	<b>85,258</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118,414</b>
<b>Total Receivables</b>	<b>\$618,211</b>	<b>\$1,182,471</b>	<b>\$287,634</b>	<b>\$335,997</b>	<b>\$118,414</b>

The above receivable amounts are net of the applicable allowance for uncollectible which are not material in relation to the respective receivable balances.

City income taxes receivable are accrued at December 31, 1999, to the extent of individual estimates and employee withholdings for the last quarter of 1999 paid within sixty days after year-end, and are due by April 30, 2000.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property, and public utility taxes which become measurable as of December 31, 1999. Although total property tax collections for the next year are measurable, only the amount available as an advance at December 31, 1999 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. None of the amount receivable at December 31, 1999 was available as an advance and so the entire amount of \$813,052 is recognized as deferred revenue. Of this total, \$366,570 is deferred revenue recorded by the general fund, \$158,848 of deferred revenue was recorded by the special revenue funds, and \$287,634 of deferred revenue was recorded by the debt service funds at December 31, 1999.

Residents are billed on a monthly basis for water and sewer service based upon the actual cycle billings. Ambulance services and cemetery services are billed as residents incur service.

**NOTE H -- PROPERTY, PLANT AND EQUIPMENT**

The property, plant and equipment values were initially

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

determined at December 31, 1989, assigning original acquisition costs for the majority of assets. In cases where information supporting original costs was not practically determinable, estimated costs were developed using various valuation methods.

All costs associated with the construction and acquisition of general fixed assets are included in the Capital Outlay amount within the accompanying financial statements. Costs associated with the construction of infrastructure fixed assets are not capitalized in the General Fixed Assets Account Group in accordance with the City's accounting policy and, accordingly, are not reflected as additions in the General Fixed Assets Account Group.

A summary of general fixed assets at December 31, 1999, by class and the changes therein during 1999, is as follows:

	01/01/99	Additions	Retirements	12/31/99
Land	\$ 995,480	\$ 62,530	\$ -	\$1,058,010
Land Improvements	281,795	91,078	-	372,873
Buildings	2,312,544	-	-	2,312,544
Equipment/Furniture	1,878,232	252,954	( 27,647)	2,103,539
Vehicles	1,312,565	54,384	-	1,366,949
<b>SUB-TOTAL</b>	<b>6,780,616</b>	<b>460,946</b>	<b>( 27,647)</b>	<b>7,213,915</b>
Accumulated Depreciation	( 2,648,218)	( 402,140)	9,731	( 3,040,627)
Investment in Fixed Assets	\$4,132,398	\$ 58,806	(\$17,916)	\$4,173,288

A summary of proprietary fund property, plant and equipment at December 31, 1999, by class and by individual Fund is as follows:

	Water	Sewer	Storm Water
Land	\$ 458,790	\$ 343,471	\$ -
Buildings	2,309,601	5,452,238	-
Utility Plant in Service	6,283,303	11,589,768	389,739
Land Improvements	-	88,507	-
Equipment & Furniture	924,822	3,166,877	-
Vehicles	87,992	390,006	-
<b>SUB-TOTAL</b>	<b>\$10,064,508</b>	<b>\$21,030,867</b>	<b>\$389,739</b>
Accumulated Depreciation	( 3,277,401)	( 6,244,423)	( 1,967)
Net Property, Plant and Equipment	\$ 6,787,108	\$14,786,444	\$387,772

Depreciation is provided using the straight-line basis over the estimated useful lives of the assets. Depreciable lives used for property items within each property classification are as follows:

Classification	Life
Buildings	20-40 Years
Utility plant in service	40-80 Years
Improvements other than buildings	20-50 Years
Machinery and equipment	5-20 Years

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

**NOTE I - DEBT OBLIGATIONS**

A listing of the changes in the debt of the City for the year ended December 31, 1999 follows:

	Balance 01/01/99	Additions	Retirements	Balance 12/31/99
<b>GENERAL OBLIGATION DEBT:</b>				
1993 City Hall Improvement Bonds 3.00% - 5.60%	\$ 640,000	\$ 0	\$ 160,000	\$ 480,000
1999 Pearl St. Repavement 0.00%	0	140,630	0	140,630
1999 Industrial Park 3.65%	0	1,100,000	0	1,100,000
<b>TOTAL GENERAL OBLIGATION DEBT</b>	<b>640,000</b>	<b>1,240,630</b>	<b>160,000</b>	<b>1,720,630</b>
<b>SPECIAL ASSESSMENT DEBT WITH GOVERNMENT COMMITMENT:</b>				
6.00% Special Assessment Sidewalk Improvement 1994 Bond, due through 1999	10,275	0	10,275	0
6.00% Special Assessment Kennedy Drive Project 1996 Bond, due through 2004	53,597	0	7,684	45,913
8.00% Special Assessment Street, Water, and Sewer Improvement 1994 Bond, due through 2001	29,000	0	8,995	20,005
<b>TOTAL SPECIAL ASSESSMENT DEBT</b>	<b>92,872</b>	<b>0</b>	<b>26,954</b>	<b>65,918</b>
COMPENSATED ABSENCES (NET)	149,030	24,572	0	173,602
POLICE PAST SERVICE LIABILITY	51,958	0	51,958	0
<b>TOTAL GENERAL LONG-TERM DEBT</b>	<b>933,860</b>	<b>1,265,202</b>	<b>238,912</b>	<b>1,960,150</b>
<b>ENTERPRISE DEBT:</b>				
1993 Water System Improvement Bonds	180,000	0	10,000	170,000
6.87% Sewer Plant Loan 1980	1,324,194	0	168,686	1,155,508
12.0% Sewer Plant Loan - Supplement (1982)	90,317	0	9,953	80,364
7.51% Sewer Plant Loan 1989	6,298,416	0	656,778	5,641,638
0.00% Water Line Issue 2 1991	18,198	0	5,199	12,999
0.00% Feeder Main Issue 2 1993	25,611	0	4,658	20,953
0.00% Water Line Issue 2 1994	97,790	0	13,970	83,820
0.00% Water Line Issue 2 1996	69,520	0	3,972	65,548
1.2% Storm Water Loan 1998	120,230	0	0	120,230
1.2% Lagoon Loan 1998	342,000	0	0	342,000
1.2% Storm Water Loan 1999	0	44,091	0	44,091
<b>TOTAL ENTERPRISE DEBT</b>	<b>8,566,276</b>	<b>44,091</b>	<b>873,216</b>	<b>7,737,151</b>
<b>TOTAL DEBT</b>	<b>\$9,500,136</b>	<b>\$1,309,293</b>	<b>\$1,112,128</b>	<b>\$9,697,301</b>

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

**NOTE I -- DEBT OBLIGATIONS (continued)**

**General Obligation Debt:**

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
City Hall Improvement Bonds	\$1,610,000	3.00-5.60%	12/01/2002

The bonds were issued for the purpose of acquiring real estate and building and improving the site in order to house municipal offices and functions. The Bonds are payable from the Income Tax Capital Improvement Fund monies for a period of ten years.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Pearl Street Repavement	\$140,630	0%	07/01/2019

The debt was incurred for the purpose of repaving Pearl Street. The note is payable from local funds over a period of twenty years to be repaid from the General Fund.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Industrial Park Loan	\$1,100,000	3.65%	05/25/2000

The debt was incurred in anticipation of the issuance of bonds for the purpose of developing the Industrial Park. The note is payable from the Willard Industrial Park Municipal Public Improvement Equivalent Fund into which all service payments in lieu of taxes are to be deposited.

**Special Assessment Bonds Payable with Government Commitment:**

The following special assessment debt will be paid by property owners through the Special Assessment Bond Retirement Fund. Taxes and the general credit of the City are guaranteed in the bond indenture in case of default of the property owners. No reserve or sinking fund has been established for default as the possibility of default is considered remote.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
1996 Street Improvement	\$67,262	8.00%	12/01/2004

The bonds were issued to pay the property owners' portion of the cost of improving Kennedy Drive by grading, draining, curbing, paving and installing water mains and sanitary sewer laterals. The bonds are payable from the collection of special assessments and are paid from the Pineview Estates Capital Projects Fund.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
1994 Street Improvement	\$64,750	8.00%	12/01/2001

The bonds were issued to pay the property owners' portion of the cost of improving West Sandusky Avenue by grading, draining, curbing, paving and installing water mains and sanitary sewer laterals. The bonds are payable from the collection of special assessments and are currently paid through the special assessment bond retirement fund.

**Police Pension Unfunded Past Service Costs:**

An accrual had been setup for a legal liability for past service cost for the Police and Firemen's Disability and Pension Fund which arose when the Fund was established in 1968. The remaining unfunded pension liability was to be amortized in semi-annual installments, including interest, of approximately \$1,400 through 2035. Payments were made from the Police and Fire Pension Fund. This liability was paid in full during 1999.

**O.W.D.A. Debt Issues:**

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Water System - General Obligation Bonds	\$210,000	4.90-5.70%	12/01/2013

The bonds were issued to provide funds for the water system expansion outside the City limits. The Bonds are payable from the tap fees from the new users and the City's general obligation.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Sewer Plant Loan	\$3,061,712	6.87%	12/31/2005

The debt was incurred in 1980 to pay the cost of constructing the wastewater treatment plant. The project was jointly funded by an EPA Grant and local funds which were borrowed from the O.W.D.A.

A cooperative agreement with O.W.D.A. was entered into in 1980 to finance the local portion. The debt is a twenty-five year O.W.D.A. loan with semi-annual payments of \$129,829 to pay the principal and interest. The loan is payable from revenues of the sewer fund. The total estimated cost of the project was \$10,532,913 of which \$7,591,305 was funded by the EPA Grant.

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

Ohio EPA but administered by the O.W.D.A. A cooperative agreement with O.W.D.A. was entered into in 1998 to finance the local portion. The debt is a twenty year O.W.D.A. loan with annual payments of \$18,198 to pay the principal and interest. The loan is payable from revenues of the water fund.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Sewer Plant Loan - Supplemental	\$161,184	12.00%	12/31/2005

The debt was incurred in 1982 to pay the additional costs of constructing the wastewater treatment plant. These costs were funded by local funds which were borrowed from the O.W.D.A.

A cooperative agreement with O.W.D.A. was entered into in 1982 to finance the local portion. The debt is a twenty-three and one-half year O.W.D.A. loan with semi-annual payments of \$10,396 to pay the principal and interest. The loan is payable from revenues of the sewer fund.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Sewer Plant Loan 1989	\$9,966,353	7.51%	12/31/2006

The debt was incurred in 1989 to pay the cost of reconstructing the wastewater treatment plant. The project was funded entirely by local funds which were borrowed from the O.W.D.A. A cooperative agreement with O.W.D.A. was entered into in 1989 to finance the local portion. The debt is a fifteen year O.W.D.A. loan with semi-annual payments of \$564,894 to pay the principal and interest. The loan is payable from a specific 1% municipal income tax which will expire when the loan is repaid.

**Ohio EPA Debt Issues:**

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Storm Water Loan	\$120,230	1.2%	07/01/2019

The debt was incurred in 1998 to pay the cost of improvements to the storm water drainage system. The project was funded by local funds which were borrowed from the Ohio EPA but administered by the O.W.D.A. A cooperative agreement with O.W.D.A. was entered into in 1998 to finance the local portion. The debt is a twenty year O.W.D.A. loan with annual payments of \$6,397 to pay the principal and interest. The loan is payable from revenues of the water fund.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Lagoon Loan	\$342,000	1.2%	07/01/2019

The debt was incurred in 1998 to pay the cost of improvements to the waste water treatment plant. The project was funded by local funds which were borrowed from the

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Storm Water Loan - Supplemental	\$44,091	1.20%	07/01/2020

The debt was incurred in 1999 to pay the cost of improvements to the storm water drainage system. The project was funded by local funds which were borrowed from the Ohio EPA but administered by the O.W.D.A. A cooperative agreement with O.W.D.A. was entered into in 1999 to finance the local portion. The debt is a twenty year O.W.D.A. loan with annual payments of \$2,493 to pay the principal and interest. The loan is payable from revenues of the water fund.

**Issue 2 Debt Obligations:**

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Water Line Issue 2 Note - 1991	\$52,064	0.00%	12/01/2002

This note was entered into for the purpose of advancing funds so as to improve the water line on Myrtle Avenue. Funding for the project came from local funds, Issue 2 grant monies and the above-mentioned note for a period of ten years to be repaid from the Water Fund.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Feeder Main Issue 2 Note - 1993	\$46,572	0.00%	12/01/2004

This note was entered into for the purpose of advancing funds so as to improve the feeder main on Central Avenue. Funding for the project came from local funds, and the above-mentioned note for a period of ten years to be repaid from the Water Fund.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Water Line Issue 2 Note - 1994	\$139,700	0.00%	12/01/2005

This note was executed for the purpose of advancing funds so as to improve the water line on Tiffin Street. Funding for the project came from the local funds and the above-mentioned note for a period of ten years to be repaid from the Water Fund.

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
--------------------	------------------------	----------------------	----------------------

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

Water Line Issue 2 Note - 1996     \$79,450     0.00%     07/01/2016

This note was executed for the purpose of advancing funds so as to improve the Tiffin Street water line restoration. Funding for the project came from local funds and the above-mentioned note for a period of twenty years to be repaid from the Water Fund.

A summary of the City's future debt service requirements (excluding compensated absences) as of December 31, 1999 follows:

Future Payment due in	General Long-Term Obligation		Special Assessment W/Govt		Enterprise Debt		
	Account Group		Commitment		Bond	Loans	
	Bond	Interest	Bond	Interest		Principal	Principal
2000	\$1,263,516	\$66,327	\$17,875	\$ 4,355	\$ 10,000	\$ 971,062	\$ 524,955
2001	167,032	17,760	18,908	3,088	10,000	1,016,144	457,861
2002	167,032	8,960	9,151	1,748	10,000	1,085,447	385,470
2003	7,032	-0-	9,701	1,199	10,000	1,160,120	307,707
2004	7,032	-0-	10,283	617	10,000	1,240,834	224,166
2005-2020	108,986	-0-	-0-	-0-	120,000	2,097,544	219,309
<b>TOTAL</b>	<b>\$1,720,520</b>	<b>593,047</b>	<b>\$65,918</b>	<b>\$11,007</b>	<b>\$170,000</b>	<b>\$7,567,151</b>	<b>\$2,119,668</b>

**NOTE J -- LEASE**

The City has a lease with the Willard Area Hospital, Inc., a non-profit corporation, for the operation of the hospital facilities. The terms of the lease state that the City will undertake the improvements to the hospital and the lessee (hospital) will make lease payments of:

1. Basic rent, \$1.00 per year
2. Monthly amount to pay the interest on the bonds
3. Monthly amount to pay the principal on the bonds
4. Monthly amount to provide payments in the debt service reserve fund
5. Monthly amount to provide the payments in the contingency reserve fund

This revenue was paid to a trustee, with the exception of the basic rent which is paid to the City's general fund. During 1994 the bonds were repaid in full to the trustee and the debt service reserve and the contingency reserve fund were released.

When the lessee discontinues operations of the hospital, the City is required to either operate the hospital or find another operator for the hospital. Upon expiration of the lease or its termination for any reason, after paying the accounts payable, all of the assets of the lessee, including cash on hand, accounts receivable, stocks, bonds, and all other property, real or personal, used in connection with the operation of the hospital facilities shall become the property of the City immediately with the exception of any funds or securities which had been transferred to the lessee by way of gift, endowment, bequest, devise, annuity, insurance or similar method which will

remain the property of the lessee.

**NOTE K -- RESTRICTED ASSETS**

Restricted assets are specifically restricted for repayment to water customers who were required to make deposits for the guarantee of payment of water and sewer bills. Restricted cash and long term investments designated by the City or provided by operations are equally offset by a fund balance/retained earnings reserve or a liability. Restricted assets at December 31, 1999 are comprised of the following:

	Cash and Long Term Investments	Accrued Interest Receivable	Total
Water Fund:			
Customer Deposits	\$31,000	\$0	\$31,000

**NOTE L -- PENSION AND RETIREMENT PLANS**

The employees of the City of Willard are covered by either the Public Employees' Retirement System of Ohio or the Police and Fireman's Disability and Pension Fund. The State of Ohio accounts for the activities of the retirement systems and the amounts of these funds are not reflected in the accompanying financial statements.

**Public Employees' Retirement System** - The Public Employees Retirement System of Ohio (PERS) is a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 466-2085 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.50% for employees other than law enforcement. Law enforcement employees contribute 9.00% of covered salary. The total 1999 employer contribution rate was 13.55% of covered payroll. The law enforcement employer rate was 16.70% of covered payroll. The difference between the total employer rate and the portion used to fund pension obligations is the amount used to fund the health care program for retirants.

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

The City of Willard's total payroll for the year ended December 31, 1999 was \$2,473,729. Of this amount, \$1,943,040 (79%) was subject to PERS. City employees contributed \$ 165,160 (8.5%) to PERS during 1999. This was "matched" by City contributions for the years ended December 31, 1999, 1998, and 1997 of \$259,845, \$242,463 and \$240,844 (13.55%), respectively. Of the above City matching contributions, \$67,551 had not been paid by December 31, 1999.

**Police And Firemen's Pension Fund** - The City of Willard contributes to the Ohio Police Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, OH 43215-5164.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0%, respectively for police officers and firefighters. The City of Willard's contributions to OP&F for the years ending December 31, 1999, 1998, and 1997 were \$200,254, \$191,373, and \$140,449, respectively, equal to the required contribution for the year. Of the above City matching contributions, \$41,574 had not been paid by December 31, 1999.

**NOTE M -- POSTEMPLOYMENT BENEFITS**  
**OTHER THAN PENSION BENEFITS**

**Public Employees Retirement System** - Public Employees Retirement System of Ohio (PERS) provides post-retirement health care coverage to age and service retirants with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB). A portion of each employer's contribution to PERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 1999 employer contribution rate was 13.55% of covered payroll; 4.20% was the portion that was used to fund health care for the year 1999. The law enforcement employer rate for 1999 was 16.70% and 4.20% was used to fund health care.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to PERS.

OPEB are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

Expenditures for OPEB during 1999 were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. The number of benefit recipients eligible for OPEB at December 31, 1999 was 118,062.

Effective January 1, 1998, the Retirement Board adopted a new calculation method for determining employer contributions, equal to 4.2% of member covered payroll, used to fund health care expenses. Under the prior method, accrued liabilities and normal cost rates were determined for retiree health care coverage.

**Police and Firemen's Pension Fund** - The Ohio Police and Fire Pension Fund (OP&F) provides post-retirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. The total police employer contribution rate is 19.5% of covered payroll and the total firefighter employer contribution rate is 24% of covered payroll.

The Ohio Revised Code provides the statutory authority allowing the OP&F's Board of Trustees to provide health care coverage to all eligible individuals.

Health care funding and accounting is on a pay-as-you-go basis. A portion of covered payroll, as defined by the Board, is used to pay retiree health care expenses. Currently, 7.0% of covered payroll, the Board-defined allocation, is used to pay health care expenses. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The number of participants eligible to receive health care benefits as of December 31, 1998, the date of the last actuarial valuation available, is 11,424 for police and 9,186 for firefighters.

**CITY OF WILLARD, OHIO**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

The amount that the City of Willard contributed as the employer's share to pay post employment benefits was \$40,568 for police and \$12,610 for fire.

The Fund's total health care expenses for the year ending December 31, 1998, the date of the last actuarial valuation available, were \$78,596,790, which was net of member contributions of \$5,331,515.

**NOTE N -- ACCUMULATED UNPAID  
EMPLOYEE BENEFITS**

**FRATERNAL ORDER OF POLICE**

The City has a union agreement with the Fraternal Order of Police. This agreement covers all the full-time policemen and dispatchers except the chief of police and probationary employees in the first sixty days of employment. Non-union employees are governed by the charter and ordinances. The City has historically matched the union employees pay increases and other benefits.

The agreement states that 35 percent of accrued unpaid sick leave will be paid to an employee when he retires from active service with the City and qualifies and begins to receive pension payments under the Public Employees Retirement System or other State operated pension and retirement program. Sick leave may be accumulated to a total of 180 working days or 1440 hours. A full-time employee shall be entitled to a cash payment, equal to 35 percent of his daily wage, of any unused sick leave accumulated in the current year above the 180 day limit. This payment is made during the last pay period each year. After an employee has worked for the City for one year, he is entitled to vacation leave following his anniversary date. An employee may accumulate two years of unused vacation. No employee shall be compensated for any vacation not taken unless he is leaving the service of the City.

**NOTE O -- DEFERRED COMPENSATION**

The City of Willard employees and elected officials may participate in a state-wide deferred compensation plan created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The plan Agreement states that the City and the Ohio Public Employees Deferred Compensation Board have no liability for losses under the plan with the exception of fraud or wrongful taking.

**NOTE P -- JOINT SELF-INSURANCE POOLS**

The City participates with other cities in The Buckeye Ohio Risk Management Agency, Inc. (BORMA) in jointly funded risk financing programs administered by Arthur J. Gallagher & Co. One program currently includes the following areas of risks: Commercial Automobile Liability, Automobile Physical Damage, Comprehensive General Liability, Crime and Property Liability, and Public Officials Liability. This program includes the following municipalities: Bowling Green, Defiance, Huron, Napoleon, Oberlin, Sandusky, and Willard. A third party administrator, Arthur J. Gallagher and Co. - Cleveland, reviews all claims which are then paid by the Pool. Member contributions are calculated to annually produce a sufficient sum of money within the pool to fund administrative expenses and to create reserves for claims. As of December 31, 1999, the Pool has cash reserves of \$704,737, which, in the opinion of BORMA management, is adequate for any claims against the Pool. The City contributed \$14,176 towards the reserve, \$37,886 towards the premium and administration costs of the Pool and \$1,000 towards claims for which the City is directly liable.

The other program is for employee benefits and includes life insurance, accidental death and dismemberment insurance, health insurance, prescription drug insurance and dental insurance. Each member has an option on the coverage it has elected for its employees. Willard provides to its employees all available options offered by the Pool. The members included in this Pool are Archbold, Bowling Green, Carey, Defiance, Harrison, Huron, Napoleon, Oberlin, Sandusky, and Willard. A third party, Arthur J. Gallagher and Co., and Gallagher-Bassett Services, Inc. headquartered in Itasca, Illinois, reviews all claims which are then paid by the Pool. As of December 31, 1999, the latest information available, the Pool had cash reserves of \$1,018,242, which, in the opinion of BORMA management, is adequate for any claims against the Pool.

Premiums are paid to the Benefits Pool at a cost of \$242.05 for single coverage and \$656.67 for family coverage. Life insurance monthly premium is \$6.20. During 1999, the City paid \$442,068 into the Pool for coverage. These costs are paid by the fund that pays the salary for the employee. Both Pools purchase insurance coverage for excess claims to limit the potential loss to its members. The amount of risk retained within the pool for property/casualty is \$25,000 per claim. Claims in excess of \$25,000 up to \$10,000,000 are covered by various excess carriers. In the Benefits Pool, an annual aggregate limit of \$75,000 per individual is retained by the Pool and claims exceeding that limit are covered by Lloyds of London Company. The City may be liable for any claims which exceed the Pool's assets and are less than the excess claims amount, which could be charged at a pro-rata share of the individual member's premium to the total Pool premiums.

**CITY OF WILLARD, OHIO  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999**

The probability of this occurring is remote because Pool reserves are deemed to be adequate and accordingly, no amounts have been reserved in the City's financial statements. Audited financial statements are maintained separately by the BORMA Pools.

(1) The Sewer Fund will receive an annual capital contribution equal to the amount of the 1989 Sewer Improvement OWDA loan repayment which is repaid by a dedicated 1% income tax.

**NOTE Q -- SEGMENT INFORMATION  
- ENTERPRISE FUNDS**

**NOTE R -- MATERIAL VIOLATIONS OF FINANCE  
RELATED LEGAL AND CONTRACTUAL  
PROVISIONS**

The government maintains three enterprise funds which are intended to be self-supporting through user fees charged for services to the public. Financial segment information as of and for the year ended December 31, 1999 are below.

Pursuant to Section 117.11(B) of the Revised Code, Weber O'Brien Ltd., CPA's performed tests of compliance with various provisions of local, state and/or federal laws, as appropriate.

	Water	Sewer (1)	Storm Water	Total
Operating Revenues	\$1,152,784	\$ 1,336,536	\$ -0-	\$ 2,489,320
Depreciation Expense	\$ 224,926	\$ 568,062	\$ 1,967	\$ 794,955
Operating Transfers-in	\$ 50,000	\$ 150,000	\$ -0-	\$ 200,000
Operating Transfers-out	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Operating Income (Loss)	( 25,859)	( 352,931)	(\$ 1,967)	(\$ 380,757)
Net Income (Loss)	\$ 13,284	( 304,950)	(\$ 1,967)	(\$ 293,633)
Current Capital Contributions	\$ 205,528	\$ 959,029	\$150,000	\$ 1,314,557
Property/equipment additions	\$ 208,236	\$ 464,937	\$181,075	\$ 854,248
Net Working Capital	\$ 670,747	(\$ 452,529)	\$ 19,896	\$ 238,114
Total Assets	\$7,630,290	\$15,361,136	\$407,668	\$23,399,094
Notes and Bonds Payable	\$ 353,320	\$ 7,219,510	\$164,321	\$ 7,737,151
Total Equity	\$7,142,334	\$ 8,011,929	\$243,347	\$15,397,610

**NOTE S -- LITIGATION**

In the normal course of operations the City may be subject to litigation and claims. As of December 31, 1999 the City was involved in several such matters. While the outcome of the above matters cannot presently be determined, management believes that their ultimate resolution will not have a material effect on the financial statements.

## **GOVERNMENTAL FUND TYPES**

## **GENERAL FUND**

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - (Budget Basis)  
 General Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Local Taxes	312,880	294,816	(18,064)
Intergovernmental Revenues	442,400	516,581	74,181
Charges for Services	216,500	215,853	(647)
Permits and Licenses	6,500	7,982	1,482
Fines	71,800	78,063	6,263
Investment Income	275,000	221,289	(53,711)
Other	<u>249,000</u>	<u>257,219</u>	<u>8,219</u>
<b>Total Revenues</b>	<b><u>\$1,574,080</u></b>	<b><u>\$1,591,803</u></b>	<b><u>\$17,723</u></b>
Expenditures:			
Current:			
General Government			
Legislative and Executive Council			
Personal Services	7,355	7,117	238
Supplies & Materials	500	265	235
Travel Transportation	<u>1,500</u>	<u>56</u>	<u>1,444</u>
<b>Total Council</b>	<b><u>9,355</u></b>	<b><u>7,438</u></b>	<b><u>1,917</u></b>
Mayor			
Personal Services	1,045	1,022	23
Supplies & Materials	50	43	7
Travel Transportation	<u>1,000</u>	<u>76</u>	<u>924</u>
<b>Total Mayor</b>	<b><u>2,095</u></b>	<b><u>1,141</u></b>	<b><u>0</u></b>
Clerk of Council			
Personal Services	10,695	8,670	2,025
Contractual Services	8,487	6,544	1,943
Supplies & Materials	800	379	421
Capital Outlay	<u>3,000</u>	<u>0</u>	<u>3,000</u>
<b>Total Clerk of Council</b>	<b><u>22,982</u></b>	<b><u>15,593</u></b>	<b><u>7,389</u></b>

continued

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - (Budget Basis)  
 General Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
<b>City Manager</b>			
Personal Services	136,110	132,256	3,854
Contractual Services	3,738	3,036	702
Supplies & Materials	3,255	2,506	749
Travel Transportation	7,000	4,187	2,813
Capital Outlay	<u>2,068</u>	<u>2,068</u>	<u>0</u>
<b>Total City Manager</b>	<b><u>152,171</u></b>	<b><u>144,053</u></b>	<b><u>8,118</u></b>
<b>Finance</b>			
Personal Services	191,705	186,790	4,915
Contractual Services	43,187	36,152	7,035
Supplies & Materials	24,700	23,372	1,328
Travel Transportation	5,700	4,660	1,040
Capital Outlay	<u>4,500</u>	<u>4,420</u>	<u>80</u>
<b>Total Finance</b>	<b><u>269,792</u></b>	<b><u>255,394</u></b>	<b><u>14,398</u></b>
<b>Director of Law</b>			
Personal Services	27,095	26,435	660
Contractual Services	76,697	75,640	1,057
Supplies & Materials	150	0	150
Travel Transportation	<u>2,500</u>	<u>1,155</u>	<u>1,345</u>
<b>Total Director of Law</b>	<b><u>106,442</u></b>	<b><u>103,230</u></b>	<b><u>3,212</u></b>
<b>Public Service</b>			
Contractual Services	78,856	62,150	16,706
Supplies & Materials	<u>9,250</u>	<u>1,750</u>	<u>7,500</u>
<b>Total Public Service</b>	<b><u>88,106</u></b>	<b><u>63,900</u></b>	<b><u>24,206</u></b>
<b>Miscellaneous Executive</b>			
Personal Services	40,600	37,645	2,955
Contractual Services	213,200	43,121	170,079
Travel Transportation	<u>5,000</u>	<u>4,411</u>	<u>589</u>
<b>Total Miscellaneous Executive</b>	<b><u>258,800</u></b>	<b><u>85,177</u></b>	<b><u>173,623</u></b>

continued

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - (Budget Basis)  
 General Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Municipal Building	86,725	67,361	19,364
Contractual Services	2,593	2,313	280
Supplies & Materials			
Total Municipal Building	<u>89,318</u>	<u>69,674</u>	<u>19,644</u>
 Total General Government - Legislative and Executive	 <u>999,061</u>	 <u>745,600</u>	 <u>253,461</u>
 Transportation			
City Garage	23,234	16,958	6,276
Contractual Services	16,564	12,602	3,962
Supplies & Materials	30	30	0
Travel Transportation	10,000	4,555	5,445
Capital Outlay			
Total City Garage	<u>49,828</u>	<u>34,145</u>	<u>15,683</u>
Total Transportation	<u>49,828</u>	<u>34,145</u>	<u>15,683</u>
 Security of Persons and Property			
Police Department	1,093,400	1,060,531	32,869
Personal Services	83,161	69,720	13,441
Contractual Services	56,132	45,999	10,133
Supplies & Materials	13,700	8,050	5,650
Travel Transportation	135,405	129,287	6,118
Capital Outlay			
Total Police Department	<u>1,381,798</u>	<u>1,313,587</u>	<u>68,211</u>
Fire Department	206,545	203,755	2,790
Personal Services	53,334	36,136	17,198
Contractual Services	27,393	22,529	4,864
Supplies & Materials	7,400	3,206	4,194
Travel Transportation	17,131	13,397	3,734
Capital Outlay			
Total Fire Department	<u>311,803</u>	<u>279,023</u>	<u>32,780</u>

continued

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - (Budget Basis)  
 General Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Rescue Department			
Personal Services	217,945	198,682	19,263
Contractual Services	25,641	12,125	13,516
Supplies & Materials	18,495	11,654	6,841
Travel Transportation	10,000	3,701	6,299
Capital Outlay	<u>14,788</u>	<u>13,060</u>	<u>1,728</u>
Total Rescue Department	<u>286,869</u>	<u>239,222</u>	<u>47,647</u>
Total Security of Persons and Property	<u>1,980,470</u>	<u>1,831,832</u>	<u>148,638</u>
Public Health and Welfare			
Cemetery and Mausoleum			
Personal Services	21,410	19,944	1,466
Contractual Services	5,130	1,396	3,734
Supplies & Materials	5,548	1,916	3,632
Capital Outlay	<u>6,928</u>	<u>6,928</u>	<u>0</u>
Total Cemetery and Mausoleum	<u>39,016</u>	<u>30,184</u>	<u>8,832</u>
Total Public Health and Welfare	<u>39,016</u>	<u>30,184</u>	<u>8,832</u>
Community Environment			
City Development Commission			
Contractual Services	3,000	0	3,000
Supplies & Materials	200	0	200
Travel Transportation	<u>0</u>	<u>0</u>	<u>0</u>
Total City Development Commission	<u>3,200</u>	<u>0</u>	<u>3,200</u>
Engineering			
Personal Services	113,995	111,154	2,841
Contractual Services	41,060	11,330	29,730
Supplies & Materials	4,699	3,273	1,426
Travel Transportation	1,600	9	1,591
Capital Outlay	<u>4,500</u>	<u>4,263</u>	<u>237</u>
Total Engineering	<u>165,854</u>	<u>130,029</u>	<u>35,825</u>

continued

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - (Budget Basis)  
 General Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Building and Zoning Inspector			
Personal Services	54,300	52,241	2,059
Contractual Services	1,800	195	1,605
Supplies & Materials	2,600	1,039	1,561
Travel Transportation	0	0	0
Capital Outlay	1,500	1,379	121
Total Building and Zoning Inspector	<u>60,200</u>	<u>54,854</u>	<u>5,346</u>
Total Community Environment	<u>229,254</u>	<u>184,883</u>	<u>44,371</u>
Total Expenditures	<u>3,297,629</u>	<u>2,826,644</u>	<u>470,985</u>
Excess (Deficiency) of Revenues and Over (Under) Expenditures	<u>(1,723,549)</u>	<u>(1,234,841)</u>	<u>488,708</u>
Other Financing Sources (Uses):			
Operating Transfers - In	<u>1,028,000</u>	<u>1,028,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>1,028,000</u>	<u>1,028,000</u>	<u>0</u>
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(695,549)</u>	<u>(206,841)</u>	<u>488,708</u>
Fund Balance (Deficit) at Beginning of Year	767,662	767,662	0
Prior Year Encumbrances Appropriated	<u>68,162</u>	<u>68,162</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$140,275</u>	<u>\$628,983</u>	<u>\$488,708</u>

*This page has been left blank intentionally.*

## SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for revenues from specific sources which legally are restricted to expenditures for specified purposes. A description of the City's Special Revenue Funds follows:

**Income Tax Operation** - this fund accounts for revenues collected from the City's income tax. The income tax department expenses are paid out of this fund. Income tax supports many operations in the City. The transfers vary based upon each year, and therefore is maintained as a separate fund.

**Street Construction, Maintenance and Repair** - this fund is used to account for 92.5% of the City's share of gasoline taxes and motor vehicle license fees as required by state statute.

**State Highway Improvement** - this fund is used to account for the remaining 7.5% of the City's share of gasoline taxes and motor vehicle license fees as required by state statute.

**Park and Recreation** - this fund accounts for revenues from swimming pool user fees, property taxes collected designated for parks and recreation purposes and transfers from the income tax fund.

**Airport** - this fund accounts for activities related to the maintenance of the local airport. The City owns the runway and certain other land but does not control the airport.

**Police and Fire Pension** - this fund accounts for property taxes levied for current and accrued pension liabilities due the respective state-administered pension fund. The property tax rate is set by Ohio law at the rate of 0.30 mills per fund.

**Community Development Block Grant** - this fund accounts for monies repaid by participants in the Community/Economic Development Grant.

**Issue 2 Fund** - this fund accounts for monies received through the State of Ohio Issue 2 Grant and Loan Program administered by the Ohio Department of Development.

**Community Development Block Grant- County** - this fund accounts for monies received for capital projects utilizing the City's sub-recipient CDBG Grant through Huron County.

**Natureworks Grant** - this fund accounts for monies received through the Issue 1 Natureworks Program administered by the Ohio Department of Natural Resources.

**DUI Education Fund** - this fund accounts for monies collected from fines to support DUI education programs and can only be expended for such.

**Municipal Road Permissive Tax** - this fund accounts for the five dollar County enacted permissive tax to be used for street construction and repair purposes. The monies are actually held by the County and distributed after the City has incurred an approved expenditure.

**Street Registration City Levy** - this fund accounts for the five dollar City enacted permissive tax to be used for street construction and repair purposes. Monies will be received from the County upon collection unlike the other permissive tax fund.

**Beautification Commission** - this fund accounts expenditures made for the beautification of the City. City income taxes finance these activities.

**Asset Restitution** - this fund accounts for monies seized in drug related crimes. The revenue is used for the prevention of drug activities.

City of Willard, Ohio  
 Combining Balance Sheet  
 Special Revenue Funds

December 31, 1999

	Income Tax	Street Construction M & R	State Highway Improvement	Recreation	Airport	Police/Fire Pension	CDBG/UDAG
<b>Assets and Other Debits:</b>							
<b>Assets:</b>							
Equity in Pooled Cash	\$9,798	\$31,189	\$3,783	\$52,336	\$10,011	\$3,345	\$4,259
Cash & Equivalents in Segregated Accts.	100	0	0	0	0	0	0
Taxes Receivable	1,000,204	0	0	122,192	0	36,656	0
Accounts Receivable	0	6,116	467	0	1,675	0	15,000
Due from Other Governments	0	0	0	0	0	0	0
Material & Supplies Inventory	0	75,332	0	0	0	0	0
Investments	<u>72,583</u>	<u>228,718</u>	<u>27,739</u>	<u>383,797</u>	<u>73,414</u>	<u>24,535</u>	<u>31,230</u>
<b>Total Assets</b>	<b><u>\$1,082,685</u></b>	<b><u>\$341,355</u></b>	<b><u>\$31,989</u></b>	<b><u>\$558,325</u></b>	<b><u>\$85,100</u></b>	<b><u>\$64,536</u></b>	<b><u>\$50,489</u></b>
<b>Liabilities, Equity and Other Credits:</b>							
<b>Liabilities:</b>							
Accounts Payable	\$4,829	\$4,820	\$0	\$972	\$1,397	\$0	\$0
Accrued Wages & Benefits	3,084	14,904	0	4,565	0	0	0
Deferred Revenue	0	0	0	122,192	0	36,656	0
<b>Total Liabilities</b>	<b><u>7,913</u></b>	<b><u>19,724</u></b>	<b><u>0</u></b>	<b><u>127,729</u></b>	<b><u>1,397</u></b>	<b><u>36,656</u></b>	<b><u>0</u></b>
<b>Fund Equity and Other Credits:</b>							
<b>Fund Balance:</b>							
Reserved for Encumbrances	500	85,074	0	2,843	2,545	0	0
Reserved for Inventory	0	75,332	0	0	0	0	0
<b>Unreserved:</b>							
Undesignated Fund Balance	<u>1,074,272</u>	<u>161,225</u>	<u>31,989</u>	<u>427,753</u>	<u>81,158</u>	<u>27,880</u>	<u>50,489</u>
<b>Total Fund Equity and Other Credits</b>	<b><u>1,074,772</u></b>	<b><u>321,631</u></b>	<b><u>31,989</u></b>	<b><u>430,596</u></b>	<b><u>83,703</u></b>	<b><u>27,880</u></b>	<b><u>50,489</u></b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b><u>\$1,082,685</u></b>	<b><u>\$341,355</u></b>	<b><u>\$31,989</u></b>	<b><u>\$558,325</u></b>	<b><u>\$85,100</u></b>	<b><u>\$64,536</u></b>	<b><u>\$50,489</u></b>

City of Willard, Ohio  
 Combining Balance Sheet  
 Special Revenue Funds

December 31, 1999

Issue 2	CDBG County	Natureworks	DUI Education	Municipal Perm. Tax	Auto Reg. City Levy	Tree Commission	Police Restitution	Totals
\$3,837	\$0	\$577	\$364	\$2,171	\$6,446	\$223	\$493	\$128,832
0	0	0	0	0	0	0	0	100
0	0	0	0	0	0	0	0	1,159,052
0	0	0	161	0	0	0	0	23,419
0	0	0	0	2,046	0	0	0	2,046
0	0	0	0	0	0	0	0	75,332
<u>28,135</u>	<u>0</u>	<u>4,235</u>	<u>2,667</u>	<u>15,925</u>	<u>47,273</u>	<u>1,638</u>	<u>3,615</u>	<u>945,504</u>
<u>\$31,972</u>	<u>\$0</u>	<u>\$4,812</u>	<u>\$3,192</u>	<u>\$20,142</u>	<u>\$53,719</u>	<u>\$1,881</u>	<u>\$4,108</u>	<u>\$2,334,285</u>
0	0	0	0	0	0	0	0	\$12,018
0	0	0	0	0	0	0	0	22,553
0	0	0	0	0	0	0	0	158,848
0	0	0	0	0	0	0	0	193,419
0	0	0	0	0	0	0	0	90,962
0	0	0	0	0	0	0	0	75,332
<u>31,972</u>	<u>0</u>	<u>4,812</u>	<u>3,192</u>	<u>20,142</u>	<u>53,719</u>	<u>1,861</u>	<u>4,108</u>	<u>1,974,572</u>
<u>31,972</u>	<u>0</u>	<u>4,812</u>	<u>3,192</u>	<u>20,142</u>	<u>53,719</u>	<u>1,881</u>	<u>4,108</u>	<u>2,140,866</u>
<u>\$31,972</u>	<u>\$0</u>	<u>\$4,812</u>	<u>\$3,192</u>	<u>\$20,142</u>	<u>\$53,719</u>	<u>\$1,861</u>	<u>\$4,108</u>	<u>\$2,334,285</u>

City of Willard, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Special Revenue Funds

For the Year Ended December 31, 1999

	Income Tax	Street Construction M & R	State Highway Improvement	Recreation	Airport	Police/Fire Pension	CDBG	Issue 2	CDBG County
<b>Revenues:</b>									
Local Taxes	\$4,139,795	\$0	\$0	\$75,690	\$0	\$29,334	\$0	\$0	\$0
Intergovernmental Revenues	0	151,439	12,264	4,322	0	2,165	0	93,720	71,418
Charges for Service	0	0	0	82,233	20,214	0	0	0	0
Permits and Licenses	0	0	0	0	0	0	0	0	0
Fines	0	0	0	0	0	0	0	0	0
Special Assessments	0	0	0	0	0	0	0	0	0
Investment Income	0	9,423	1,217	0	0	0	0	0	0
Other	0	4,462	0	423	0	0	0	0	0
<b>Total Revenues</b>	<b>4,139,795</b>	<b>165,344</b>	<b>13,481</b>	<b>162,668</b>	<b>20,214</b>	<b>31,499</b>	<b>0</b>	<b>93,720</b>	<b>71,418</b>
<b>Expenditures:</b>									
Security of Persons and Property	0	0	0	0	0	510	0	0	0
Public Health Services	0	0	0	0	0	0	0	0	0
Community Environment	0	0	0	0	0	0	0	0	0
Transportation	0	450,570	10,985	0	48,381	0	0	0	0
General Government	170,398	0	0	0	0	0	0	0	0
Leisure Time Activities	0	0	0	303,169	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0	0	301,149	71,418
Principal Retirement	0	0	0	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>170,398</b>	<b>450,570</b>	<b>10,985</b>	<b>303,169</b>	<b>48,381</b>	<b>510</b>	<b>0</b>	<b>301,149</b>	<b>71,418</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>3,969,397</b>	<b>(285,226)</b>	<b>2,496</b>	<b>(140,501)</b>	<b>(28,167)</b>	<b>30,989</b>	<b>0</b>	<b>(207,429)</b>	<b>0</b>
<b>Other Financing Sources (Uses)</b>									
Proceeds from Notes	0	0	0	0	0	0	0	140,830	0
Operating Transfers - In	0	350,000	0	280,000	36,000	0	0	0	0
Operating Transfers - Out	(4,059,744)	0	0	0	0	(28,000)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(4,059,744)</b>	<b>350,000</b>	<b>0</b>	<b>280,000</b>	<b>36,000</b>	<b>(28,000)</b>	<b>0</b>	<b>140,830</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(90,347)</b>	<b>64,774</b>	<b>2,496</b>	<b>139,499</b>	<b>7,833</b>	<b>2,989</b>	<b>0</b>	<b>(66,799)</b>	<b>0</b>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<b>1,165,119</b>	<b>233,336</b>	<b>29,492</b>	<b>291,095</b>	<b>75,870</b>	<b>24,891</b>	<b>50,489</b>	<b>98,771</b>	<b>0</b>
<b>Increase (Decrease) in Reserve for Inventory</b>	<b>0</b>	<b>23,524</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances (Deficits) at End of Year</b>	<b>\$1,074,772</b>	<b>\$221,634</b>	<b>\$21,988</b>	<b>\$430,594</b>	<b>\$83,703</b>	<b>\$27,880</b>	<b>\$50,489</b>	<b>\$31,972</b>	<b>\$0</b>

City of Willard, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Special Revenue Funds

For the Year Ended December 31, 1999

Natureworks	DUI Education	Municipal Perm. Tax	Auto Reg. City Levy	Tree Commission	Police Restitution	Totals
\$0	\$0	\$0	\$0	\$0	\$0	\$4,244,819
80,150	0	28,903	29,357	0	0	451,738
0	0	0	0	0	0	102,447
0	1,732	0	0	0	0	1,732
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	10,640
19,550	0	0	0	0	0	24,455
79,700	1,732	28,903	29,357	0	0	4,835,831
0	1,800	0	0	0	0	2,310
0	0	0	0	0	0	0
0	0	0	0	19,793	0	19,793
0	0	50,000	0	0	0	559,936
0	0	0	0	0	0	170,398
0	0	0	0	0	0	303,169
80,200	0	0	0	0	0	452,767
0	0	0	0	0	0	0
0	0	0	0	0	0	0
80,200	1,800	50,000	0	19,793	0	1,508,373
(500)	(68)	(23,097)	29,357	(19,793)	0	3,327,458
0	0	0	0	0	0	140,630
0	0	0	0	8,000	0	674,000
0	0	0	0	0	0	(4,087,744)
0	0	0	0	8,000	0	(3,273,114)
(500)	(68)	(23,097)	29,357	(11,793)	0	54,344
5,312	3,280	43,239	24,362	13,654	4,108	2,062,998
0	0	0	0	0	0	23,524
<u>\$4,812</u>	<u>\$3,192</u>	<u>\$20,142</u>	<u>\$53,719</u>	<u>\$1,801</u>	<u>\$4,108</u>	<u>\$2,140,868</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - (Budget Basis)  
 Income Tax Operation Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
<b>Revenues:</b>			
Local Taxes	4,000,000	4,093,233	93,233
Other	0	0	0
<b>Total Revenues</b>	<b>\$4,000,000</b>	<b>\$4,093,233</b>	<b>\$93,233</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>General Government</b>			
<b>Legislative and Executive</b>			
Personal Services	67,835	66,515	1,320
Contractual Services	96,417	85,553	10,864
Supplies & Materials	8,106	6,479	1,627
Travel Transportation	1,400	110	1,290
Capital Outlay	14,000	14,000	0
<b>Total Income Tax Operation</b>	<b>187,758</b>	<b>172,657</b>	<b>15,101</b>
<b>Total General Government</b>	<b>187,758</b>	<b>172,657</b>	<b>15,101</b>
<b>Total Expenditures</b>	<b>187,758</b>	<b>172,657</b>	<b>15,101</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>3,812,242</b>	<b>3,920,576</b>	<b>108,334</b>
<b>Other Financing Sources (Uses)</b>			
Operating Transfers - Out	(3,967,890)	(4,059,744)	(91,854)
<b>Total Other Financing Sources (Uses)</b>	<b>(3,967,890)</b>	<b>(4,059,744)</b>	<b>(91,854)</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(155,648)</b>	<b>(139,168)</b>	<b>16,480</b>
<b>Fund Balance (Deficit) at</b>			
Beginning of Year	214,783	214,783	0
Prior Year			
Encumbrances Appropriated	1,550	1,550	0
<b>Fund Balances (Deficits) at End of Year</b>	<b>\$60,685</b>	<b>\$77,165</b>	<b>\$16,480</b>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Street Maintenance and Repair Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
<b>Revenues:</b>			
Intergovernmental Revenues	150,000	158,694	8,694
Charges for Services	1,500	0	(1,500)
Investment Income	5,000	9,423	4,423
Other	<u>2,000</u>	<u>4,124</u>	<u>2,124</u>
<b>Total Revenues</b>	<b>\$158,500</b>	<b>\$172,241</b>	<b>\$13,741</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Transportation</b>			
Street Maintenance & Repair			
Personal Services	241,946	220,568	21,378
Contractual Services	59,111	31,707	27,404
Supplies & Materials	175,622	153,983	21,639
Travel Transportation	2,700	879	2,021
Capital Outlay	<u>157,800</u>	<u>132,028</u>	<u>25,772</u>
<b>Total Street Maintenance &amp; Repair</b>	<b><u>637,179</u></b>	<b><u>538,965</u></b>	<b><u>98,214</u></b>
<b>Total Transportation</b>	<b><u>637,179</u></b>	<b><u>538,965</u></b>	<b><u>98,214</u></b>
<b>Total Expenditures</b>	<b><u>637,179</u></b>	<b><u>538,965</u></b>	<b><u>98,214</u></b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b><u>(478,679)</u></b>	<b><u>(366,724)</u></b>	<b><u>111,955</u></b>
<b>Other Financing Sources (Uses)</b>			
Operating Transfers - In	<u>350,000</u>	<u>350,000</u>	0
<b>Total Other Financing Sources (Uses)</b>	<b><u>350,000</u></b>	<b><u>350,000</u></b>	<b><u>0</u></b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b><u>(128,679)</u></b>	<b><u>(16,724)</u></b>	<b><u>111,955</u></b>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<b>171,386</b>	<b>171,386</b>	<b>0</b>
<b>Prior Year</b>			
Encumbrances Appropriated	<u>15,378</u>	<u>15,378</u>	<u>0</u>
<b>Fund Balances (Deficits) at End of Year</b>	<b><u>\$58,085</u></b>	<b><u>\$170,040</u></b>	<b><u>\$111,955</u></b>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 State Highway Improvement Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Revenues:			
Intergovernmental Revenues	13,000	12,867	(133)
Investment Income	<u>1,000</u>	<u>1,217</u>	<u>217</u>
Total Revenues	\$14,000	\$14,084	\$84
Expenditures:			
Current:			
Transportation			
State Highway Improvement			
Contractual Services	5,000	0	5,000
Supplies & Materials	<u>19,689</u>	<u>10,985</u>	<u>8,704</u>
Total State Highway Improvement	<u>24,689</u>	<u>10,985</u>	<u>13,704</u>
Total Transportation	<u>24,689</u>	<u>10,985</u>	<u>13,704</u>
Total Expenditures	<u>24,689</u>	<u>10,985</u>	<u>13,704</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,689)</u>	<u>3,099</u>	<u>13,788</u>
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(10,689)</u>	<u>3,099</u>	<u>13,788</u>
Fund Balance (Deficit) at Beginning of Year	28,222	28,222	0
Prior Year Encumbrances Appropriated	<u>200</u>	<u>200</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$17,733</u>	<u>\$31,521</u>	<u>\$13,788</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Recreation Fund  
 For the Year Ended December 31, 1999

	Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Revenues:</b>			
Local Taxes	87,025	75,690	(11,335)
Intergovernmental Revenues	4,200	4,322	122
Charges for Services	66,600	82,233	15,633
Other	<u>500</u>	<u>423</u>	<u>(77)</u>
<b>Total Revenues</b>	<b>\$158,325</b>	<b>\$162,668</b>	<b>\$4,343</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Leisure Time Activities</b>			
<b>Recreation</b>			
Personal Services	157,840	144,109	13,731
Contractual Services	91,278	74,509	16,769
Supplies & Materials	38,202	30,014	8,188
Travel Transportation	3,033	1,410	1,623
Capital Outlay	<u>315,587</u>	<u>64,496</u>	<u>251,091</u>
<b>Total Recreation</b>	<b><u>605,940</u></b>	<b><u>314,538</u></b>	<b><u>291,402</u></b>
<b>Total Leisure Time Activities</b>	<b><u>605,940</u></b>	<b><u>314,538</u></b>	<b><u>291,402</u></b>
<b>Total Expenditures</b>	<b><u>605,940</u></b>	<b><u>314,538</u></b>	<b><u>291,402</u></b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b><u>(447,615)</u></b>	<b><u>(151,870)</u></b>	<b><u>295,745</u></b>
<b>Other Financing Sources (Uses)</b>			
Operating Transfers - In	<u>280,000</u>	<u>280,000</u>	<u>0</u>
<b>Total Other Financing Sources (Uses)</b>	<b><u>280,000</u></b>	<b><u>280,000</u></b>	<b><u>0</u></b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b><u>(167,615)</u></b>	<b><u>128,130</u></b>	<b><u>295,745</u></b>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<b><u>295,121</u></b>	<b><u>295,121</u></b>	<b><u>0</u></b>
<b>Prior Year Encumbrances Appropriated</b>	<b><u>9,234</u></b>	<b><u>9,234</u></b>	<b><u>0</u></b>
<b>Fund Balances (Deficits) at End of Year</b>	<b><u>\$136,740</u></b>	<b><u>\$432,485</u></b>	<b><u>\$295,745</u></b>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Airport Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Charges for Services	<u>20,000</u>	<u>15,582</u>	<u>(4,418)</u>
Total Revenues	\$20,000	\$15,582	(\$4,418)
Expenditures:			
Current:			
Transportation			
Airport			
Contractual Services	37,200	26,321	10,879
Supplies & Materials	25,733	14,592	11,141
Capital Outlay	<u>9,950</u>	<u>9,950</u>	<u>0</u>
Total Airport	<u>72,883</u>	<u>50,863</u>	<u>22,020</u>
Total Transportation	<u>72,883</u>	<u>50,863</u>	<u>22,020</u>
Total Expenditures	<u>72,883</u>	<u>50,863</u>	<u>22,020</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(52,883)</u>	<u>(35,281)</u>	<u>17,602</u>
Other Financing Sources (Uses)			
Operating Transfers - In	<u>36,000</u>	<u>36,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>36,000</u>	<u>36,000</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(16,883)	719	17,602
Fund Balance (Deficit) at Beginning of Year	64,719	64,719	0
Prior Year Encumbrances Appropriated	<u>14,045</u>	<u>14,045</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$61,881</u>	<u>\$79,483</u>	<u>\$17,602</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Police and Fire Pension Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Local Taxes	31,395	29,334	(2,061)
Intergovernmental Revenues	<u>1,900</u>	<u>2,165</u>	<u>265</u>
Total Revenues	\$33,295	\$31,499	(\$1,796)
Expenditures:			
Current:			
Security of Persons and Property			
Police & Fire Pension			
Contractual Services	800	510	290
Total Police & Fire Pension	<u>800</u>	<u>510</u>	<u>290</u>
Total Security of Persons & Property	<u>800</u>	<u>510</u>	<u>290</u>
Total Expenditures	<u>800</u>	<u>510</u>	<u>290</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>32,495</u>	<u>30,989</u>	<u>(1,506)</u>
Other Financing Sources (Uses)			
Operating Transfers - Out	<u>(28,000)</u>	<u>(28,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(28,000)</u>	<u>(28,000)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	4,495	2,989	(1,506)
Fund Balance (Deficit) at Beginning of Year	24,890	24,890	0
Prior Year			
Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$29,385</u>	<u>\$27,879</u>	<u>(\$1,506)</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Community Development Block Grant Fund  
 For the Year Ended December 31, 1999

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
Other	3,000	3,000	0
Total Revenues	\$3,000	\$3,000	\$0
Expenditures:			
Current:			
General Government			
Legislative and Executive			
CDBG	0	0	0
Total Legislative & Executive	0	0	0
Total General Government	0	0	0
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,000	3,000	0
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	3,000	3,000	0
Fund Balance (Deficit) at Beginning of Year	32,489	32,489	0
Prior Year			
Encumbrances Appropriated	0	0	0
Fund Balances (Deficits) at End of Year	\$35,489	\$35,489	\$0

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Issue 2 Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Intergovernmental Revenues	<u>0</u>	<u>93,720</u>	<u>93,720</u>
Total Revenues	\$0	\$93,720	\$93,720
Expenditures:			
Current:			
Capital Outlay			
Issue 2 Fund			
Capital Outlay	<u>349,624</u>	<u>301,149</u>	<u>48,475</u>
Total Issue 2	<u>349,624</u>	<u>301,149</u>	<u>48,475</u>
Total Capital Outlay	<u>349,624</u>	<u>301,149</u>	<u>48,475</u>
Total Expenditures	<u>349,624</u>	<u>301,149</u>	<u>48,475</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(349,624)</u>	<u>(207,429)</u>	<u>142,195</u>
Other Financing Sources (Uses)			
Proceeds from Notes	188,000	140,630	(47,370)
Operating Transfers - In	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>188,000</u>	<u>140,630</u>	<u>(47,370)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(161,624)</u>	<u>(66,799)</u>	<u>94,825</u>
Fund Balance (Deficit) at Beginning of Year	2,147	2,147	0
Prior Year			
Encumbrances Appropriated	<u>96,624</u>	<u>96,624</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>(\$62,853)</u>	<u>\$31,972</u>	<u>\$94,825</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Community Development Block Grant Fund (CDBG) - County  
 For the Year Ended December 31, 1999

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
Intergovernmental Revenues	74,000	71,418	(2,582)
Total Revenues	\$74,000	\$71,418	(\$2,582)
Expenditures:			
Current:			
Capital Outlay			
CDBG-County			
Capital Outlay	74,000	71,418	2,582
Total CDBG - County	74,000	71,418	2,582
Total Capital Outlay	74,000	71,418	2,582
Total Expenditures	74,000	71,418	2,582
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Other Financing Sources (Uses)			
Proceeds from Notes	0	0	0
Operating Transfers - In	0	0	0
Total Other Financing Sources (Uses)	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance (Deficit) at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	0	0	0
Fund Balances (Deficits) at End of Year	\$0	\$0	\$0

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Natureworks Grant Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Intergovernmental Revenues	85,000	60,150	(24,850)
Other	<u>0</u>	<u>19,550</u>	<u>19,550</u>
Total Revenues	\$85,000	\$79,700	(\$5,300)
Expenditures:			
Current:			
Capital Outlay			
Natureworks Grant			
Capital Outlay	<u>87,000</u>	<u>80,200</u>	<u>6,800</u>
Total Natureworks Grant	<u>87,000</u>	<u>80,200</u>	<u>6,800</u>
Total Capital Outlay	<u>87,000</u>	<u>80,200</u>	<u>6,800</u>
Total Expenditures	<u>87,000</u>	<u>80,200</u>	<u>6,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,000)</u>	<u>(500)</u>	<u>1,500</u>
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(2,000)</u>	<u>(500)</u>	<u>1,500</u>
Fund Balance (Deficit) at Beginning of Year	3,312	3,312	0
Prior Year Encumbrances Appropriated	<u>2,000</u>	<u>2,000</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$3,312</u>	<u>\$4,812</u>	<u>\$1,500</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 DUI Education Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Revenues:			
Fines	<u>1,600</u>	<u>1,718</u>	<u>118</u>
Total Revenues	<u>\$1,600</u>	<u>\$1,718</u>	<u>\$118</u>
Expenditures:			
Current:			
Security of Persons and Property			
DUI Education			
Supplies & Materials	200	0	200
Capital Outlay	<u>1,800</u>	<u>1,800</u>	<u>0</u>
Total DUI Education	<u>2,000</u>	<u>1,800</u>	<u>200</u>
Total Security of Persons & Property	<u>2,000</u>	<u>1,800</u>	<u>200</u>
Total Expenditures	<u>2,000</u>	<u>1,800</u>	<u>200</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(400)</u>	<u>(82)</u>	<u>318</u>
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(400)</u>	<u>(82)</u>	<u>318</u>
Fund Balance (Deficit) at Beginning of Year	3,114	3,114	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$2,714</u>	<u>\$3,032</u>	<u>\$318</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Municipal Road Permissive Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Intergovernmental Revenues	<u>25,000</u>	<u>26,954</u>	<u>1,954</u>
Total Revenues	<u>\$25,000</u>	<u>\$26,954</u>	<u>\$1,954</u>
Expenditures:			
Current:			
Transportation			
Municipal Road Perm. Tax			
Capital Outlay	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Municipal Road Perm. Tax	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Transportation	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(25,000)</u>	<u>(23,046)</u>	<u>1,954</u>
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(25,000)</u>	<u>(23,046)</u>	<u>1,954</u>
Fund Balance (Deficit) at Beginning of Year	<u>41,141</u>	<u>41,141</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$16,141</u>	<u>\$18,095</u>	<u>\$1,954</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Auto Registration City Levy Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Intergovernmental Revenues	<u>31,000</u>	<u>29,357</u>	<u>(1,643)</u>
Total Revenues	<u>\$31,000</u>	<u>\$29,357</u>	<u>(\$1,643)</u>
Expenditures:			
Current:			
Transportation			
Auto Registration City Levy			
Capital Outlay	<u>50,000</u>	<u>0</u>	<u>50,000</u>
Total Auto Registration City Levy	<u>50,000</u>	<u>0</u>	<u>50,000</u>
Total Transportation	<u>50,000</u>	<u>0</u>	<u>50,000</u>
Total Expenditures	<u>50,000</u>	<u>0</u>	<u>50,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(19,000)</u>	<u>29,357</u>	<u>48,357</u>
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(19,000)</u>	<u>29,357</u>	<u>48,357</u>
Fund Balance (Deficit) at Beginning of Year	<u>24,361</u>	<u>24,361</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$5,361</u>	<u>\$53,718</u>	<u>\$48,357</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Tree Commission Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Community Environment			
Tree Commission			
Contractual Services	19,325	19,325	0
Supplies & Materials	800	277	523
Travel Transportation	750	191	559
Total Tree Commission	<u>20,875</u>	<u>19,793</u>	<u>1,082</u>
Total Community Environment	<u>20,875</u>	<u>19,793</u>	<u>1,082</u>
Total Expenditures	<u>20,875</u>	<u>19,793</u>	<u>1,082</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(20,875)</u>	<u>(19,793)</u>	<u>1,082</u>
Other Financing Sources (Uses)			
Operating Transfers - In	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(12,875)</u>	<u>(11,793)</u>	<u>1,082</u>
Fund Balance (Deficit) at Beginning of Year	5,669	5,669	0
Prior Year Encumbrances Appropriated	<u>7,985</u>	<u>7,985</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$779</u>	<u>\$1,861</u>	<u>\$1,082</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Police Restitution Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Revenues:			
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Transportation			
Security of Persons and Property			
Police Restitution	<u>0</u>	<u>0</u>	<u>0</u>
Total Police Restitution	<u>0</u>	<u>0</u>	<u>0</u>
Total Security of Persons and Property	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Deficit) at Beginning of Year	4,108	4,108	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$4,108</u>	<u>\$4,108</u>	<u>\$0</u>

## DEBT SERVICE FUNDS

These funds are established to account for the accumulation of resources for, and the payment of general long-term debt principal and interest.

**Note Retirement** - this fund accounts for the payment of long-term general obligation note and bond debt. The City is obligated by the full faith, taxes and credit on this debt.

**Special Assessment Bond Retirement** - this fund accounts for the accumulation of special assessment revenues collected by the county treasurer and remitted to the City by the County Auditor for payment of special assessment bonds and coupons. Bonds were sold to finance construction of storm sewers and street improvement that were deemed to benefit only those in the immediate area. The City is obligated by the full faith, taxes and credit on this debt.

City of Willard, Ohio  
 Combining Balance Sheet  
 Debt Service Funds

December 31, 1999

	Note Retirement	Spec. Assess. Bond Retirement	Total
<b>Assets:</b>			
Equity in Pooled Cash	\$13,368	\$3,345	\$16,713
Receivables:			
Special Assessments	0	287,634	287,634
Investments	<u>98,030</u>	<u>24,535</u>	<u>122,565</u>
<b>Total Assets</b>	<u>\$111,398</u>	<u>\$315,514</u>	<u>\$426,912</u>
<b>Liabilities, Equity and Other Credits</b>			
<b>Liabilities:</b>			
Accounts Payable	\$0	\$0	\$0
Deferred Revenue	0	<u>287,634</u>	<u>287,634</u>
<b>Total Liabilities</b>	<u>0</u>	<u>287,634</u>	<u>287,634</u>
<b>Fund Equity and Other Credits:</b>			
Fund Balance:			
Reserve for Debt Service	111,398	27,880	139,278
Unreserved:	0	0	0
<b>Total Fund Equity and Other Credits</b>	<u>111,398</u>	<u>27,880</u>	<u>139,278</u>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<u>\$111,398</u>	<u>\$315,514</u>	<u>\$426,912</u>

City of Willard, Ohio  
 Combining Statement of Revenues, Expenditures and Fund Balance  
 Debt Service Funds

For the Year Ended December 31, 1999

	Note Retirement	Spec. Assess. Bond Retirement	Total
Revenues:			
Special Assessments	\$0	\$10,377	\$10,377
Total Revenues	0	10,377	10,377
Expenditures:			
Current:			
Debt Service:			
Principal Retirement	160,000	8,995	168,995
Interest Expense	34,720	2,320	37,040
Fiscal Charges	0	230	230
Total Expenditures	194,720	11,545	206,265
Excess (Deficiency) of Revenues Over (Under) Expenditures	(194,720)	(1,168)	(195,888)
Other Financing Sources (Uses):			
Operating Transfers - In	200,000	0	200,000
Total Other Financing Sources (Uses)	200,000	0	200,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	5,280	(1,168)	4,112
Fund Balance (Deficit) at Beginning of Year	106,118	29,048	135,166
Fund Balances (Deficits) at End of Year	\$111,398	\$27,880	\$139,278

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Note Retirement Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures:			
Current:			
Debt Service			
Note Retirement			
Principal Retirement	<u>160,000</u>	<u>160,000</u>	<u>0</u>
Interest and Fiscal Charges	<u>35,720</u>	<u>34,720</u>	<u>1,000</u>
Total Note Retirement	<u>195,720</u>	<u>194,720</u>	<u>1,000</u>
Total Debt Retirement	<u>195,720</u>	<u>194,720</u>	<u>1,000</u>
Total Expenditures	<u>195,720</u>	<u>194,720</u>	<u>1,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(195,720)</u>	<u>(194,720)</u>	<u>1,000</u>
Other Financing Sources (Uses)			
Operating Transfers - In	<u>200,000</u>	<u>200,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>200,000</u>	<u>200,000</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>4,280</u>	<u>5,280</u>	<u>1,000</u>
Fund Balance (Deficit) at			
Beginning of Year	<u>106,118</u>	<u>106,118</u>	<u>0</u>
Prior Year			
Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$110,398</u>	<u>\$111,398</u>	<u>\$1,000</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Special Assessment Bond Retirement Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Revenues:			
Special Assessments	\$6,500	\$10,377	\$3,877
Total Revenues	6,500	10,377	3,877
Expenditures:			
Current:			
Debt Service			
Note Retirement			
Contractual Services	500	230	270
Principal Retirement	8,995	8,995	0
Interest and Fiscal Charges	2,320	2,320	0
Total Note Retirement	11,815	11,545	270
Total Debt Retirement	11,815	11,545	270
Total Expenditures	11,815	11,545	270
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,315)	(1,168)	4,147
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(5,315)	(1,168)	4,147
Fund Balance (Deficit) at Beginning of Year	29,048	29,048	0
Prior Year Encumbrances Appropriated	0	0	0
Fund Balances (Deficits) at End of Year	\$23,733	\$27,880	\$4,147

*This page has been left blank intentionally.*

## CAPITAL PROJECT FUNDS

Capital Project Funds are established to account for the receipt and disbursement of resources for the purpose of building or buying major capital assets. Resources may be derived from a variety of sources, including bond proceeds, loans and grants.

**Income Tax Capital Improvement** - this fund accounts for the other City capital improvement projects and the associated retirement of note debt.

**Sidewalk Improvement** - this fund accounts for the construction of new sidewalks for property owners through an assessment program.

**Pineview Estates** - this fund accounts for the extension of Kennedy Drive through an assessment program

**Main Street Sanitary Sewer Capital Improvement** - this fund accounts for the construction of certain sanitary improvements for the Main Street area which will be financed with an Ohio EPA Loan which will be retired with City income taxes and sewer operating revenues.

**Tax Increment Financing (TIF) - Willard Industrial Park** - this fund accounts for the extension of Midwest Drive and other public improvements made by the City for the Willard Industrial Park Tax Increment Financing program. Fifty percent of additional property taxes due to increases to real estate tax valuations from the designated area will be diverted from the traditional authority to the City to repay notes or bonds issued for the improvements.

**Hospital Capital Improvement** - this fund accounts for activity relating to capital improvement of the hospital building acquisition of equipment and other fixed assets and the associated retirement of note debt.

**Midwest Drive** - this fund accounts for monies for the construction of the access road to the new Midwest Industries facility.

**Y2K Capital Improvement** - this fund accounts for monies earmarked for capital expenses that may be necessary due to the Y2K computer problem.

**Sewer System Improvement** - this fund accounts for the construction of a new wastewater treatment plant that will be financed with an O.W.D.A. Loan which will be retired with City income taxes and sewer operating revenues.

City of Willard, Ohio  
 Combining Balance Sheet  
 Capital Project Funds

December 31, 1999

	Income Tax Capital Improvement	Sidewalk Capital Improvement	Pineview Est. Capital Improvement	TIF Capital Improvement
<b>Assets:</b>				
Equity in Pooled Cash	\$30,997	\$17	\$3,076	\$57,178
Receivables:				
Accrued Interest	0	0	0	0
Investments	227,311	120	22,559	419,306
<b>Total Assets</b>	<b>\$258,308</b>	<b>\$137</b>	<b>\$25,635</b>	<b>\$476,484</b>
<b>Liabilities, Equity and Other Credits</b>				
<b>Liabilities:</b>				
Accounts payable	10,470	0	0	0
<b>Total Liabilities</b>	<b>10,470</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Equity and Other Credits:</b>				
<b>Fund Balance:</b>				
Reserved:				
Reserved for encumbrances	98,343	0	0	0
Unreserved:				
Undesignated Fund Balance	149,495	137	25,635	476,484
<b>Total Fund Equity and Other Credits</b>	<b>247,838</b>	<b>137</b>	<b>25,635</b>	<b>476,484</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$258,308</b>	<b>\$137</b>	<b>\$25,635</b>	<b>\$476,484</b>

City of Willard, Ohio  
 Combining Balance Sheet  
 Capital Project Funds

December 31, 1999

Hospital Capital Improvement	Midwest Dr. Capital Improvement	Sewer System Improvement	Total
\$145	\$2,447	\$841,575	\$935,435
0	0	118,414	118,414
1,061	17,947	6,171,552	6,859,856
<u>\$1,206</u>	<u>\$20,394</u>	<u>\$7,131,541</u>	<u>\$7,913,705</u>

0	0	0	10,470
0	0	0	10,470

0	0	0	98,343
1,206	20,394	7,131,541	7,804,892
1,206	20,394	7,131,541	7,903,235
<u>\$1,206</u>	<u>\$20,394</u>	<u>\$7,131,541</u>	<u>\$7,913,705</u>

City of Willard, Ohio  
 Combining Statement of Revenues, Expenditures and Fund Balance  
 Capital Project Funds

For the Year Ended December 31, 1999

	Income Tax Capital <u>Improvement</u>	Sidewalk Capital <u>Improvement</u>	Pineview Es. Capital <u>Improvement</u>	TIF Capital <u>Improvement</u>
Revenues:				
Intergovernmental	0	0	0	200,000
Special Assessments	0	6,955	3,864	0
Investment Income	0	0	0	0
Other	0	0	0	<u>128,525</u>
<b>Total Revenues</b>	<b>\$0</b>	<b>\$6,955</b>	<b>\$3,864</b>	<b>\$328,525</b>
Expenditures:				
Current:				
Capital Outlay	345,513	0	0	952,041
Debt Service:				
Principal Retirement	0	10,275	7,684	0
Interest and Fiscal Charges	0	617	3,216	0
<b>Total Expenditures</b>	<b><u>345,513</u></b>	<b><u>10,892</u></b>	<b><u>10,900</u></b>	<b><u>952,041</u></b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(345,513)</u>	<u>(3,937)</u>	<u>(7,036)</u>	<u>(623,516)</u>
Other Financing Sources (Uses):				
Operating Transfers - In	436,149	0	0	0
Operating Transfers - Out	(200,000)	0	0	0
Note Proceeds	0	0	0	<u>1,100,000</u>
<b>Total Other Financing Sources (Uses)</b>	<b><u>236,149</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>1,100,000</u></b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(109,364)</u>	<u>(3,937)</u>	<u>(7,036)</u>	<u>476,484</u>
Fund Balance (Deficit) at Beginning of Year	<u>357,202</u>	<u>4,074</u>	<u>32,671</u>	<u>0</u>
<b>Fund Balances (Deficits) at End of Year</b>	<b><u>\$247,838</u></b>	<b><u>\$137</u></b>	<b><u>\$25,635</u></b>	<b><u>\$476,484</u></b>

City of Willard, Ohio  
 Combining Statement of Revenues, Expenditures and Fund Balance  
 Capital Project Funds

For the Year Ended December 31, 1999

Hospital Capital Improvement	Midwest Dr. Capital Improvement	Sewer System Capital Improvement	Total
0	0	0	200,000
0	0	0	10,819
0	0	339,092	339,092
0	0	0	<u>128,525</u>
\$0	\$0	\$339,092	\$678,436
0	0	0	1,297,554
0	0	656,778	674,737
0	0	<u>473,011</u>	<u>476,844</u>
0	0	1,129,789	2,449,135
0	0	<u>(790,697)</u>	<u>(1,770,699)</u>
0	0	1,744,595	2,180,744
0	0	0	(200,000)
0	0	0	<u>1,100,000</u>
0	0	1,744,595	3,080,744
0	0	953,898	1,310,045
<u>1,206</u>	<u>20,394</u>	<u>6,177,643</u>	<u>6,593,190</u>
<u>\$1,206</u>	<u>\$20,394</u>	<u>\$7,131,541</u>	<u>\$7,903,235</u>

City of Willard, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - (Budget Basis)  
Income Tax Capital Improvement Fund  
For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Revenues:			
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Capital Outlay			
Income Tax Capital Improvement			
Capital Outlay	<u>585,000</u>	<u>443,856</u>	<u>141,144</u>
Total Income Tax Capital Improvement	<u>585,000</u>	<u>443,856</u>	<u>141,144</u>
Total Capital Outlay	<u>585,000</u>	<u>443,856</u>	<u>141,144</u>
Total Expenditures	<u>585,000</u>	<u>443,856</u>	<u>141,144</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(585,000)</u>	<u>(443,856)</u>	<u>141,144</u>
Other Financing Sources (Uses)			
Operating Transfers - In	<u>427,780</u>	<u>436,149</u>	<u>8,369</u>
Operating Transfers - Out	<u>(308,500)</u>	<u>(200,000)</u>	<u>108,500</u>
Total Other Financing Sources (Uses)	<u>119,280</u>	<u>236,149</u>	<u>116,869</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(465,720)</u>	<u>(207,707)</u>	<u>258,013</u>
Fund Balance (Deficit) at Beginning of Year	<u>357,202</u>	<u>357,202</u>	<u>0</u>
Prior Year			
Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>(\$108,518)</u>	<u>\$149,495</u>	<u>\$258,013</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Sidewalk Capital Improvement Fund  
 For the Year Ended December 31, 1999

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
Special Assessments	\$5,700	\$6,955	\$1,255
Total Revenues	5,700	6,955	1,255
Expenditures:			
Current:			
Capital Outlay			
Sidewalk Capital Improvement	10,275	10,275	0
Principal Retirement	620	617	3
Interest and Fiscal Charges			
Total Sidewalk Capital Improvement	10,895	10,892	3
Total Capital Outlay	10,895	10,892	3
Total Expenditures	10,895	10,892	3
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,195)	(3,937)	1,258
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(5,195)	(3,937)	1,258
Fund Balance (Deficit) at Beginning of Year	4,074	4,074	0
Prior Year Encumbrances Appropriated	0	0	0
Fund Balances (Deficits) at End of Year	(\$1,121)	\$137	\$1,258

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Pineview Estates Improvement Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Special Assessments	\$10,000	\$3,864	(\$6,136)
Total Revenues	10,000	3,864	(6,136)
Expenditures:			
Current:			
Capital Outlay			
Pineview Estates Capital Improvement			
Principal Retirement	7,690	7,684	6
Interest & Fiscal Charges	3,225	3,216	9
Total Pineview Est. Capital Improve	10,915	10,900	15
Total Capital Outlay	10,915	10,900	15
Total Expenditures	10,915	10,900	15
Excess (Deficiency) of Revenues Over (Under) Expenditures	(915)	(7,036)	(6,121)
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(915)	(7,036)	(6,121)
Fund Balance (Deficit) at Beginning of Year	32,670	32,670	0
Prior Year Encumbrances Appropriated	0	0	0
Fund Balances (Deficits) at End of Year	\$31,755	\$25,634	(\$6,121)

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Main Street Sanitary Sewer Capital Improvement  
 For the Year Ended December 31, 1999

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
Intergovernmental	\$0	\$0	\$0
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	0	0	0
Expenditures:			
Current:			
Capital Outlay	790,000	0	(790,000)
Total Main St Sanitary Improvement	<u>790,000</u>	<u>0</u>	<u>790,000</u>
Total Capital Outlay	<u>790,000</u>	<u>0</u>	<u>790,000</u>
Total Expenditures	<u>790,000</u>	<u>0</u>	<u>790,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(790,000)</u>	<u>0</u>	<u>790,000</u>
Other Financing Sources (Uses)			
Note proceeds	790,000	0	(790,000)
Total Other Financing Sources (Uses)	<u>790,000</u>	<u>0</u>	<u>(790,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance (Deficit) at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Tax Increment Financing (TIF) - Willard Industrial Park  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
<b>Revenues:</b>			
Intergovernmental	\$200,000	\$200,000	\$0
Other	<u>200,000</u>	<u>128,525</u>	<u>(71,475)</u>
<b>Total Revenues</b>	<b>400,000</b>	<b>328,525</b>	<b>(71,475)</b>
<b>Expenditures:</b>			
Current:			
Capital Outlay	1,300,000	1,015,351	(284,649)
<b>Total TIF Capital Improvement</b>	<b><u>1,300,000</u></b>	<b><u>1,015,351</u></b>	<b><u>284,649</u></b>
<b>Total Capital Outlay</b>	<b><u>1,300,000</u></b>	<b><u>1,015,351</u></b>	<b><u>284,649</u></b>
<b>Total Expenditures</b>	<b><u>1,300,000</u></b>	<b><u>1,015,351</u></b>	<b><u>284,649</u></b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b><u>(900,000)</u></b>	<b><u>(686,826)</u></b>	<b><u>213,174</u></b>
<b>Other Financing Sources (Uses)</b>			
Note proceeds	922,000	1,100,000	178,000
<b>Total Other Financing Sources (Uses)</b>	<b><u>922,000</u></b>	<b><u>1,100,000</u></b>	<b><u>178,000</u></b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>22,000</b>	<b>413,174</b>	<b>391,174</b>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances (Deficits) at End of Year</b>	<b><u>\$22,000</u></b>	<b><u>\$413,174</u></b>	<b><u>\$391,174</u></b>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Hospital Improvement  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Capital Outlay			
Hospital Capital Improvement	<u>0</u>	<u>0</u>	<u>0</u>
Total Hospital Improvement	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Deficit) at Beginning of Year	1,206	1,206	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$1,206</u>	<u>\$1,206</u>	<u>\$0</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Midwest Drive Improvement Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Revenues:			
Intergovernmental Revenue	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Capital Outlay			
Midwest Drive Improvement	<u>0</u>	<u>0</u>	<u>0</u>
Total Midwest Dr. Improvement	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Deficit) at Beginning of Year	20,394	20,394	0
Prior Year			
Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$20,394</u>	<u>\$20,394</u>	<u>\$0</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Y2K Capital Improvement  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
<b>Revenues:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Intergovernmental Revenue			
Total Revenues	0	0	0
<b>Expenditures:</b>			
Current:	50,000	50,000	0
Capital Outlay			
Y2K Capital Improvement	<u>0</u>	<u>0</u>	<u>0</u>
Total Y2k Capital Improvement	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers-In	50,000	0	(50,000)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Deficit) at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Sewer System Improvement Fund  
 For the Year Ended December 31, 1999

	Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Revenues:</b>			
Investment Income	<u>\$250,000</u>	<u>\$317,285</u>	<u>\$67,285</u>
Total Revenues	250,000	317,285	67,285
<b>Expenditures:</b>			
Current:			
Capital Outlay			
Sewer System Capital Improvement			
Principal Retirement	656,780	656,778	2
Interest and Fiscal Charges	<u>473,015</u>	<u>473,011</u>	<u>4</u>
Total Sewer System Capital Improvem	<u>1,129,795</u>	<u>1,129,789</u>	<u>6</u>
Total Capital Outlay	<u>1,129,795</u>	<u>1,129,789</u>	<u>6</u>
Total Expenditures	<u>1,129,795</u>	<u>1,129,789</u>	<u>6</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(879,795)</u>	<u>(812,504)</u>	<u>67,291</u>
Other Financing Sources (Uses)			
Operating Transfers - In	<u>1,711,110</u>	<u>1,744,595</u>	<u>33,485</u>
Total Other Financing Sources (Uses)	<u>1,711,110</u>	<u>1,744,595</u>	<u>33,485</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	831,315	932,091	100,776
Fund Balance (Deficit) at Beginning of Year	6,081,035	6,081,035	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$6,912,350</u>	<u>\$7,013,126</u>	<u>\$100,776</u>

## **PROPRIETARY FUNDS**

### **ENTERPRISE FUNDS**

Enterprise Funds are established to account for operations where the intention is to finance such operation primarily through user charges. By state statute, Enterprise Funds cannot be profit making operations to the extent of benefiting other operations of the City.

The City has three Enterprise Funds, which are described below.

**Water Fund** - this fund accounts for the operation of the City's water utility. Revenues are from user charges, based on rates set by the City Council.

**Sewer Fund** - this fund accounts for the operation of the City's sewer utility. Revenues are from user charges, based on rates set by the City Council.

**Storm Water Fund** - this fund accounts for the operation of the City's storm water utility. Revenues are from user charges, based on rates set by the City Council.

### **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

**Central Supply Fund** - this fund accounts for the operation of the City's central store.

City of Willard, Ohio  
Combining Balance Sheet  
All Enterprise Funds

December 31, 1999

Assets	Water	Sewer	Storm Water	Total
<b>Current Assets:</b>				
Equity in Pooled Cash	\$51,114	\$29,693	\$2,388	\$83,195
Accounts Receivable	140,557	195,440	0	335,997
Material and Supplies Inventory	18,314	131,811	0	150,125
Investments	602,197	217,748	17,508	837,453
<b>Restricted Assets:</b>				
Equity in Pooled Cash	31,000	0	0	31,000
<b>Fixed Assets, (Net where applicable of Accumulated Depreciation)</b>	<b>6,787,108</b>	<b>14,786,444</b>	<b>387,772</b>	<b>21,961,324</b>
<b>TOTAL ASSETS</b>	<b>\$7,630,290</b>	<b>\$15,361,136</b>	<b>\$407,668</b>	<b>\$23,399,094</b>
<b>Liabilities</b>				
<b>Current Liabilities:</b>				
Accounts payable	39,056	33,496	0	72,552
Accrued Wages and Benefits	30,410	40,999	0	71,409
Compensated Absences Payable	34,170	55,202	0	89,372
Current Portion of OWDA Loans Payable	0	897,524	0	897,524
Current Portion of Issue 2 Loan Payable	27,799	0	0	27,799
Current Portion of G.O. Bonds Payable	10,000	0	0	10,000
<b>Payable from Restricted Assets:</b>				
Refundable Deposits	31,000	0	0	31,000
<b>Long-term Liabilities:</b>				
OWDA Loans Payable, Net of Current	0	5,979,986	0	5,979,986
Issue 2 Loan Payable, Net of Current	155,521	0	0	155,521
Ohio EPA Loan, Net of Current	0	342,000	164,321	506,321
G. O. Bonds Payable, Net of Current	160,000	0	0	160,000
<b>TOTAL LIABILITIES</b>	<b>487,956</b>	<b>7,349,207</b>	<b>164,321</b>	<b>8,001,484</b>
<b>Fund Equity</b>				
Contributed Capital	2,691,453	2,587,302	149,531	5,428,286
Retained Earnings	4,450,881	5,424,627	93,816	9,969,324
<b>TOTAL FUND EQUITY</b>	<b>7,142,334</b>	<b>8,011,929</b>	<b>243,347</b>	<b>15,397,610</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$7,630,290</b>	<b>\$15,361,136</b>	<b>\$407,668</b>	<b>\$23,399,094</b>

City of Willard, Ohio  
 Combining Statement of Revenue,  
 Expenses and Changes in Fund Equity  
 All Enterprise Funds

For the Year Ended December 31, 1999

	<u>Water</u>	<u>Sewer</u>	<u>Storm Water</u>	<u>Total</u>
Operating Revenues:				
Charges for Services	<u>\$1,152,784</u>	<u>\$1,336,536</u>	<u>\$0</u>	<u>\$2,489,320</u>
Total Operating Revenues	<u>1,152,784</u>	<u>1,336,536</u>	<u>0</u>	<u>2,489,320</u>
Operating Expenses:				
Personal Services	556,426	768,909	0	1,325,335
Contractual Services	263,478	299,249	0	562,727
Materials and Supplies	130,708	52,181	0	182,889
Travel Transportation	3,105	1,066	0	4,171
Depreciation	<u>224,926</u>	<u>568,062</u>	<u>1,967</u>	<u>794,955</u>
Total Operating Expenses	<u>1,178,643</u>	<u>1,689,467</u>	<u>1,967</u>	<u>2,870,077</u>
Operating Income (Loss)	<u>(25,859)</u>	<u>(352,931)</u>	<u>(1,967)</u>	<u>(380,757)</u>
Non-Operating Revenues (Expenses):				
Gain (Loss) on Disposal of Fixed Assets	(997)	(209)	0	(1,206)
Interest and fiscal charges	<u>(9,860)</u>	<u>(101,810)</u>	<u>0</u>	<u>(111,670)</u>
Total Non-Operating Revenues (Expenses)	<u>(10,857)</u>	<u>(102,019)</u>	<u>0</u>	<u>(112,876)</u>
Income (Loss) Before Operating Transfers	(36,716)	(454,950)	(1,967)	(493,633)
Operating Transfers - In	<u>50,000</u>	<u>150,000</u>	<u>0</u>	<u>200,000</u>
Net Income (Loss)	<u>\$13,284</u>	<u>(\$304,950)</u>	<u>(\$1,967)</u>	<u>(\$293,633)</u>
Depreciation on Fixed Assets Acquired by Contributed Capital	65,469	391,809	469	457,747
Retained Earnings, Beginning of Year	<u>4,372,128</u>	<u>5,337,768</u>	<u>95,314</u>	<u>9,805,210</u>
Retained Earnings, End of Year	<u>4,450,881</u>	<u>5,424,627</u>	<u>93,816</u>	<u>9,969,324</u>
Contributed Capital at Beginning of Year	2,551,394	2,020,082	0	4,571,476
Contributions from Other Funds, net	205,528	959,029	150,000	1,314,557
Depreciation on Fixed Assets Acquired by Contributed Capital	(65,469)	(391,809)	(469)	(457,747)
Contributed Capital at End of Year	<u>2,691,453</u>	<u>2,587,302</u>	<u>149,531</u>	<u>5,428,286</u>
Total Fund Equity at End of Year	<u>\$7,142,334</u>	<u>\$8,011,929</u>	<u>\$243,347</u>	<u>\$15,397,610</u>

City of Willard, Ohio  
Combining Statement of Cash Flows

All Enterprise Funds

For the Year Ended December 31, 1999

	Water	Sewer	Storm Water	Total
<b>Cash Flows from Operating Activities:</b>				
Cash Received for Services	\$1,157,016	\$1,317,392	\$0	\$2,474,408
Cash Paid to Employees	(557,582)	(765,863)	0	(1,323,445)
Cash Paid to Suppliers and Services	(392,485)	(380,355)	0	(772,840)
Cash Received for Refundable Deposits	14,840	0	0	14,840
Cash Paid for Refund of Deposits	(15,795)	0	0	(15,795)
<b>Net Cash Provided by Operating Activities</b>	<b>205,994</b>	<b>171,174</b>	<b>0</b>	<b>377,168</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of Fixed Assets	(208,236)	(464,937)	(181,075)	(854,248)
Debt proceeds	0	0	44,091	44,091
Principal Payments - Bonds	(10,000)	0	0	(10,000)
Principal Payments - Loans	(27,799)	(178,639)	0	(206,438)
Interest Paid	(9,860)	(101,810)	0	(111,670)
<b>Net Cash Provided (Used) by Financing Activities</b>	<b>(255,895)</b>	<b>(745,386)</b>	<b>(136,984)</b>	<b>(1,138,265)</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Operating Transfers from Other Funds	50,000	150,000	0	\$200,000
<b>Net Cash Flows provided by Noncapital Financing Activities</b>	<b>50,000</b>	<b>150,000</b>	<b>0</b>	<b>200,000</b>
<b>Net Cash Flows from Investing Activities:</b>				
Sales of Investments	0	175,978	75,737	\$251,715
Purchases of Investments	(195,259)	0	0	(195,259)
<b>Net Cash Flows Used by Investing Activities</b>	<b>(195,259)</b>	<b>175,978</b>	<b>75,737</b>	<b>56,456</b>
<b>Net Increase (Decrease) in Cash</b>	<b>(195,160)</b>	<b>(248,234)</b>	<b>(61,247)</b>	<b>(504,641)</b>
<b>Cash and Equivalents, Beginning of Year</b>	<b>277,274</b>	<b>277,927</b>	<b>63,568</b>	<b>\$618,769</b>
<b>Cash and Equivalents, End of Year</b>	<b>\$82,114</b>	<b>\$29,693</b>	<b>\$2,321</b>	<b>\$114,128</b>
<b>Reconciliation of Cash and Cash Equivalents:</b>				
Equity in Pooled Cash	\$51,114	\$29,693	\$2,321	\$83,128
Equity in Pooled Cash - Restricted	31,000	0	0	31,000
<b>Total Cash and Cash Equivalents</b>	<b>\$82,114</b>	<b>\$29,693</b>	<b>\$2,321</b>	<b>\$114,128</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>				
<b>Operating Income (Loss)</b>	<b>(\$25,859)</b>	<b>(\$352,931)</b>	<b>(\$1,967)</b>	<b>(\$380,757)</b>
<b>Adjustments to Reconcile Operating Income to Net Cash from Operating Activities:</b>				
Depreciation Expense	\$224,926	\$568,062	\$1,967	\$794,955
Net (Increase) Decrease in Accounts Receivable	4,232	(19,144)	0	(\$14,912)
(Increase) Decrease in Inventories	317	(22,125)	0	(\$21,808)
Increase (Decrease) in Accounts Payable	29,246	(65,934)	(2,264)	(\$38,952)
Increase (Decrease) in Accrued Wages and Benefits	(1,284)	(4,640)	0	(\$5,924)
Increase (Decrease) in Compensated Absences Payable	128	7,702	0	\$7,830
Increase (Decrease) in Customer Deposits Payable	(955)	0	0	(\$955)
(Increase) Decrease in Accounts Payable from Fixed Asset Purchases	(24,757)	60,184	2,264	\$37,691
<b>Total Adjustments</b>	<b>\$231,853</b>	<b>\$524,105</b>	<b>\$1,967</b>	<b>\$757,925</b>
<b>Net Cash Provided by Operating Activities</b>	<b>\$205,994</b>	<b>\$171,174</b>	<b>\$0</b>	<b>\$377,168</b>

City of Willard, Ohio  
 Schedule of Revenues, Expenses and Changes in Retained Earnings  
 Budget and Actual - (Budget Basis)  
 Water Fund  
 For the Year Ended December 31, 1999.

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
Charges for Services	<u>\$1,194,000</u>	<u>\$1,157,016</u>	<u>(\$36,984)</u>
Total Revenues	1,194,000	1,157,016	(36,984)
Expenses:			
Current:			
Basic Utility Services			
Water Fund			
Personal Services	594,525	557,582	36,943
Contractual Services	331,180	280,917	50,263
Supplies & Materials	160,060	137,269	22,791
Travel Transportation	5,805	3,580	2,225
Capital Outlay	1,309,306	208,236	1,101,070
Debt Retirement	46,140	37,799	8,341
Interest and Fiscal Charges	<u>17,255</u>	<u>9,860</u>	<u>7,395</u>
Total Water Fund	<u>2,464,271</u>	<u>1,235,243</u>	<u>1,229,028</u>
Total Basic Utility Service	<u>2,464,271</u>	<u>1,235,243</u>	<u>1,229,028</u>
Total Expenses	<u>2,464,271</u>	<u>1,235,243</u>	<u>1,229,028</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>(1,270,271)</u>	<u>(78,227)</u>	<u>1,192,044</u>
Other Financing Sources (Uses)			
Note Proceeds	1,000,000	0	(1,000,000)
Operating Transfers - In	<u>100,000</u>	<u>50,000</u>	<u>(50,000)</u>
Total Other Non-Revenue (Expenses)	<u>1,100,000</u>	<u>50,000</u>	<u>(1,050,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>(170,271)</u>	<u>(28,227)</u>	<u>142,044</u>
Retained Earnings at Beginning of Year	629,120	629,120	0
Prior Year Encumbrances Appropriated	29,129	29,129	0
Retained Earnings at End of Year	<u>\$487,978</u>	<u>\$630,022</u>	<u>\$142,044</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenses and Changes in Retained Earnings  
 Budget and Actual - (Budget Basis)  
 Sewer Fund  
 For the Year Ended December 31, 1999

	Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Revenues:</b>			
Charges for Services	\$1,296,500	\$1,317,392	\$20,892
Other	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Revenues</b>	<b>1,296,500</b>	<b>1,317,392</b>	<b>20,892</b>
<b>Expenses:</b>			
<b>Current:</b>			
<b>Basic Utility Services</b>			
<b>Sewer Fund</b>			
Personal Services	809,266	765,863	43,403
Contractual Services	373,192	320,591	52,601
Supplies & Materials	105,841	88,712	17,129
Travel Transportation	5,050	1,201	3,849
Capital Outlay	473,523	470,612	2,911
Debt Retirement	178,640	178,640	0
Interest and Fiscal Charges	<u>101,810</u>	<u>101,810</u>	<u>0</u>
<b>Total Sewer Fund</b>	<b><u>2,047,322</u></b>	<b><u>1,927,429</u></b>	<b><u>119,893</u></b>
<b>Total Basic Utility Service</b>	<b><u>2,047,322</u></b>	<b><u>1,927,429</u></b>	<b><u>119,893</u></b>
<b>Total Expenses</b>	<b><u>2,047,322</u></b>	<b><u>1,927,429</u></b>	<b><u>119,893</u></b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenses</b>	<b><u>(750,822)</u></b>	<b><u>(610,037)</u></b>	<b><u>140,785</u></b>
<b>Other Financing Sources (Uses)</b>			
Operating Transfers - In	150,000	150,000	0
Operating Transfers - Out	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Other Non-Revenue (Expenses)</b>	<b><u>150,000</u></b>	<b><u>150,000</u></b>	<b><u>0</u></b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses</b>	<b><u>(600,822)</u></b>	<b><u>(460,037)</u></b>	<b><u>140,785</u></b>
Retained Earnings at Beginning of Year	196,071	196,071	0
Prior Year Encumbrances Appropriated	<u>464,714</u>	<u>464,714</u>	<u>0</u>
<b>Retained Earnings at End of Year</b>	<b><u>\$59,963</u></b>	<b><u>\$200,748</u></b>	<b><u>\$140,785</u></b>

City of Willard, Ohio  
 Schedule of Revenues, Expenses and Changes in Retained Earnings  
 Budget and Actual - (Budget Basis)  
 Storm Water Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Revenues:			
Other	\$0	\$0	\$0
Total Revenues	0	0	0
Expenses:			
Current:			
Basic Utility Services			
Storm Water Fund			
Capital Outlay	<u>1,752,171</u>	<u>175,399</u>	<u>1,576,772</u>
Total Storm Water Fund	<u>1,752,171</u>	<u>175,399</u>	<u>1,576,772</u>
Total Basic Utility Service	<u>1,752,171</u>	<u>175,399</u>	<u>1,576,772</u>
Total Expenses	<u>1,752,171</u>	<u>175,399</u>	<u>1,576,772</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>(1,752,171)</u>	<u>(175,399)</u>	<u>1,576,772</u>
Other Financing Sources (Uses)			
Proceeds from debt	1,626,570	44,091	(1,582,479)
Total Other Non-Revenue (Expenses)	<u>1,626,570</u>	<u>44,091</u>	<u>(1,582,479)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	(125,601)	(131,308)	(5,707)
Retained Earnings at Beginning of Year	22,605	22,605	0
Prior Year Encumbrances Appropriated	<u>128,532</u>	<u>128,532</u>	0
Retained Earnings at End of Year	<u>\$25,536</u>	<u>\$19,829</u>	<u>(\$5,707)</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Central Supply Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Revenues:			
Other	0	0	0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	0	0	0
Central Supply Fund	0	0	0
Total Central Supply Fund	0	0	0
Total General Government	0	0	0
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance (Deficit) at Beginning of Year	757	757	0
Increase (Decrease) in Reserve for Inventory	0	0	0
Fund Balances (Deficits) at End of Year	<u>\$757</u>	<u>\$757</u>	<u>\$0</u>

## TRUST AND AGENCY FUNDS

Expendable Trust Funds are used for the accounting of monies received for a specific purpose but whose principal may be expended in the course of their designated operations.

**Leila Leininger Expendable Trust** - this fund accounts for a donation specified to be used for the purchase of police equipment.

**Electric System Sale** - this fund accounts for proceeds from the sale of the City electric plant. The sale occurred in 1965. The City is forbidden to expend the proceeds without voter approval.

**Drug Abuse Fund** - this fund was established to account for a donation made for the elimination of the use of drugs.

**Fire Donation Trust** - this fund accounts for donations received or other monies earmarked for the use of the Fire/Rescue department.

**Police Donation Trust** - this fund accounts for donations received or other monies earmarked for the use of the Police Department.

Nonexpendable Trust Funds are used for the accounting of monies received for a specific purpose and only the income generated by that money may be spent. The principal must remain intact.

**Cemetery Trust** - this fund accounts for bequests and donations for cemetery maintenance purposes in which the principal must remain intact. The interest earned may be used for activities such as mowing and landscaping.

Agency Funds have been established to report monies received by the City that are earmarked to be transferred to another City fund, paid to another government or returned to an individual.

**Duck Blind** - this fund accounts for refundable deposits taken for the rental of City owned duck blinds.

**Insurance Agency** - this fund accounts for insurance claims.

**Bid Bond** - this fund accounts for cash deposits given in lieu of bid bonds for contracts formally bid.

**Unclaimed Monies** - this fund accounts for monies paid to individuals or vendors in which the warrants were not cashed.

City of Willard, Ohio  
 Combining Balance Sheet  
 Trust and Agency Funds

December 31, 1999

	Expendable Trust	Non-expendable Trust	Agency	Totals
<b>Assets:</b>				
Equity in Pooled Cash	\$223,300	\$1,095	\$2,200	\$226,595
Accrued Interest Receivable	33,156	0	0	33,156
Investments	1,637,541	8,030	16,132	1,661,703
<b>Total Assets</b>	<b>\$1,893,997</b>	<b>\$9,125</b>	<b>\$18,332</b>	<b>\$1,921,454</b>
<b>Liabilities, Equity and Other Credits</b>				
<b>Liabilities:</b>				
Deposits Held and Due to Others	0	0	18,332	18,332
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>18,332</b>	<b>18,332</b>
<b>Fund Equity and Other Credits:</b>				
<b>Fund Balance:</b>				
<b>Reserved:</b>				
Reserved for Endowment	0	9,125	0	9,125
<b>Unreserved:</b>				
Undesignated Fund Balance	1,893,997	0	0	1,893,997
<b>Total Fund Equity and Other Credits</b>	<b>1,893,997</b>	<b>9,125</b>	<b>0</b>	<b>1,903,122</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$1,893,997</b>	<b>\$9,125</b>	<b>\$18,332</b>	<b>\$1,921,454</b>

City of Willard, Ohio  
Combining Balance Sheet  
Expendable Trust Funds

December 31, 1999

	Electric System Sale	Lella Lehinger	Drug Abuse	Fire/Rescue	City Decoration	Police Trust	Totals
<b>Assets</b>							
Equity in Pooled Cash	\$221,566	\$2	\$923	\$247	\$496	\$66	\$223,300
Accrued Interest Receivable	33,156	0	0	0	0	0	33,156
Investments	1,624,526	16	6,767	1,809	3,639	484	1,637,541
<b>Total Assets</b>	<b>\$1,879,548</b>	<b>\$18</b>	<b>\$7,690</b>	<b>\$2,056</b>	<b>\$4,135</b>	<b>\$550</b>	<b>\$1,893,997</b>
<b>Liabilities, Equity and Other Credits</b>							
<b>Liabilities:</b>							
Total Liabilities	0	0	0	0	0	0	0
<b>Fund Equity and Other Credits:</b>							
Fund Balance:							
Unreserved:							
Undesignated Fund Balance	1,879,548	18	7,690	2,056	4,135	550	1,893,997
<b>Total Fund Equity and Other Credits</b>	<b>1,879,548</b>	<b>18</b>	<b>7,690</b>	<b>2,056</b>	<b>4,135</b>	<b>550</b>	<b>1,893,997</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$1,879,548</b>	<b>\$18</b>	<b>\$7,690</b>	<b>\$2,056</b>	<b>\$4,135</b>	<b>\$550</b>	<b>\$1,893,997</b>

City of Willard, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 Expendable Trust Funds

For the Year Ended December 31, 1999

	Electric System Sale	Leila Leininger	Drug Abuse	Fire/Rescue	City Decorations	Police Trust	Total
<b>Revenues:</b>							
Investment Income	\$89,202	\$0	\$0	\$0	\$0	\$0	\$89,202
Other	0	0	135	250	10,000	50	10,435
<b>Total Revenues</b>	<b>89,202</b>	<b>0</b>	<b>135</b>	<b>250</b>	<b>10,000</b>	<b>50</b>	<b>99,637</b>
<b>Expenditures:</b>							
Current:							
Contractual Services	0	0	0	0	17,317	0	17,317
Supplies & Materials	0	0	1,800	0	2,333	0	4,133
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>1,800</b>	<b>0</b>	<b>19,650</b>	<b>0</b>	<b>21,450</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>89,202</b>	<b>0</b>	<b>(1,665)</b>	<b>250</b>	<b>(9,650)</b>	<b>50</b>	<b>78,187</b>
<b>Other Financing Sources (Uses):</b>							
Operating Transfers - In	0	0	0	0	5,000	0	5,000
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>0</b>	<b>5,000</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>89,202</b>	<b>0</b>	<b>(1,665)</b>	<b>250</b>	<b>(4,650)</b>	<b>50</b>	<b>83,187</b>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<b>1,790,346</b>	<b>18</b>	<b>9,355</b>	<b>1,805</b>	<b>8,785</b>	<b>500</b>	<b>1,810,810</b>
<b>Fund Balances (Deficits) at End of Year</b>	<b>\$1,879,548</b>	<b>\$18</b>	<b>\$7,690</b>	<b>\$2,055</b>	<b>\$4,135</b>	<b>\$550</b>	<b>\$1,893,997</b>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Leila Leininger Trust Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Revenues:			
Other	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Revenues	0	0	0
Expenditures:			
Current:			
Security of Persons and Property L. Leininger Trust	<u>0</u>	<u>0</u>	<u>0</u>
Total L. Leininger Trust	0	0	0
Total Security of Persons and Property	0	0	0
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance (Deficit) at Beginning of Year	18	18	0
Increase (Decrease) in Reserve for Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$18</u>	<u>\$18</u>	<u>\$0</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Electric System Sale Fund  
 For the Year Ended December 31, 1999

	Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Revenues:</b>			
Investment Income	\$85,000	\$83,096	(\$1,904)
<b>Total Revenues</b>	<b>85,000</b>	<b>83,096</b>	<b>(1,904)</b>
<b>Expenditures:</b>			
Current:			
Basic Utility Service			
Electrical System Sale	0	0	0
<b>Total Electrical System Sale</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Basic Utility Service</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues   Over (Under) Expenditures</b>	<b>85,000</b>	<b>83,096</b>	<b>(1,904)</b>
<b>Other Financing Sources (Uses)</b>			
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues and   Other Financing Sources Over (Under)   Expenditures and Other Financing Uses</b>	<b>85,000</b>	<b>83,096</b>	<b>(1,904)</b>
<b>Fund Balance (Deficit) at   Beginning of Year</b>	<b>1,763,296</b>	<b>1,763,296</b>	<b>0</b>
<b>Increase (Decrease) in   Reserve for Inventory</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances (Deficits) at End of Year</b>	<b><u>\$1,848,296</u></b>	<b><u>\$1,846,392</u></b>	<b><u>(\$1,904)</u></b>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Drug Abuse  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Revenues:			
Other	\$0	\$135	\$135
Total Revenues	0	135	135
Expenditures:			
Current:			
Security of Persons and Property			
Drug Abuse Fund			
Contractual Services	3,000	0	3,000
Supplies & Materials	2,000	1,800	200
Total Drug Abuse	2,000	1,800	200
Total Security of Persons and Property	2,000	1,800	200
Total Expenditures	2,000	1,800	200
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,000)	(1,665)	335
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,000)	(1,665)	335
Fund Balance (Deficit) at Beginning of Year	9,355	9,355	0
Increase (Decrease) in Reserve for Inventory	0	0	0
Fund Balances (Deficits) at End of Year	<u>\$7,355</u>	<u>\$7,690</u>	<u>\$335</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Cemetery Trust Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Revenues:			
Charges for Services	<u>\$0</u>	<u>\$1,000</u>	<u>\$1,000</u>
Total Revenues	0	1,000	1,000
Expenditures:			
Current:			
Public Health Services			
Cemetery Trust	<u>0</u>	<u>0</u>	<u>0</u>
Total Cemetery Trust	<u>0</u>	<u>0</u>	<u>0</u>
Total Public Health Services	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Fund Balance (Deficit) at Beginning of Year	8,125	8,125	0
Increase (Decrease) in Reserve for Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u>\$8,125</u>	<u>\$9,125</u>	<u>\$1,000</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Fire/Rescue Trust Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Revenues:			
Other	\$500	\$250	(\$250)
Total Revenues	500	250	(250)
Expenditures:			
Current:			
Security of Persons and Property			
Fire/Rescue Trust Fund			
Capital Outlay	500	0	500
Total Fire/Rescue	500	0	500
Total Security of Persons and Property	500	0	500
Total Expenditures	500	0	500
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	250	250
Other Financing Sources (Uses)			
Total Other Financing Sources (Uses)	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	250	250
Fund Balance (Deficit) at Beginning of Year	1,807	1,807	0
Increase (Decrease) in Reserve for Inventory	0	0	0
Fund Balances (Deficits) at End of Year	<u>\$1,807</u>	<u>\$2,057</u>	<u>\$250</u>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 City Decoration Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
<b>Revenues:</b>			
Other	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$0</u>
<b>Total Revenues</b>	<b>10,000</b>	<b>10,000</b>	<b>0</b>
<b>Expenditures:</b>			
Current:			
General Government			
City Decoration Fund			
Contractual Services	17,500	17,317	183
Supplies & Materials	<u>4,500</u>	<u>2,333</u>	<u>2,167</u>
<b>Total City Decoration</b>	<b>22,000</b>	<b>19,650</b>	<b>2,350</b>
<b>Total General Government</b>	<b>22,000</b>	<b>19,650</b>	<b>2,350</b>
<b>Total Expenditures</b>	<b>22,000</b>	<b>19,650</b>	<b>2,350</b>
<b>Excess (Deficiency) of Revenues   Over (Under) Expenditures</b>	<b>(12,000)</b>	<b>(9,650)</b>	<b>2,350</b>
<b>Other Financing Sources (Uses)</b>			
Operating Transfers - In	5,000	5,000	
<b>Total Other Financing Sources (Uses)</b>	<b>5,000</b>	<b>5,000</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues and   Other Financing Sources Over (Under)   Expenditures and Other Financing Uses</b>	<b>(7,000)</b>	<b>(4,650)</b>	<b>2,350</b>
<b>Fund Balance (Deficit) at   Beginning of Year</b>	<b>8,785</b>	<b>8,785</b>	<b>0</b>
<b>Increase (Decrease) in   Reserve for Inventory</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances (Deficits) at End of Year</b>	<b><u>\$1,785</u></b>	<b><u>\$4,135</u></b>	<b><u>\$2,350</u></b>

City of Willard, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - (Budget Basis)  
 Police Trust Fund  
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
<b>Revenues:</b>			
Miscellaneous Revenue	\$0	\$50	\$50
Total Revenues	0	50	50
<b>Expenditures:</b>			
<b>Current:</b>			
Security of Persons and Property Police Trust Supplies and Materials	0	0	0
Total Police Trust	0	0	0
Total Security of Persons and Property	0	0	0
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	50	50
<b>Other Financing Sources (Uses)</b>			
Total Other Financing Sources (Uses)	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	50	50
Fund Balance (Deficit) at Beginning of Year	500	500	0
Increase (Decrease) in Reserve for Inventory	0	0	0
Fund Balances (Deficits) at End of Year	<u>\$500</u>	<u>\$550</u>	<u>\$50</u>

City of Willard, Ohio  
 Combining Statement of Changes in Assets and Liabilities  
 All Agency Funds

For the Year Ended  
 December 31, 1999

	Balance 1/1/99	Additions	Deductions	Balance 12/31/99
<b>Duck Blind</b>				
<b>Assets:</b>				
Equity in Pooled Cash Investments	\$415 0	\$300 475	\$650 0	\$65 475
<b>Total Assets</b>	<b>\$415</b>	<b>\$775</b>	<b>\$650</b>	<b>\$540</b>
<b>Liabilities:</b>				
Deposits held and due to others	415	300	175	540
<b>Total Liabilities</b>	<b>\$415</b>	<b>\$300</b>	<b>\$175</b>	<b>\$540</b>
<b>Insurance Fund</b>				
<b>Assets:</b>				
Equity in Pooled Cash Investments	\$472 0	\$74 415	\$489 0	\$57 415
<b>Total Assets</b>	<b>\$472</b>	<b>\$489</b>	<b>\$489</b>	<b>\$472</b>
<b>Liabilities:</b>				
Deposits held and due to others	472	74	74	472
<b>Total Liabilities</b>	<b>\$472</b>	<b>\$74</b>	<b>\$74</b>	<b>\$472</b>
<b>Bid Bond Fund</b>				
<b>Assets:</b>				
Equity in Pooled Cash Investments	\$15,870 0	\$29,858 14,353	\$43,771 0	\$1,957 14,353
<b>Total Assets</b>	<b>\$15,870</b>	<b>\$44,211</b>	<b>\$43,771</b>	<b>\$16,310</b>
<b>Liabilities:</b>				
Deposits held and due to others	15,870	29,858	29,418	16,310
<b>Total Liabilities</b>	<b>\$15,870</b>	<b>\$29,858</b>	<b>\$29,418</b>	<b>\$16,310</b>
<b>Unclaimed Monies Fund</b>				
<b>Assets:</b>				
Equity in Pooled Cash Investments	\$425 0	\$585 889	\$889 0	\$121 889
<b>Total Assets</b>	<b>425</b>	<b>1,474</b>	<b>889</b>	<b>1,010</b>
<b>Liabilities:</b>				
Deposits held and due to others	\$425	\$585	\$0	\$1,010
<b>Total Liabilities</b>	<b>425</b>	<b>585</b>	<b>0</b>	<b>1,010</b>
<b>Totals</b>				
<b>Assets:</b>				
Equity in Pooled Cash Investments	\$17,182 0	\$30,817 16,132	\$45,799 0	\$2,200 16,132
<b>Total Assets</b>	<b>\$17,182</b>	<b>\$46,949</b>	<b>\$45,799</b>	<b>\$18,332</b>
<b>Liabilities:</b>				
Deposits held and due to others	\$17,182	\$30,817	\$29,667	\$18,332
<b>Total Liabilities</b>	<b>\$17,182</b>	<b>\$30,817</b>	<b>\$29,667</b>	<b>\$18,332</b>

## **GENERAL FIXED ASSET ACCOUNT GROUP**

General Fixed Asset Account Group accounts for all Fixed Inventory in the Governmental Funds. Streets, sidewalks and storm sewers are not included in this account group, as the City does not capitalize these infrastructure items.

CITY OF WILLARD, OHIO  
SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCE

DECEMBER 31, 1999

	<u>1999</u>
General Fixed Assets:	
Land	\$1,058,010
Buildings	2,312,544
Land Improvements	372,873
Equipment & Furniture	2,103,539
Vehicles	<u>1,366,949</u>
Sub-Total	7,213,915
Accumulated Depreciation	<u>(3,040,627)</u>
Net General Fixed Assets	<u>\$4,173,288</u>
Investments in General Fixed Assets from:	
General Fund	\$1,919,371
Special Revenue Fund	1,177,203
Capital Project Funds	2,276,547
General Fixed Assets prior to 1989	
Not Identifiable by Source	<u>1,840,794</u>
Sub-Total	7,213,915
Accumulated Depreciation	<u>(3,040,627)</u>
Total Investment in General Fixed Assets	<u>\$4,173,288</u>

**CITY OF WILLARD, OHIO**  
**SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY**

DECEMBER 31, 1999

Function and Activity	Land					Total
	Land	Buildings	Improvements	Equipment	Vehicles	
<b>Security of Persons and Property:</b>						
Police Department	\$0	\$3,284	\$0	\$235,352	\$227,419	466,055
Fire Department	0	15,753	0	345,927	752,651	1,114,331
<b>Total Security of Persons &amp; Property</b>	0	19,037	0	581,279	980,070	1,580,386
<b>Public Health and Welfare:</b>						
Cemetery Department	0	10,034	45,019	51,587	0	106,640
<b>Leisure Time Activities:</b>						
Park and Recreation Department	0	209,624	155,637	475,297	33,930	874,488
<b>Community Environment:</b>						
Code Enforcement	0	0	0	8,960	0	8,960
Tree Commission	0	0	7,428	1,550	0	8,978
<b>Total Community Environment</b>	0	0	7,428	10,510	0	17,938
<b>Transportation:</b>						
Street Department	62,530	590,551	9,626	611,093	325,775	1,599,575
Airport	0	0	9,950	20,000	0	29,950
<b>Total Transportation</b>	62,530	590,551	19,578	631,093	325,775	1,629,525
<b>General Government:</b>						
City Manager	0	0	0	14,651	0	14,651
Clerk of Council	0	0	0	8,678	0	8,678
Engineering Administrator	0	0	0	61,579	27,174	88,753
Mayor's Office	0	0	0	4,008	0	4,008
Finance Director's Office	0	0	0	168,534	0	168,534
Mayor's Court	0	0	0	964	0	964
City Hall	995,480	1,483,298	145,213	65,742	0	2,689,733
City Income Tax Department	0	0	0	29,617	0	29,617
<b>Total General Government</b>	995,480	1,483,298	145,213	353,773	27,174	3,004,938
<b>Total General Fixed Assets</b>	1,058,010	2,312,544	372,873	2,103,539	1,366,949	7,213,915
<b>Accumulated Depreciation</b>	0	(969,674)	(164,303)	(1,080,309)	(826,341)	(3,040,627)
<b>Net General Fixed Assets</b>	<u>\$1,058,010</u>	<u>\$1,342,870</u>	<u>\$208,570</u>	<u>\$1,023,230</u>	<u>\$540,608</u>	<u>4,173,288</u>

CITY OF WILLARD, OHIO  
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY

FOR THE YEAR ENDED DECEMBER 31, 1999

<u>Function and Activity</u>	<u>General Fixed Assets 1/1/99</u>	<u>Additions</u>	<u>Deductions</u>	<u>General Fixed Assets 12/31/99</u>
<b>Security of Persons and Property:</b>				
Police Department	\$346,616	\$127,167	\$7,728	\$466,055
Fire Department	1,089,480	24,851	0	1,114,331
<b>Total Security of Persons &amp; Property</b>	<b>1,436,096</b>	<b>152,018</b>	<b>7,728</b>	<b>1,580,386</b>
<b>Public Health and Welfare:</b>				
Cemetery Department	104,313	5,528	3,201	106,640
<b>Total Public Health &amp; Welfare</b>	<b>104,313</b>	<b>5,528</b>	<b>3,201</b>	<b>106,640</b>
<b>Leisure Time Activities:</b>				
Park and Recreation Department	739,808	147,800	13,120	874,488
<b>Total Leisure Time Activities</b>	<b>739,808</b>	<b>147,800</b>	<b>13,120</b>	<b>874,488</b>
<b>Community Environment:</b>				
Code Enforcement	7,581	1,379	0	8,960
Tree Commission	8,978	0	0	8,978
<b>Total Community Environment</b>	<b>16,559</b>	<b>1,379</b>	<b>0</b>	<b>17,938</b>
<b>Transportation:</b>				
Street Department	1,481,323	121,772	3,520	1,599,575
Airport	20,000	9,950	0	29,950
<b>Total Transportation</b>	<b>1,501,323</b>	<b>131,722</b>	<b>3,520</b>	<b>1,629,525</b>
<b>General Government:</b>				
City Manager	13,372	1,279	0	14,651
Clerk of Council	8,678	0	0	8,678
Engineering Administrator	85,953	2,800	0	88,753
Mayor's Office	4,008	0	0	4,008
Finance Director's Office	164,192	4,420	78	168,534
Mayor's Court	964	0	0	964
City Hall	2,689,733	0	0	2,689,733
City Income Tax Department	15,617	14,000	0	29,617
<b>Total General Government</b>	<b>2,982,517</b>	<b>22,499</b>	<b>78</b>	<b>3,004,938</b>
<b>Total General Fixed Assets</b>	<b>\$6,780,616</b>	<b>\$460,946</b>	<b>\$27,647</b>	<b>7,213,915</b>
<b>Accumulated Depreciation</b>	<b>(2,648,218)</b>	<b>(402,141)</b>	<b>(9,732)</b>	<b>(3,040,627)</b>
<b>Net General Fixed Assets</b>	<b>\$4,132,398</b>	<b>\$58,805</b>	<b>\$17,915</b>	<b>\$4,173,288</b>

CITY OF WILLARD, OHIO  
GENERAL GOVERNMENTAL REVENUES BY SOURCE

Table 1

LAST 10 FISCAL YEARS

Year	Inter-Governmental		Charges For Services	Licenses and Permits	Special Assessment	Interest Revenue	Fines and Forfeits	Other Revenues	Total
	Taxes	Revenues							
1990	\$3,360,326	\$352,047	\$186,065	\$115,463	\$9,009	\$331,533	\$86,060	\$125,019	\$4,565,522
1991	\$3,783,717	\$434,147	\$258,146	\$49,891	\$8,947	\$333,798	\$74,889	\$332,987	\$5,326,522
1992	\$3,958,639	\$1,020,781	\$230,293	\$6,150	\$3,720	\$378,168	\$63,857	\$273,059	\$5,986,677
1993	\$3,968,911	\$494,955	\$227,526	\$22,583	\$4,138	\$301,364	\$80,100	\$229,727	\$5,329,304
1994	\$3,996,801	\$883,636	\$251,162	\$5,333	\$63,109	\$347,013	\$66,457	\$254,584	\$5,868,095
1995	\$4,382,232	\$857,728	\$239,511	\$6,307	\$41,377	\$486,326	\$61,800	\$235,006	\$6,310,287
1996	\$4,510,584	\$874,587	\$267,709	\$28,217	\$34,503	\$523,933	\$76,304	\$224,165	\$6,540,002
1997	\$4,563,021	\$834,833	\$289,151	\$8,157	\$54,780	\$612,945	\$78,258	\$297,968	\$6,739,013
1998	\$4,405,245	\$872,142	\$291,659	\$12,348	\$38,130	\$650,292	\$87,593	\$281,602	\$6,644,011
1999	\$4,539,635	\$1,174,991	\$334,744	\$9,715	\$21,196	\$675,924	\$77,113	\$420,428	\$7,252,746

Source: City of Willard, Director of Finance

(1) General Governmental includes results from the General Fund, Special Revenue Funds, Capital Project Funds, Debt Service Funds, and Expendable Trust Funds.

CITY OF WILLARD, OHIO  
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

Table 2

LAST 10 FISCAL YEARS

Year	Public		Culture and Recreation	Community Development		Transportation	Government	Capital		Debt		Total
	Safety	Health		Development	Outlay			Services				
1990	\$1,180,851	\$31,310	\$225,352	\$68,678	\$308,881	\$571,058	\$7,612,703	\$899,190	\$10,898,023			\$10,898,023
1991	\$1,177,479	\$19,437	\$236,214	\$130,336	\$467,118	\$613,500	\$2,433,627	\$1,551,754	\$6,629,465			\$6,629,465
1992	\$1,260,701	\$29,274	\$247,679	\$154,225	\$480,149	\$755,313	\$2,925,739	\$2,585,657	\$8,438,737			\$8,438,737
1993	\$1,313,501	\$19,886	\$334,739	\$163,182	\$452,290	\$664,789	\$549,237	\$3,115,736	\$6,613,360			\$6,613,360
1994	\$1,487,600	\$23,523	\$269,571	\$176,124	\$511,347	\$862,519	\$939,445	\$1,656,926	\$5,947,060			\$5,947,060
1995	\$1,462,169	\$24,598	\$471,885	\$143,913	\$547,848	\$818,091	\$438,870	\$1,484,380	\$5,391,754			\$5,391,754
1996	\$1,503,381	\$21,235	\$430,312	\$186,990	\$544,664	\$722,054	\$149,289	\$1,477,487	\$5,035,412			\$5,035,412
1997	\$1,722,878	\$29,154	\$529,829	\$152,300	\$550,409	\$762,587	\$102,882	\$1,376,701	\$5,226,740			\$5,226,740
1998	\$1,670,154	\$41,274	\$285,950	\$210,044	\$510,356	\$886,421	\$727,402	\$1,365,886	\$5,697,487			\$5,697,487
1999	\$1,792,035	\$29,911	\$303,169	\$200,839	\$589,058	\$906,739	\$1,750,321	\$1,357,846	\$6,929,918			\$6,929,918

Source: City of Willard, Director of Finance

(1) General Governmental includes results from the General Fund, Special Revenue Funds, Capital Project Funds, Debt Service Funds, and Expendable Trust Funds.

CITY OF WILLARD, OHIO  
PROPERTY TAX LEVIES AND COLLECTIONS

Table 3

LAST 10 FISCAL YEARS

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total		Outstanding Delinquent Taxes	Ratio of Delinquent Taxes To Total Tax Levy (%)
						Tax Collections To Total Tax Levy	Tax Collections To Total Tax Levy		
1990	\$302,001	\$290,833	96.30%	\$10,164	\$300,997	99.67%	99.67%	\$8,399	2.78%
1991	\$305,290	\$288,729	94.58%	\$4,954	\$293,683	96.20%	96.20%	\$12,237	4.01%
1992	\$310,972	\$274,434	88.25%	\$18,269	\$292,703	94.13%	94.13%	\$30,506	9.81%
1993	\$369,054	\$353,609	95.81%	\$8,578	\$362,187	98.14%	98.14%	\$27,484	7.45%
1994	\$389,338	\$372,563	95.69%	\$14,025	\$386,588	99.29%	99.29%	\$8,222	2.11%
1995	\$442,827	\$396,228	89.48%	\$12,931	\$409,159	92.40%	92.40%	\$16,122	3.64%
1996	\$444,017	\$420,795	94.77%	\$17,341	\$438,136	98.68%	98.68%	\$6,892	1.55%
1997	\$433,708	\$428,353	98.77%	\$8,652	\$437,005	100.76%	100.76%	\$7,503	1.73%
1998	\$465,494	\$437,149	93.91%	\$7,562	\$444,711	95.54%	95.54%	\$11,772	2.53%
1998	\$450,881	\$425,160	94.30%	\$6,054	\$431,214	95.64%	95.64%	\$29,100	6.45%

Source: Huron County Auditor

CITY OF WILLARD, OHIO  
 ASSESSED VALUATION AND ESTIMATED  
 ACTUAL VALUES OF TAXABLE PROPERTY

Table 4

LAST 10 FISCAL YEARS

Tax Year	Real Property (1)		Public Utility Property		Tangible Personal Property		Exemptions		TOTAL (Without Exemptions)		Ratio of Total Assessed Value To Total Estimated Actual Value (3)
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Real Property	Value	Est. Actual Value	Value	
1990	\$42,900,110	\$122,571,742	\$3,530,050	\$10,085,857	\$39,112,510	\$111,750,029	\$9,741,720	\$85,542,570	\$244,407,628	\$85,542,570	35.00%
1991	\$45,569,000	\$130,194,286	\$4,621,150	\$16,147,292	\$39,521,704	\$146,376,681	\$9,741,720	\$89,710,854	\$292,718,259	\$89,710,854	30.65%
1992	\$46,369,990	\$132,485,686	\$5,298,290	\$19,623,296	\$41,310,445	\$159,001,648	\$12,965,420	\$92,978,725	\$311,110,630	\$92,978,725	29.89%
1993	\$46,662,080	\$133,310,229	\$5,285,430	\$21,070,931	\$36,351,821	\$145,407,284	\$26,701,750	\$88,299,331	\$299,786,444	\$88,299,331	29.45%
1994	\$50,069,130	\$143,054,657	\$5,523,910	\$18,792,600	\$37,995,080	\$151,980,320	\$16,011,730	\$93,158,120	\$310,817,577	\$93,158,120	30.11%
1995	\$52,660,150	\$150,457,571	\$5,112,230	\$14,606,371	\$39,577,232	\$158,308,928	\$17,420,270	\$97,349,612	\$323,372,870	\$97,349,612	30.10%
1996	\$51,632,390	\$148,066,829	\$5,060,750	\$14,459,286	\$50,518,000	\$202,072,000	\$18,374,150	\$107,411,140	\$364,598,115	\$107,411,140	29.74%
1997	\$57,263,370	\$163,609,629	\$5,152,860	\$14,722,457	\$48,933,930	\$195,735,720	\$19,256,760	\$111,350,160	\$374,067,806	\$111,350,160	29.98%
1998	\$59,450,350	\$169,858,143	\$5,113,370	\$14,609,629	\$46,575,180	\$186,300,720	\$17,929,079	\$111,138,900	\$370,768,491	\$111,138,900	29.98%
1999	\$59,630,020	\$170,371,486	\$4,883,940	\$13,954,114	\$40,883,770	\$163,535,080	\$18,988,500	\$105,397,730	\$347,860,680	\$105,397,730	30.30%

Source: Huron County Auditor

CITY OF WILLARD, OHIO  
 RATIO OF NET GENERAL OBLIGATION BONDED DEBT  
 TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA

Table 5

LAST 10 FISCAL YEARS

Fiscal Year	Population (1) (In Thousands)	Assessed Value (2) (In Thousands)	Gross Bonded Debt	Less Debt Service Fund (3)	Debt Payable From		Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation (%)	Net Bonded Debt Per Capita
					Enterprise Revenues (4)	Special Assessments			
1990	6,210	\$85,542,670	\$4,185,259	\$15,470	\$3,285,259	\$190,000	\$694,530	0.81%	111.84
1991	6,250	\$91,189,994	\$14,711,970	\$15,770	\$13,903,030	\$148,940	\$644,230	0.71%	103.08
1992	6,260	\$93,257,955	\$13,906,461	\$15,238	\$11,668,484	\$112,977	\$2,109,762	2.26%	337.02
1993	6,458	\$88,799,331	\$13,470,132	\$31,571	\$11,254,154	\$105,977	\$2,078,430	2.34%	321.84
1994	6,475	\$93,588,120	\$12,888,377	\$80,438	\$10,790,389	\$213,570	\$1,803,980	1.93%	278.61
1995	6,500	\$97,349,612	\$11,914,395	\$137,773	\$10,598,595	\$195,860	\$982,227	1.01%	151.11
1996	6,515	\$107,411,140	\$10,984,782	\$99,158	\$9,880,395	\$144,387	\$860,842	0.80%	132.13
1997	6,525	\$111,350,160	\$9,935,948	\$98,838	\$9,017,612	\$118,136	\$701,162	0.63%	107.46
1998	6,540	\$111,138,900	\$9,299,148	\$135,166	\$8,566,276	\$92,872	\$504,834	0.45%	77.19
1999	6,652	\$105,397,730	\$9,523,699	\$139,278	\$7,737,151	\$65,918	\$1,581,352	1.50%	237.73

(1) From Table 11

(2) From Table 4

(3) Amount available for repayment of general obligation bonds.

(4) These amounts include the general obligation bonds and revenue bonds that are being repaid from enterprise revenues.

CITY OF WILLARD, OHIO  
PROPERTY TAX RATES DIRECT AND OVERLAPPING (a)

Table 6

LAST 10 FISCAL YEARS

Fiscal Year	General	Special	School (1)	Huron	Special	Total
	Fund	Revenue Funds	District	County Commissioners	Taxing District	
1990	3.00	1.30	45.65	4.75	3.70	58.40
1991	3.00	1.30	45.65	5.49	3.70	59.14
1992	3.00	1.30	45.65	5.49	3.70	59.14
1993	3.00	1.30	47.49	5.49	3.70	60.98
1994	3.00	1.30	47.49	5.49	3.70	60.98
1995	3.00	1.30	47.35	6.04	4.20	61.89
1996	3.00	1.30	47.36	6.04	4.20	61.90
1997	3.00	1.30	45.75	6.00	5.45	61.50
1998	3.00	1.30	45.75	6.00	5.45	61.50
1999	3.00	1.30	45.75	6.00	5.45	61.50

(a) Rates presented are per \$1000 of assessed valuation.

Source: Huron County Auditor

(1) Includes Library

(2) Pioneer Career, Technology Center & County Health

CITY OF WILLARD, OHIO  
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS

Table 7

LAST 10 FISCAL YEARS

Collection Year	Special Assessment Billings	Special Assessments Collected
1990	\$10,814	\$10,112
1991	\$11,106	\$9,951
1992	\$75,399	\$53,720
1993	\$25,577	\$20,683
1994	\$24,220	\$16,086
1995	\$44,914	\$31,503
1996	\$50,591	\$32,246
1997	\$57,533	\$31,757
1998	\$28,511	\$24,546
1999	\$27,806	\$21,196

Sources: Huron County Auditor  
City of Willard, Director of Finance

CITY OF WILLARD, OHIO  
COMPUTATION OF LEGAL DEBT MARGIN

Table 8

DECEMBER 31, 1999

Total Assessed Valuation Less Exempt		<u>\$105,397,730</u>
Overall Debt Limitation		
10 1/2% of Assessed Valuation		\$11,066,762
Gross Indebtedness	\$1,956,548	
Less: Debt Outside Limitations	<u>65,918</u>	
Debt Within 10 1/2% Limitation	\$1,890,630	
Less: Bond Retirement Fund Balance	<u>139,278</u>	
Net Debt Within 10 1/2% Limitation		<u>1,751,352</u>
Legal Debt Margin Within 10 1/2% Limitation		<u>\$9,315,410</u>
Unvoted Debt Limitation		
5 1/2% of Assessed Valuation		\$5,796,875
Gross Unvoted Debt	\$1,956,548	
Less: Debt Outside Limitations	<u>65,918</u>	
Debt Within 5 1/2% Limitation	1,890,630	
Less: Bond Retirement Fund Balance	<u>139,278</u>	
Net Debt Within 5 1/2% Limitation		<u>1,751,352</u>
Legal Debt Margin Within 5 1/2% Limitation		<u>\$4,045,523</u>

Note: Does not include capital leases.

Source: Huron County Auditor  
City of Willard, Director of Finance

CITY OF WILLARD, OHIO  
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
FOR GENERAL OBLIGATION BONDED DEBT (1)  
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES

Table 9

LAST 10 FISCAL YEARS

Fiscal Year	Principal	Interest (3)	Total Debt Service	Total General Governmental Expenditures (4)	Ratio of Debt Service To General Governmental Expenditures (%)
1990	\$840,000	\$59,190	\$899,190	\$10,898,023	8.25%
1991	\$210,000	\$12,908	\$222,908	\$6,629,465	3.36%
1992	\$660,000	\$33,103	\$693,103	\$8,438,787	8.21%
1993	\$1,810,000 (2)	\$145,416	\$1,955,416	\$6,613,360	29.57%
1994	\$280,000	\$109,786	\$389,786	\$5,947,060	6.55%
1995	\$160,000	\$63,840	\$223,840	\$5,331,754	4.20%
1996	\$160,000	\$57,440	\$217,440	\$5,035,412	4.32%
1997	\$160,000	\$50,320	\$210,320	\$5,226,740	4.02%
1998	\$160,000	\$42,720	\$202,720	\$5,697,487	3.56%
1999	\$160,000	\$34,720	\$194,720	\$6,929,918	2.81%

Source: City of Willard, Director of Finance.

- (1) General obligation bonds reported in the enterprise funds and special assessments debt with government commitment have been excluded.
- (2) Includes general obligation notes which are renewed annually, causing a high ratio.
- (3) Exclusive of bond issuance and other costs.
- (4) Total general governmental expenditures from Table 2.

CITY OF WILLARD, OHIO  
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT  
GENERAL OBLIGATION BONDS AND NOTES

Table 10

DECEMBER 31, 1999

<u>Jurisdiction</u>	Net General Obligation Bonded Debt Outstanding	Percentage Applicable To Government	Amount Applicable To Government
Direct:			
City of Willard	\$1,956,548	100.00%	\$1,956,548
Overlapping:			
Huron County	10,818,369	13.96%	1,510,244
Pioneer Career & Technology Center	<u>360,000</u>	3.40%	<u>12,240</u>
<b>Total</b>	<u>\$13,134,917</u>		<u>\$3,479,032</u>

Source: Huron County Auditor

CITY OF WILLARD, OHIO  
DEMOGRAPHIC STATISTICS

LAST 10 FISCAL YEARS

Table 11

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Income (1)</u>	<u>Median Age (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3) (3)</u>
1990	6,210	\$10,774	30.9	2,393	9.5
1991	6,250	\$11,244	31.2	2,251	10.6
1992	6,260	\$11,469	32.2	2,368	11.3
1993	6,458	\$10,670	30.9	2,317	9.4
1994	6,475	\$11,428	30.9	2,303	8.2
1995	6,500	\$11,581	30.9	2,331	8.4
1996	6,515	\$11,742	30.9	2,342	9.4
1997	6,525	\$11,903	30.9	2,319	8.5
1998	6,540	\$12,260	30.9	2,408	8.2
1999	6,652	\$12,444	30.9	2,272	7.3

Data Source:

- (1) 1990, 1993 & 1995 based on information available from the Ohio Data Users Center, Department of Development, Columbus, Ohio. Other years based on 1990 & 1994 information estimates.
- (2) School enrollment provided by Willard City Schools. All of these Schools are located in the City of Willard.
- (3) Data for all years provided by the Division of Research and Statistics, Ohio Bureau of Employment Services, Columbus, Ohio. Unemployment rates are reported for all of Huron County.

CITY OF WILLARD, OHIO  
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS

Table 12

LAST 10 FISCAL YEARS

Fiscal Year	Total Property Value (1)	Commercial Construction (2)		Residential Construction (2)		Bank Deposits (3)
		Number of Units	Value	Number of Units	Value	
1990	\$42,900,110	17	\$10,231,680	10	\$807,000	\$417,842,000
1991	\$43,399,650	11	\$554,900	7	\$844,516	\$425,954,000
1992	\$45,568,000	7	\$5,326,000	12	\$969,050	\$424,032,000
1993	\$38,598,740	6	\$5,624,000	8	\$2,185,000	\$204,055,000
1994	\$41,246,910	0	\$0	14	\$581,000	\$219,322,000
1995	\$52,660,150	4	\$550,000	11	\$1,003,000	\$234,406,000
1996	\$51,823,390	3	\$1,445,000	7	\$943,934	\$154,471,000
1997	\$57,263,370	8	\$1,500,000	13	\$1,836,000	\$161,075,000
1998	\$59,450,350	2	\$3,740,000	23	\$2,173,518	\$197,656,000
1999	\$59,630,020	7	\$5,005,000	9	\$1,265,000	\$197,266,000

(1) Assessed value from Table 4.

(2) Source: Building inspector. Number of units is for new construction only.

(3) Source: Federal Reserve Bank. Number is for deposits for Huron County based institutions.

CITY OF WILLARD, OHIO  
PRINCIPAL TAXPAYERS

DECEMBER 31, 1999

Table 13

<u>Taxpayer</u>	<u>Type of Business</u>	<u>1999 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
R.R. Donnelley & Sons	Book Publisher	\$20,382,900	19.34%
MTD Products	Lawn Mowers	\$14,470,860	13.73%
Pepperidge Farms	Bakery	\$5,448,230	5.17%
Ohio Power	Electric Utility	\$2,428,740	2.30%
Willard Rental Properties	Rental Company	\$1,695,190	1.61%
JLB Investments L.P.	Developer	\$1,115,840	1.06%
MAPA Pioneer Corp.	Rubber Products	\$1,222,720	1.16%
Jerry Stackhouse	Rental Properties	\$1,182,720	1.12%
MEAD Corp.	Book Publisher	\$809,950	0.77%
G.T.E. North, Inc.	Telephone Utility	\$760,380	0.72%
<b>TOTAL</b>		<b>\$49,517,530</b>	<b>46.98%</b>

Source: Huron County Auditor

CITY OF WILLARD, OHIO  
TEN LARGEST EMPLOYERS  
BY EMPLOYEE WITHHOLDING

Table 14

DECEMBER 31, 1999

<u>Name</u>	<u>Withholding Amount</u>	<u>Percentage of Total Employee Withholding</u>
R.R. Donnelley & Sons Co., Inc.	\$1,200,876	33%
MTD Products Inc.	\$690,603	19%
Campbell Soup Co.	\$405,377	11%
Willard City Schools	\$160,377	4%
Mercy Hospital, Willard	\$140,371	4%
CSX Corporation	\$133,018	4%
M.A.P.A. Pioneer Corp.	\$62,165	2%
City of Willard	\$54,227	2%
Hillside Acres Rest Home	\$51,946	1%
East of Chicago Pizza Co.	\$32,733	1%
<b>TOTAL</b>	<b>\$2,931,693</b>	<b>83%</b>

Source: City of Willard Tax Department

CITY OF WILLARD, OHIO  
MISCELLANEOUS STATISTICAL DATA

DECEMBER 31, 1999

Table 15

Date of Incorporation	1882
Form of Government	Council - Manager
Number of Employees (Excluding Police & Fire)	41
Classified	3
Exempt	4
Area in Square Miles	
<u>City of Willard Facilities and Services:</u>	
Miles of Streets	31.0
Number of Traffic Lights	10
<u>Culture and Recreation</u>	
Parks	3
Park Acreage	42
Swimming Pools	1
Miniature Golf Courses	1
Museums	1
<u>Fire and Ambulance Protection</u>	
Number of Stations	1
Number of Fire Personnel & Officers	32
Number of Calls Answered	1,404
<u>Police Protection</u>	
Number of Stations	1
Number of Police Personnel & Officers	20
Number of Patrol Units	4
Number of Law Violations	2,135
<u>Sewage System</u>	
Miles of Sanitary Sewer	30.3
Miles of Storm Sewer	14.5
Number of Treatment Plants	1
Number of Service Connections	2,403
Daily Average Treatment in Gallons	1,543 MGD
Maximum Daily Average Capacity of Treatment Plant in Gallons	4.50 MGD, design
<u>Water System</u>	
Miles of water mains	27.6
Number of Service Connections	2,762
Number of Fire Hydrants	400
Daily Average Consumption in Gallons	1.27
Maximum Daily Consumption in Gallons	4,500,000
<u>Facilities and Services Not Included in Reporting Entity:</u>	
<u>Education</u>	
Number of Elementary Schools	4
Number of Elementary Instructors	63
Number of Secondary Schools	2
Number of Secondary School Instructors	84
<u>Hospital</u>	
Number of Hospitals	1
Number of Patient Beds	69

*This page has been left blank intentionally.*



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS

City Council  
City of Willard  
631 S. Myrtle Avenue  
Willard, OH 44890

We have audited the general purpose financial statements of the City of Willard, Ohio as of and for the year ended December 31, 1999, and have issued our report thereon dated May 18, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Willard, Ohio's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on the compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Willard, Ohio's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We

City Council  
City of Willard  
Page Two

noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the City of Willard, Ohio in a separate letter dated May 18, 2000.

This report is intended solely for the information and use of City Council, management, and others within the City, and is not intended to be and should not be used by anyone other than these specified parties.

Weber · D · Baird · LTD ·

May 18, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

CITY OF WILLARD

HURON 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.

By: Susan Babbitt

Date: JUL 27 2000