



Mary Taylor, CPA
Auditor of State

CITY OF WAPAKONETA
AUGLAIZE COUNTY

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Mary Taylor, CPA

Auditor of State

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

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

To the Members of Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wapakoneta, Auglaize County, (the City), as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 20, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the City's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider findings 2008-001 and 2008-002 described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the City's internal control will not prevent or detect a material financial statement misstatement.

**Internal Control Over Financial Reporting
(Continued)**

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We do not believe the significant deficiencies described above are material weaknesses.

We also noted certain internal control matters that we reported to the City's management in a separate letter dated July 20, 2009.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the City's management in a separate letter dated July 20, 2009.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the City's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of the audit committee, management, and Council. We intend it for no one other than these specified parties.



Mary Taylor, CPA
Auditor of State

July 20, 2009

**CITY OF WAPAKONETA
AUGLAIZE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
--

FINDING NUMBER 2008-001

Significant Deficiency - Bank/Book Reconciliations and Financial Reporting

To reduce the risk of financial errors and/or irregularities occurring and being undetected, the management and governing body should review financial information that is accurate and timely. Evidence was not provided that bank to book reconciliations were performed throughout the year in a timely manner or that the Finance Committee performed procedures to monitor these reconciliations and the deposits and investments of the City. The key financial report utilized by the Finance Committee and Council was the trial balance report, a non-system defined report, that presented budget versus actual activity and beginning and ending fund balances. However, this report was not made available for review for thirty to forty days after each month end. As a result, the untimely completion of the bank to book reconciliations impacted the accuracy and completeness of the systems generated trial balance reports provided to the Finance Committee, Administration and Council, in that the reports failed to reconcile with bank balances throughout the year, and there was a variance of approximately \$88,000 at year end. In addition, the Finance Committee and Council did not receive a list of all checks issued on a month or year-to-date basis, nor a detail revenue or expenditure report.

Those adjustments, which included the following, except for those that need resolved with the appropriate agencies, have been adjusted in the presented financial statements.

The following issues were identified which could have been prevented by scanning or reviewing the documents indicated above:

- ▶ Interest earned on the STAROhio and The Bank of New York accounts in the amounts of \$303,062 and \$21,148, respectively, during the months of February through December 2008 were posted to the City's accounting system in December 2008. Interest earned on the Fifth Third Max Saver account in the amount of \$54,756 during the months of February through September 2008 was posted to the City's accounting system in September 2008.
- ▶ Interest payments of \$218,555 for the Mortgage Sewer Revenue Bond debt issues were debited on The Bank of New York account statements in June of 2008; but were not posted to the accounting system until October 2008. The principal and interest payments of \$563,555 on the Mortgage Sewer Revenue Bond debt issues were debited on The Bank of New York account statements in December of 2008; and posted to the City's accounting system in November of 2008.
- ▶ The December 31, 2008 bank to book reconciliation had an unreconciled discrepancy of \$88,396. The City entered into a contract with the Auditor of State Local Government Services to reconcile cash. The following are some of the reconciling items that were identified:
 - ◆ the employer portion of PERS for the month of November 2007, in the amount of \$24,675, was not recorded on the records but was paid in December 2007; the PERS employee share in the amount of \$10,988 for the pay period ended August 29, 2008 was paid twice (in both September and November); the employer portion of PERS for the month of November 2008 in the amount of \$25,968 was paid in December 2008, but was not recorded on the books until March 2009.
 - ◆ income tax receipts in the amount of \$6,991 was double posted to the records;
 - ◆ a payment in the amount of \$1,956 was issued to AFLAC twice during 2008;

FINDING NUMBER 2008-001
(Continued)

- ◆ check number 50144 in the amount of \$2,721 was debited by the bank twice during October 2007;
 - ◆ several payroll checks that had not cleared were not listed on the outstanding check list (2 for 2007 and 2 for 2008);
 - ◆ internal charges posted to the City's books did not balance for the months of August and December of 2007:
 - ◆ various insufficient fund checks in the amount of \$4,844 were not appropriately handled on the books; and
 - ◆ various other insignificant errors such as posting interest earnings net of fees, errors in deposits and pay-ins, payroll deductions not paid, and posting of transactions twice or not at all.
 - ◆ \$5,993 was identified as an unreconciled/unidentified amount carried over from the year 2006;
- ▶ The City's payroll and payable bank accounts were not reconciled to zero during the audit period. The interest earned on the payroll and payable accounts were maintained within the respective accounts and had not been transferred to the City's "general" account.

Failure to prepare and review/monitor the bank to book reconciliations in a timely manner had allowed for reconciling differences to remain undetected. The failure to receive complete and detailed financial information in a timely manner inhibited the ability of the Finance Committee or Council to perform their duty to monitor the financial activity of the City. Additionally, utilizing a non-system defined report increased the risk that key financial information could be omitted and not be detected in a timely manner.

The financial activity of the City should be recorded in the accounting/finance system timely and each month end should be closed and reconciled as early as possible in the following month to allow for the timely completion and accuracy of the month end reconciliations. The interest net of fees earned on the payroll and payable bank accounts should be transferred into the general bank account on a monthly basis which will assist in the reconciliation of these respective accounts which should equal the outstanding check list amount. The various errors noted above that involved amounts due the City should be resolved through contact with those agencies.

The Finance Committee and/or Council should review the monthly list of investments and the bank reconciliations, along with requiring the Auditor and Treasurer sign and date the reconciliations as to when they were completed and the accuracy. The review should include the determination whether the deposits and investments purchased or held by the City comply with the deposit and investment policy. The Finance Committee and/or Council should give consideration to the replacement of the trial balance report with a system-generated report to help reduce the risk of errors. Within two weeks after each month end, the Finance Committee and/or Council and Administration should be provided with system-generated month to date / year to date reports to review and evaluate whether they reflect the financial activity and balances reported in the accounting system of the City. A listing of the checks issued should also be provided to the Finance Committee and/or Council for review and approval.

Periodically, the Finance Committee and/or Council should perform an in-depth review of the financial transactions recorded in the accounting system and subsequently reported on the financial statements to identify recording errors. Finally, evidence of procedures performed by the Finance Committee and/or Council should be indicated (i.e. affix signatures and or initials) on the documents reviewed and/or in the minutes.

**FINDING NUMBER 2008-001
(Continued)**

OFFICIALS' RESPONSE

While every effort is made to reconcile the banks and the books, the City had to hire the State to do this for the year ending 2008. This work is also continuing in 2009 and we all have been able to put into place some new procedures and policies in regard to items which have been problems over the years. Hopefully these new procedures will help improve the reconciling process and keep everything up to date. Many of the suggestions have already been implemented.

FINDING NUMBER 2008-002

Significant Deficiency - Pool and Concessions Monitoring Controls and Records

A new pool facility was opened during 2008 which charged admission fees and sold concessions. There was no evidence that the Recreation Board or Council approved the pool admission fees or established change funds and the amount. Daily worksheets were not prepared and provided to the City Auditor with the detail to support the cash register Z-tapes. In addition, the pool was rented to individuals / organizations on several occasions; however, there were no written rental agreements.

Failure to prepare detailed daily worksheets for the pool admissions and concessions resulted in the necessity of correcting entries for amounts paid in cash for pool and concession supplies in the amount of \$1,059, Donations that were not revenues of the swimming pool fund in the amount of \$6,592 and reclassification entries in the amount of \$16,845 which resulted in an approximate change of 14 percent to the City's swimming pool fund and accounting records and the presented financial statements. The lack of adequate accountability and monitoring procedures allowed for the understatement of both revenues and disbursements, and differences to remain undetected in the normal course of business.

The Recreation Board or City Council should include the following in their minutes:

- ◆ approve pool admission fees (memberships: family, additional and single, in addition to daily), rental agreement fees and concession stand prices
- ◆ establish a separate change fund(s) for the pool and concessions and the amounts;
- ◆ address whether memberships are refundable – and if so, under what circumstances and whether the entire amount paid or a pro-rated amount can be refunded.

The Recreation Director, with approval by the Board, should implement processes and procedures to address the following issues to help ensure the accuracy of the financial statements:

- ◆ The preparation of a daily worksheet that includes a breakdown of receipts by source (memberships, admissions, concessions, donations, rental event charges, etc) in addition to attendance numbers supported by the cash register Z-tapes (could even consider adding weather related conditions to the daily worksheet). The daily worksheet should be prepared by the pool/concession managers as evidenced by their signature;
- ◆ That all cash collected is accounted for on the cash register Z-tapes, documented on the daily worksheet and deposited timely by the pool/concession managers or Recreation Director. Ideally, the cash register Z-tapes and the amount deposited should agree; however, if the amounts do not agree and there is a difference, the pool/concession managers or Recreation Director should evaluate the reason for the difference and briefly document their investigation and results on the daily worksheet. Also consider having the personnel responsible for running the cash registers, in addition to the pool/concession manager to affix their initials to the Z-tape;

**FINDING NUMBER 2008-002
(Continued)**

- ◆ the daily worksheet, cash register Z-tapes and duplicate deposit slip provided to the City Auditor, as evidential matter to support the duplicate receipts and amounts posted to the accounting system;
- ◆ Disallow cash being used to make purchases. The pool/concession managers or Recreation Director should use City established store charge accounts, and affix their signature to the receipt as evidence for the respective purchase. Policy should require that all expenses of the pool should be paid through the City's accounting system and on a check issued by the City;
- ◆ The establishment of a refund policy by the Board for membership fees, if allowed, or not allowed. If allowed, the policy should require the person requesting the refund to verify the mailing address on their membership application, affix a statement to the application as to the circumstances for the refund request, along with their signature. In addition, the Recreation Director should affix his signature attesting to the amount to be refunded. The request should then be submitted to the City Auditor and a check issued;
- ◆ The City Law Director should develop a written rental agreement that outlines the responsibility and liability of both the City and the renter. The agreement should include a line to insert the amount of the rental fee and for the signatures of the renter and the pool/concession manager, Recreation Director or whoever received the payment. The rental agreements should be submitted to the City Auditor's office along with the payment;
- ◆ process for maintaining and monitoring the concession inventory;
- ◆ Meet with and/or provide all staff with a duty outline so they are aware of what is required and expected. This meeting and duty outline should be held and/or given at least annually at the beginning of the season.

OFFICIALS' RESPONSE

This being a new facility for the City, many procedures and policies were not in place in 2008. These have been addressed and the City Auditor will make every effort to work with the swimming pool staff to correct and improve these procedures and policies. Many of the suggestions have already been implemented.

**CITY OF WAPAKONETA
AUGLAIZE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2008**

Finding Number	Finding Summary	Fully Corrected	Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2007-001	<i>Significant Deficiency</i> Monitoring of Bank/Book Reconciliations and Financial Reporting	No	Repeated as Finding 2008-001
2007-002	<i>Significant Deficiency</i> Emergency Medical Services (EMS) Accountability/Monitoring Procedures	Yes	
2007-003	<i>Noncompliance</i> Ohio Rev. Code Section 5705.10 (D) – failure to record revenue derived from a source other than the general property tax which the law prescribes shall be used for a particular purpose into a special fund for such purpose	No	partially corrected – reported in a separate letter to management of the City.

CITY OF WAPAKONETA, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2008

Prepared By:

City Auditor

GAIL E. WALTER

INTRODUCTORY
SECTION

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CITY OF WAPAKONETA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

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July 20, 2009

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

I am pleased to present the City of Wapakoneta's Comprehensive Annual Financial Report (CAFR), for the year ended December 31, 2008. This report was prepared according to generally accepted accounting principles (GAAP). Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City, specifically the City Auditor's Office. The City has a framework of internal controls established to insure the accuracy of the presented data and the completeness and fairness of the presentation. Because the cost of internal controls should not exceed anticipated benefits, the controls provide reasonable assurance that the financial statements are free of any material misstatements.

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

The State of Ohio Auditor's Office has issued an unqualified opinion on the City of Wapakoneta's basic financial statements for the year ended December 31, 2008. The Independent Accountants' Report is located at the front of the financial section of this report.

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

PROFILE OF THE CITY

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



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701 Parlette Court

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

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

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

LOCAL ECONOMY

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

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

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

The City of Wapakoneta received one of Ohio's first "Job Ready Sites" grants in January 2007 to develop a 471-acre manufacturing site at the intersection of Interstate I-75 and U.S. 33. This new site was designated as the West Central Ohio Industrial Center. The grant provided \$1.9 million for the acquisition of property, maintenance of long-term property options, and installation of certain infrastructure. The infrastructure projects included extension of sanitary sewer and 69kv electric lines to the site and construction of a railroad spur from the CSX Mainline Rail onto the site. During 2008, the real estate acquisitions were made, options maintained, and the infrastructure projects completed. Wapakoneta Area Economic Development Council has also started the process to certify the site under the Ohio Department of Development's certification standards. When this process is completed, the West Central Ohio Industrial Center will become one of Ohio's first, and largest, certified manufacturing sites and will put Wapakoneta in the lead of economic development and promotion of our community.

The City hosts many and varied retail and professional businesses, which are of an outstanding quality

and demonstrate a commitment to the community. The “downtown” area is comprised of many specialty shops; antiques, toys, flowers, books, furniture, and crafts to name a few. With the renovation of our downtown, many offices and apartments round out the tree-lined streets.

The City received the distinct award of Tree City USA for the 21st year and the growth award for the 10th year. In 2008, the City was made aware of the Emerald Ash Bore problem. We have since purchased equipment and chemicals to treat this problem in an attempt to “fix” the problem and treat the trees so losses are kept to a minimum. This will be an ongoing activity and the City takes the maintenance and planting of trees very seriously. It is believed that the tree lined streets are just another asset in the beautiful community.

During 2008, we had many major investments in our city. These major projects include Community Health Professionals of Tri-County which has moved into their new facility, Lowes Home Improvement Center opening, Kyocera-OTM, a new Japanese company in Wapakoneta that aquired On Time Machining Company, Telephone Service Company Corporate Center renovations, O’Reilly Auto Parts opening, YMCA Fitness Center project addition completion, Fifth Third Banking Center, construction project Bellefontaine Street, Schlosser Funeral Home and Cremation Services opening, the renovation of American Industrial Partners, Rick’s 501 Motors opening, Johnston Supply, Inc. addition completed, Denisco Renovation project of Auglaize National Bank, the opening of the Wapakoneta Water Park, and the Wapakoneta City School District facilities upgrade.

The following businesses started this year including Associates Staffing, California Burrito Co., Dr. Frank Cunningham, Jr., dkNails, Harrod and Nagel Electric, Your Jewlery Box, K&D Trading Post, Liberty Tax Service, Lisa K. Photography, Padrone’s Pizza, PC Doctor, Simply Elegant Formals, Skate Shop, Urgent Care on Weekends, and Woodforest Bank. Expanding their business this year were Auglaize Embroidery, J&D Bicycles, New Beginnings, and Woody’s Diner.

The City issued two hundred sixty-four building permits during 2008, including fifteen for new residences, twenty-seven for garages and additions to current residences, and twenty-seven commercial permits for upgrades or new facilities. The City addresses local issues, enhances economic development, provides optimism, and anticipates potential for its citizens in an effort to keep our future on a path for growth. During 2007 and completed in 2008, the City’s planning committee, along with the professional services of Edwards and Kelsey Corp, have put together a comprehensive plan to give the City guidelines to use in the future growth of our community.

LONG-TERM FINANCIAL PLANNING

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

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

City Council has always transferred monies from the General Fund to the Street and Sewer Improvement capital projects fund. In 2008, the available funds, while smaller than the City would like, were used for projects including repaving and maintenance of streets, curbs, and sidewalks. No entire street reconstruction projects were undertaken in 2008. The City has several street reconstruction projects scheduled to be undertaken in 2009 and 2010.

There are no statutory requirements or policies on which City Council is to rely to determine the amount of fund balance they want to carry forward from year to year. It has been the tradition of this City to try

to appropriate everything necessary to operate an efficient and effective government and provide all necessary services from administration to fire, police, emergency medical, and income tax departments.

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

MAJOR INITIATIVES

Again in 2008, the City continued to improve its facilities and infrastructure to serve its citizens. This includes the continuation of the sidewalk, curb, and gutter program. The following projects were completed in 2008:

- New Aquatic Center was completed and opened on July 5, 2008.
- The City's commitment to the Job Ready Sites Project of a sanitary sewer line, a 69,000 volt electric line, and a rail spur to serve this property were completed by December 31, 2008.
- In July 2008, staff members from the Public Works Department identified a sanitary manhole on the south interceptor which had been damaged and was permitting significant inflow of river water directly into our wastewater collection system. In August, the staff replaced the manhole structure with a direct result of a 1.3 million gallon, per day reduction of flow. This reduction was sustained through the end of 2008.
- In cooperation with the Public Works Department (Street Department), six drainage projects were completed. The following streets were involved: Primrose, Main, Stoneybrook, Ridge, Hamilton, and Carnation.

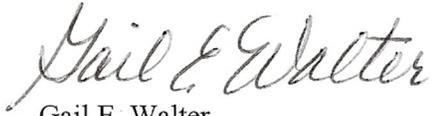
AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wapakoneta for its comprehensive annual financial report (CAFR) for the year ended December 31, 2007. This was the eighteenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail E. Walter".

Gail E. Walter
City Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wapakoneta
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

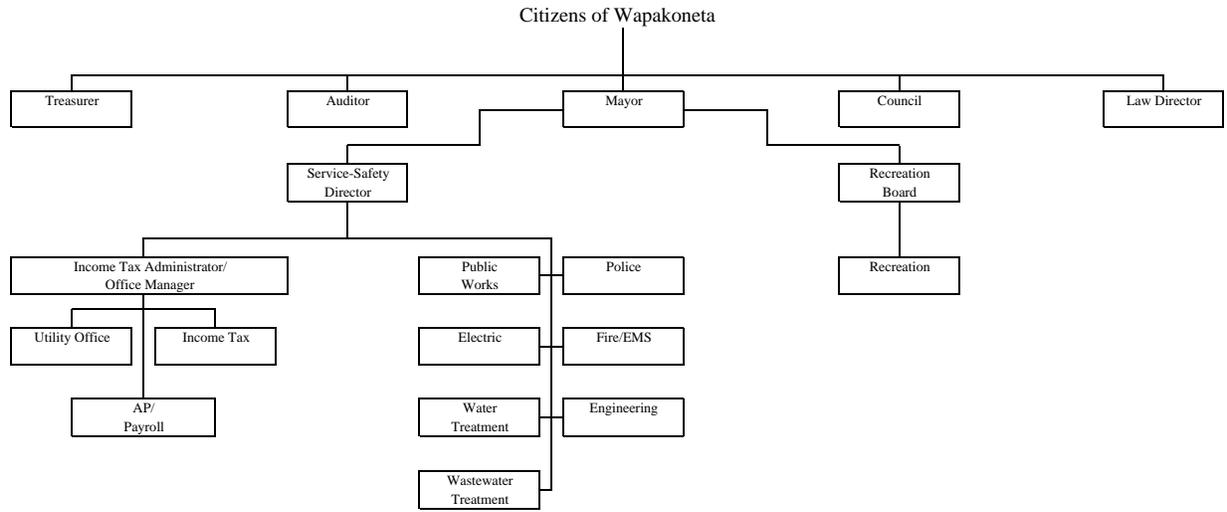
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

City of Wapakoneta Organizational Chart



**CITY OF WAPAKONETA
LIST OF PRINCIPAL OFFICIALS**

Mayor	Rodney C. Metz
Director of Public Service and Safety	Rex A. Katterheinrich
Income Tax Administrator/Office Manager	Diana L. Blackburn
Police Chief	David B. Webb
Fire Chief/EMS Director	Kendall J. Krites
Recreation Director	Jack R. Hayzlett
Public Works Superintendent	Meril W. Simpson
Electric Superintendent	William E. Lambert
Water Superintendent	Brent J. Hamel
Wastewater Superintendent	Robert T. Burns
Auditor	Gail E. Walter
Treasurer	Nancy K. Oen
Law Director	Dennis P. Faller
President of Council	Donald W. Jump
Member of Council	Daniel C. Graf
Member of Council	B. David Campbell
Member of Council	Bonnie C. Wurst
Member of Council	James R. Neumeier
Member of Council	Wilbur G. Wells
Member of Council	Edward G. Wallen
Member of Council	Stephen C. Walter
Council Clerk	Carlene S. Koch

FINANCIAL
SECTION



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

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

To the Members of Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wapakoneta, Auglaize County, (the City), as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wapakoneta, Auglaize County, as of December 31, 2008, and the respective changes in financial position, and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402
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www.auditor.state.oh.us

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining non-major fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining non-major fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

July 20, 2009

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(Unaudited)

The discussion and analysis of the City of Wapakoneta's financial performance provides an overview of the City's financial activities for the year ended December 31, 2008. The intent of this discussion and analysis is to look at the City's financial performance as a whole.

HIGHLIGHTS

Highlights for 2008 are as follows:

In total, the City's net assets increased \$2,329,098, or less than 4 percent. The increase in net assets for governmental activities was \$1,146,242, 4 percent, while the business-type activities increased \$1,182,856, or 3 percent.

The City continues to focus on the maintenance and repair of infrastructure. In 2008, the City repaved a number of streets. Also in 2008, the City relocated electric lines in anticipation of the reconstruction of the Harrison Street Bridge in 2009. The City continues to build sidewalks and crosswalks on various streets. When properties are maintained with sidewalks people can use, residents begin to see and feel like they should maintain and improve their properties as well. This also helps people take pride in ownership, everyone's home looks nicer and the City as a whole looks nicer.

This was the first year for our new aquatic center. The first year has been a success and revenues paid for operating costs. Everyone looks forward to the long-term success of the aquatic center and continues to fully support parks and recreation efforts in the City.

The City continued work in 2008 with the Ohio Department of Development on the Ohio Jobs Ready Sites Program, a grant program encouraging municipalities to develop "job ready sites" for economic development. The City's share is \$1.9 million of this \$60 million grant program. In 2008, the City purchased additional property for this project.

A review of the enterprise funds reflects an operating income for all five funds. The City's electric rates are determined by contract with our electric provider and these contracts typically are on a 1-5 year cycle. The sewer rates are on a scheduled increase by ordinance every year so the City can anticipate increased costs without a rate study. Rates for all enterprise funds are monitored by the Administration to maintain the revenue needed to operate these activities.

USING THIS ANNUAL REPORT

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

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

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(Unaudited)

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

REPORTING THE CITY AS A WHOLE

The statement of net assets and the statement of activities reflect how the City did financially during 2008. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

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

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

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(Unaudited)

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

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

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

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

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

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

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

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(Unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table 1 provides a summary of the City's net assets for 2008 and 2007.

Table 1
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<u>Assets</u>						
Current and Other Assets	\$10,416,196	\$12,009,503	\$21,051,940	\$20,437,935	\$31,468,136	\$32,447,438
Capital Assets, Net	20,590,275	18,386,974	29,095,330	29,162,258	49,685,605	47,549,232
Total Assets	<u>31,006,471</u>	<u>30,396,477</u>	<u>50,147,270</u>	<u>49,600,193</u>	<u>81,153,741</u>	<u>79,996,670</u>
<u>Liabilities</u>						
Current and Other Liabilities	876,250	995,678	2,311,979	2,531,100	3,188,229	3,526,778
Long-Term Liabilities	1,838,013	2,254,833	11,773,756	12,190,414	13,611,769	14,445,247
Total Liabilities	<u>2,714,263</u>	<u>3,250,511</u>	<u>14,085,735</u>	<u>14,721,514</u>	<u>16,799,998</u>	<u>17,972,025</u>
<u>Net Assets</u>						
Invested in Capital Assets, Net of Related Debt	19,192,324	16,550,369	18,991,836	18,277,471	38,184,160	34,827,840
Restricted	5,048,644	6,877,486	1,170,970	1,236,810	6,219,614	8,114,296
Unrestricted	4,051,240	3,718,111	15,898,729	15,364,398	19,949,969	19,082,509
Total Net Assets	<u>\$28,292,208</u>	<u>\$27,145,966</u>	<u>\$36,061,535</u>	<u>\$34,878,679</u>	<u>\$64,353,743</u>	<u>\$62,024,645</u>

While the overall change in net assets for governmental activities was not significant, less than 4 percent, there were several changes of note as reflected in the above table. Current and other assets decreased 13 percent, a significant portion related to a reduction in intergovernmental receivables as resources from the Ohio Jobs Ready Sites Program were not outstanding at year end such as had occurred in 2007. This decrease is also reflected in the decrease in restricted net assets. The other change of note in governmental activities is the increase in net capital assets as well as in invested in capital assets. This increase resulted for acquisitions and construction associated with the Ohio Jobs Ready Sites Program as well as other construction efforts in the City.

There were no significant changes for business-type activities.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(Unaudited)

Table 2 reflects the change in net assets for 2008 and 2007.

Table 2
Change in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<u>Revenues</u>						
Program Revenues						
Charges for Services	\$742,237	\$615,014	\$19,428,521	\$19,581,995	\$20,170,758	\$20,197,009
Operating Grants, Contributions, and Interest	863,897	739,172	0	0	863,897	739,172
Capital Grants, Contributions, and Interest	285,219	2,150,030	0	0	285,219	2,150,030
Total Program Revenues	<u>1,891,353</u>	<u>3,504,216</u>	<u>19,428,521</u>	<u>19,581,995</u>	<u>21,319,874</u>	<u>23,086,211</u>
General Revenues						
Property Taxes-General Purposes	376,258	382,346	0	0	376,258	382,346
Property Taxes-Recreation	100,267	103,445	0	0	100,267	103,445
Municipal Income Taxes	2,419,511	2,286,433	0	0	2,419,511	2,286,433
Other Local Taxes	666,801	702,847	0	0	666,801	702,847
Grants and Entitlements	736,776	699,524	0	0	736,776	699,524
Franchise Taxes	67,136	50,369	0	0	67,136	50,369
Interest	522,389	919,480	19,753	59,555	542,142	979,035
Gifts and Donations	59,095	8,352	0	0	59,095	8,352
Other	47,323	30,384	66,093	93,043	113,416	123,427
Total General Revenues	<u>4,995,556</u>	<u>5,183,180</u>	<u>85,846</u>	<u>152,598</u>	<u>5,081,402</u>	<u>5,335,778</u>
Total Revenues	<u>6,886,909</u>	<u>8,687,396</u>	<u>19,514,367</u>	<u>19,734,593</u>	<u>26,401,276</u>	<u>28,421,989</u>
<u>Program Expenses</u>						
Security of Persons and Property						
Police	1,353,354	1,283,549	0	0	1,353,354	1,283,549
Fire	1,287,195	1,189,033	0	0	1,287,195	1,189,033
Other	27,849	14,584	0	0	27,849	14,584
Public Health	231,505	231,311	0	0	231,505	231,311
Leisure Time Activities	304,089	217,175	0	0	304,089	217,175
Community Environment	109,785	87,005	0	0	109,785	87,005
Transportation	1,312,919	1,212,316	0	0	1,312,919	1,212,316
General Government	496,979	568,638	0	0	496,979	568,638
Interest and Fiscal Charges	70,941	82,806	0	0	70,941	82,806
Electric	0	0	14,456,015	15,018,241	14,456,015	15,018,241
Water	0	0	1,084,075	1,022,962	1,084,075	1,022,962
Sewer	0	0	2,231,009	2,095,884	2,231,009	2,095,884
Storm Sewer	0	0	83,831	71,239	83,831	71,239
Refuse	0	0	1,022,632	1,413,105	1,022,632	1,413,105
Total Expenses	<u>5,194,616</u>	<u>4,886,417</u>	<u>18,877,562</u>	<u>19,621,431</u>	<u>24,072,178</u>	<u>24,507,848</u>
Increase (Decrease) in Net Assets Before Special Item and Transfers						
	1,692,293	3,800,979	636,805	113,162	2,329,098	3,914,141
Special Item	0	758,441	0	0	0	758,441
Transfers	(546,051)	(427,882)	546,051	427,882	0	0
Increase in Net Assets	<u>1,146,242</u>	<u>4,131,538</u>	<u>1,182,856</u>	<u>541,044</u>	<u>2,329,098</u>	<u>4,672,582</u>
Net Assets Beginning of Year	<u>27,145,966</u>	<u>23,014,428</u>	<u>34,878,679</u>	<u>34,337,635</u>	<u>62,024,645</u>	<u>57,352,063</u>
Net Assets End of Year	<u>\$28,292,208</u>	<u>\$27,145,966</u>	<u>\$36,061,535</u>	<u>\$34,878,679</u>	<u>\$64,353,743</u>	<u>\$62,024,645</u>

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(Unaudited)

For governmental activities, note the substantial decrease in program revenues for 2008. This is due to the Ohio Jobs Ready Sites Program resources that were received in the prior year. General revenues remained fairly consistent with 2007 with the exception of the decrease interest revenue, a reflection of the decline in economic conditions. For governmental activities expenses, moderate increases were reflected in most programs with an overall increase of 6 percent. Lastly for governmental activities, in 2007, the City sold its Telephone Service Company stock and realized a gain on the sale which was reflected as a special item.

For business-type activities, program revenues continue to be primarily funded through charges for services in 2008. Revenues remained very comparable to the prior year with just a slight decrease overall. Expenses are also relatively comparable to 2007, also with a slight decrease overall.

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

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2008	2007	2008	2007
Security of Persons and Property				
Police	\$1,353,354	\$1,283,549	\$1,323,058	\$1,266,773
Fire	1,287,195	1,189,033	1,245,395	1,141,402
Other	27,849	14,584	27,849	14,584
Public Health	231,505	231,311	(75,572)	(243,152)
Leisure Time Activities	304,089	217,175	(320,717)	(73,461)
Community Environment	109,785	87,005	44,060	(1,857,925)
Transportation	1,312,919	1,212,316	535,288	516,157
General Government	496,979	568,638	452,961	535,017
Interest and Fiscal Charges	70,941	82,806	70,941	82,806
Total Expenses	<u>\$5,194,616</u>	<u>\$4,886,417</u>	<u>\$3,303,263</u>	<u>\$1,382,201</u>

While a substantial percentage of the revenues to provide governmental activities services are derived from the City's general revenues (primarily property taxes, municipal income taxes, other local taxes, and State shared revenues), the percentage of general revenues required to pay for governmental activities services increased from the prior year due to the grant for the Ohio Job Ready Sites Program received in 2007. Also note that several of the City's programs were able to offset costs through program revenues including public health, leisure time activities, community environment, and transportation.

Public health expenses are primarily funded by EMS and ambulance charges received during the year. The leisure time activities program is funded from gifts and donations restricted to funding recreation related activities as well as from entrance fees and food sales at the aquatic center. The community environment program is funded from operating grants and loan repayments received from revolving loan participants. The transportation program receives charges for services in the form of permissive motor vehicle license monies. The transportation program also receives operating grants in the form of State levied motor vehicle and gas taxes.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(Unaudited)

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The City's major governmental funds are the General Fund, and the Street and Sewer Improvement and Swimming Pool Construction capital projects funds. The General Fund reflects an increase in fund balance. Once again, revenues exceeded expenditures for the year. Although revenues were down from the prior year by 5 percent (the largest decrease reflected in lower interest revenues), expenditures also decreased. The 11 percent decrease in expenditures was primarily reflected in the area of general government related expenditures.

The Street and Sewer Improvement capital projects fund reflects a 30 percent increase fund balance and primarily due to a much larger subsidy from the General Fund.

The Swimming Pool Construction capital projects fund had a substantial decrease in fund balance, as expected, as construction was completed on the aquatic center.

BUSINESS-TYPE ACTIVITIES FINANCIAL ANALYSIS

The City's enterprise funds are the Electric, Water, Sewer, Storm Sewer, and Refuse funds.

The Electric Fund had an operating income in 2008, a positive change as there was an operating loss in the prior year. However, the increase in net assets was not significant.

The Water Fund is currently generating adequate revenues to cover operating expenses and reflects an operating income again this year. The new water treatment plant construction begins in 2009 and the City has an OWDA loan for this construction. Water rates were increased by 8 percent in February 2007 to help offset the effect of these construction costs, and were increased again in 2008. Water rates are continually being evaluated to determine what increases may be necessary to adequately construct and maintain buildings and infrastructure as the City grows and changes.

Although the Sewer Fund managed a small operating income in 2008, there was a decrease in net assets of almost 5 percent (due to interest expense on debt). The Sewer Fund has accumulated a significant amount of debt for major renovations at the wastewater treatment plant as required to bring the City into compliance with EPA mandates. In January 2008, the City increased sewer rates by 1.5 percent to provide adequate funds for operations and debt retirement. The rates are on a schedule to increase 1.5 percent each year. City Council believes this will protect the City from falling into any serious problems in the near term and they will monitor these rates annually. The rate structure will stay at 1.5 percent a year to account for expense increases and to cover debt service requirements on the outstanding bonds.

The Storm Sewer utility established in May 1994 provides the City the ability to undertake storm water separation. The EPA has mandated the separation of storm water and sanitary sewers. The Storm Sewer fund had an operating income in 2008 and a slight increase in net assets overall.

The City's Refuse Fund continued to reflect deficit net assets as of year end, although there was a small operating income for 2008. In the prior year, there was an operating loss.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(Unaudited)

BUDGETARY HIGHLIGHTS

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

The City's most significant budgeted fund is the General Fund. For revenues, changes from the original budget to the final budget and from the final budget to actual revenues were not significant. For expenditures, changes from the original budget to the final budget were not significant; however, actual expenditures were substantially less than amounts budgeted (40 percent less). This change is almost entirely reflected in the general government program as the City anticipated much higher expenditures related to the Jobs Ready Sites Program in 2008 than occurred.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The City's investment in capital assets for governmental and business-type activities as of December 31, 2008, was \$19,192,324 and \$18,991,836, respectively (net of accumulated depreciation and related debt). Additions to governmental activities capital assets during the year consisted primarily of land, the aquatic center, a cold storage building, and a police cruiser. In the business-type activities, the most significant additions were new vehicles and equipment (including a generator). For further information regarding the City's capital assets, refer to Note 10 to the basic financial statements.

Debt - At December 31, 2008, the City had \$600,000 in bond anticipation notes payable from business-type activities. The City also had a number of long-term obligations outstanding. The governmental activities obligations consisted of \$1,397,951 in general obligation bonds (net of unamortized loss on advance refunding). The business-type activities obligations included \$67,900 in general obligation bonds, \$9,655,196 in mortgage revenue bonds (net of unamortized loss on advance refunding), and \$1,673,180 in landfill postclosure costs. In addition to the debt outlined above, the City's long-term obligations also include compensated absences, a loan due to Auglaize County, OWDA loans, and capital loans. For further information regarding the City's debt, refer to Notes 17, 18, and 19 to the basic financial statements.

CURRENT ISSUES

The City broke ground and is currently constructing the new water treatment plant at an estimated cost of \$8.5 million. The contractor is Kirk Brothers and the construction loan has been secured through the Ohio Water Development Authority. Construction will continue through 2009.

REQUEST FOR INFORMATION

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

City of Wapakoneta
Statement of Net Assets
December 31, 2008

	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$6,905,882	\$15,588,798	\$22,494,680
Cash and Cash Equivalents with Fiscal Agents	0	1,148,142	1,148,142
Accounts Receivable	162,388	2,606,667	2,769,055
Due from Other Governments	1,504,341	10,462	1,514,803
Municipal Income Taxes Receivable	628,784	0	628,784
Other Local Taxes Receivable	6,271	53,486	59,757
Internal Balances	30,051	(30,051)	0
Prepaid Items	30,865	76,119	106,984
Materials and Supplies Inventory	32,658	1,297,452	1,330,110
Accrued Interest Receivable	11,747	0	11,747
Property Taxes Receivable	466,270	0	466,270
Notes Receivable	391,237	0	391,237
Special Assessments Receivable	245,702	0	245,702
Unamortized Bond Issuance Costs	0	300,865	300,865
Nondepreciable Capital Assets	1,660,064	1,143,566	2,803,630
Depreciable Capital Assets, Net	18,930,211	27,951,764	46,881,975
Total Assets	31,006,471	50,147,270	81,153,741
<u>Liabilities</u>			
Accrued Wages Payable	107,881	78,422	186,303
Accounts Payable	101,835	239,069	340,904
Contracts Payable	34,638	1,147,672	1,182,310
Due to Other Governments	169,684	95,564	265,248
Accrued Interest Payable	4,009	37,479	41,488
Notes Payable	0	600,000	600,000
Deferred Revenue	458,203	0	458,203
Refundable Deposits	0	113,773	113,773
Long-Term Liabilities			
Due Within One Year	456,852	536,202	993,054
Due in More Than One Year	1,381,161	11,237,554	12,618,715
Total Liabilities	2,714,263	14,085,735	16,799,998
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	19,192,324	18,991,836	38,184,160
Restricted for			
Debt Service	609,944	0	609,944
Capital Projects	2,534,599	0	2,534,599
Other Purposes	1,904,101	0	1,904,101
Revenue Bond Replacement	0	58,064	58,064
Future Debt Service	0	1,112,906	1,112,906
Unrestricted	4,051,240	15,898,729	19,949,969
Total Net Assets	\$28,292,208	\$36,061,535	\$64,353,743

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Activities
For the Year Ended December 31, 2008

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest
<u>Governmental Activities</u>				
Security of Persons and Property				
Police	\$1,353,354	\$8,911	\$7,890	\$13,495
Fire	1,287,195	41,361	439	0
Other	27,849	0	0	0
Public Health	231,505	302,651	4,426	0
Leisure Time Activities	304,089	121,592	268,162	235,052
Community Environment	109,785	0	38,303	27,422
Transportation	1,312,919	231,173	537,208	9,250
General Government	496,979	36,549	7,469	0
Interest and Fiscal Charges	70,941	0	0	0
Total Governmental Activities	5,194,616	742,237	863,897	285,219
<u>Business-Type Activities</u>				
Electric	14,456,015	14,705,519	0	0
Water	1,084,075	1,609,240	0	0
Sewer	2,231,009	1,845,275	0	0
Storm Sewer	83,831	156,374	0	0
Refuse	1,022,632	1,112,113	0	0
Total Business-Type Activities	18,877,562	19,428,521	0	0
Total	\$24,072,178	\$20,170,758	\$863,897	\$285,219

General Revenues

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

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue
and Change in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$1,323,058)	\$0	(\$1,323,058)
(1,245,395)	0	(1,245,395)
(27,849)	0	(27,849)
75,572	0	75,572
320,717	0	320,717
(44,060)	0	(44,060)
(535,288)	0	(535,288)
(452,961)	0	(452,961)
(70,941)	0	(70,941)
<u>(3,303,263)</u>	<u>0</u>	<u>(3,303,263)</u>
0	249,504	249,504
0	525,165	525,165
0	(385,734)	(385,734)
0	72,543	72,543
0	89,481	89,481
<u>0</u>	<u>550,959</u>	<u>550,959</u>
<u>(3,303,263)</u>	<u>550,959</u>	<u>(2,752,304)</u>
376,258	0	376,258
100,267	0	100,267
2,419,511	0	2,419,511
666,801	0	666,801
736,776	0	736,776
67,136	0	67,136
522,389	19,753	542,142
59,095	0	59,095
47,323	66,093	113,416
<u>4,995,556</u>	<u>85,846</u>	<u>5,081,402</u>
<u>(546,051)</u>	<u>546,051</u>	<u>0</u>
<u>4,449,505</u>	<u>631,897</u>	<u>5,081,402</u>
1,146,242	1,182,856	2,329,098
<u>27,145,966</u>	<u>34,878,679</u>	<u>62,024,645</u>
<u>\$28,292,208</u>	<u>\$36,061,535</u>	<u>\$64,353,743</u>

City of Wapakoneta
Balance Sheet
Governmental Funds
December 31, 2008

	General	Street and Sewer Improvement	Swimming Pool Construction	Other Governmental	Total Governmental Funds
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$3,141,626	\$835,260	\$725,639	\$2,143,741	\$6,846,266
Accounts Receivable	160,801	0	0	1,587	162,388
Due from Other Governments	495,350	768,785	0	240,206	1,504,341
Municipal Income Taxes Receivable	628,784	0	0	0	628,784
Other Local Taxes Receivable	699	0	0	5,572	6,271
Interfund Receivable	48,964	0	0	0	48,964
Prepaid Items	21,191	0	0	8,314	29,505
Materials and Supplies Inventory	9,236	0	0	20,579	29,815
Accrued Interest Receivable	3,602	8,145	0	0	11,747
<u>Restricted Assets</u>					
Equity in Pooled Cash and Cash Equivalents	5,263	0	0	0	5,263
Property Taxes Receivable	367,923	0	0	98,347	466,270
Notes Receivable	0	0	0	391,237	391,237
Special Assessments Receivable	0	241,478	0	4,224	245,702
Total Assets	\$4,883,439	\$1,853,668	\$725,639	\$2,913,807	\$10,376,553
<u>Liabilities and Fund Balance</u>					
<u>Liabilities</u>					
Accrued Wages Payable	\$90,227	\$0	\$0	\$11,680	\$101,907
Accounts Payable	80,314	5,836	0	14,489	100,639
Contracts Payable	0	34,638	0	0	34,638
Due to Other Governments	143,657	4,234	0	15,594	163,485
Interfund Payable	2,503	0	0	846	3,349
Deferred Revenue	1,237,242	1,018,408	0	302,801	2,558,451
Total Liabilities	1,553,943	1,063,116	0	345,410	2,962,469
<u>Fund Balance</u>					
Reserved for Unclaimed Monies	5,263	0	0	0	5,263
Reserved for Notes Receivable	0	0	0	277,855	277,855
Reserved for Encumbrances	154,343	101,150	0	86,166	341,659
<u>Unreserved, Reported in</u>					
General Fund	3,169,890	0	0	0	3,169,890
Special Revenue Funds	0	0	0	1,392,222	1,392,222
Debt Service Funds	0	0	0	609,729	609,729
Capital Projects Funds	0	689,402	725,639	202,425	1,617,466
Total Fund Balance	3,329,496	790,552	725,639	2,568,397	7,414,084
Total Liabilities and Fund Balance	\$4,883,439	\$1,853,668	\$725,639	\$2,913,807	\$10,376,553

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
 Reconciliation of Total Governmental Fund Balance
 to Net Assets of Governmental Activities
 December 31, 2008

Total Governmental Fund Balance		\$7,414,084
<p>Amounts reported for governmental activities on the statement of net assets are different because of the following:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental Activities	20,590,275	
Internal Service Fund	<u>(36,266)</u>	20,554,009
<p>Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:</p>		
Accounts Receivable	142,525	
Due from Other Governments	1,257,109	
Municipal Income Taxes Receivable	438,700	
Property Taxes Receivable	8,067	
Special Assessments Receivable	<u>253,847</u>	2,100,248
<p>An accounting loss on refunded debt is amortized over the life of the debt on the statement of activities.</p>		
		44,149
<p>An internal balance is recorded in governmental activities to reflect overpayments to the internal service fund by the business-type activities.</p>		
		(15,324)
<p>Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:</p>		
Accrued Interest Payable	(4,009)	
General Obligations Bonds Payable	(1,442,100)	
Compensated Absences Payable	(440,062)	
Compensated Absences Payable-Internal Service Fund	<u>4,594</u>	(1,881,577)
<p>An internal service fund is used by management to charge the cost of engineering services to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net assets.</p>		
		<u>76,619</u>
Net Assets of Governmental Activities		<u><u>\$28,292,208</u></u>

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Revenues, Expenditures,
and Change in Fund Balance
Governmental Funds
For the Year Ended December 31, 2008

	General	Street and Sewer Improvement	Swimming Pool Construction	Other Governmental	Total Governmental Funds
<u>Revenues</u>					
Property Taxes	\$375,494	\$0	\$0	\$99,994	\$475,488
Municipal Income Taxes	2,343,504	0	0	0	2,343,504
Other Local Taxes	666,801	0	0	72,742	739,543
Special Assessments	0	98,811	0	14,789	113,600
Charges for Services	389,578	192	0	144,403	534,173
Fees, Licenses, and Permits	84,803	0	0	0	84,803
Fines and Forfeitures	23,522	0	0	2,892	26,414
Intergovernmental	814,564	977,487	0	560,809	2,352,860
Interest	522,389	7,330	25,107	84,161	638,987
Gifts and Donations	59,095	0	0	247,501	306,596
Other	39,079	0	0	8,244	47,323
Total Revenues	5,318,829	1,083,820	25,107	1,235,535	7,663,291
<u>Expenditures</u>					
Current:					
Security of Persons and Property					
Police	1,333,749	0	0	1,290	1,335,039
Fire	1,228,768	0	0	0	1,228,768
Other	27,847	0	0	0	27,847
Public Health	270,897	0	0	0	270,897
Leisure Time Activities	0	0	1,375,134	499,247	1,874,381
Community Environment	85,611	0	0	20,110	105,721
Transportation	0	1,320,401	0	470,104	1,790,505
General Government	472,094	0	2,082	0	474,176
Debt Service:					
Principal Retirement	23,049	185,756	0	240,819	449,624
Interest and Fiscal Charges	634	27,238	0	33,170	61,042
Total Expenditures	3,442,649	1,533,395	1,377,216	1,264,740	7,618,000
Excess of Revenues Over (Under) Expenditures	1,876,180	(449,575)	(1,352,109)	(29,205)	45,291
<u>Other Financing Sources (Uses)</u>					
Transfers In	0	632,341	0	515,000	1,147,341
Transfers Out	(1,590,000)	0	(35,000)	(40,000)	(1,665,000)
Total Other Financing Sources (Uses)	(1,590,000)	632,341	(35,000)	475,000	(517,659)
Change in Fund Balance	286,180	182,766	(1,387,109)	445,795	(472,368)
Fund Balance Beginning of Year	3,043,316	607,786	2,112,748	2,122,602	7,886,452
Fund Balance End of Year	<u>\$3,329,496</u>	<u>\$790,552</u>	<u>\$725,639</u>	<u>\$2,568,397</u>	<u>\$7,414,084</u>

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Reconciliation of Statement of Revenues, Expenditures,
and Change in Fund Balance
of Governmental Funds to Statement of Activities
For the Year Ended December 31, 2008

Change in Fund Balance - Total Governmental Funds (\$472,368)

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

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

Capital Outlay	2,600,218	
Capital Contributions	238,622	
Depreciation	(635,539)	
Depreciation - Internal Service Fund	<u>1,469</u>	2,204,770

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

Property Taxes	1,037	
Municipal Income Taxes	76,007	
Special Assessments	(18,024)	
Charges for Services	(43,097)	
Fees, Licenses, and Permits	(1,090)	
Intergovernmental	(1,010,688)	
Interest	<u>278</u>	(995,577)

Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net assets. 449,624

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

Accrued Interest Payable	1,071	
Amortization of Accounting Loss	<u>(10,970)</u>	(9,899)

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

Compensated Absences Payable-Governmental Activities	(21,834)	
Compensated Absences Payable-Internal Service Fund	<u>(733)</u>	(22,567)

The internal service fund used by management to charge the cost of engineering services to individual funds is not reported on the statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year. (7,741)

Change in Net Assets of Governmental Activities \$1,146,242

See Accompanying Notes to the Basic Financial Statements

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City of Wapakoneta
Statement of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final		Final Budget Over (Under)
<u>Revenues</u>				
Property Taxes	\$355,050	\$346,506	\$375,494	\$28,988
Municipal Income Taxes	2,179,052	2,225,000	2,373,043	148,043
Other Local Taxes	686,523	701,171	728,625	27,454
Charges for Services	332,490	353,800	391,489	37,689
Fees, Licenses, and Permits	53,081	72,160	84,803	12,643
Fines and Forfeitures	21,840	20,750	23,872	3,122
Intergovernmental	625,574	629,059	502,406	(126,653)
Interest	489,675	471,929	612,604	140,675
Gifts and Donations	7,848	47,060	60,495	13,435
Other	8,032	27,965	38,799	10,834
Total Revenues	4,759,165	4,895,400	5,191,630	296,230
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,460,105	1,460,593	1,395,037	65,556
Fire	1,389,849	1,389,849	1,321,374	68,475
Other	15,488	15,000	27,809	(12,809)
Public Health	382,114	411,072	281,527	129,545
Community Environment	121,200	142,700	89,036	53,664
General Government	2,808,152	2,786,650	577,619	2,209,031
Debt Service:				
Principal Retirement	16,007	23,049	23,049	0
Interest and Fiscal Charges	634	634	634	0
Total Expenditures	6,193,549	6,229,547	3,716,085	2,513,462
Excess of Revenues Over (Under) Expenditures	(1,434,384)	(1,334,147)	1,475,545	2,809,692
<u>Other Financing Uses</u>				
Transfers Out	(1,634,000)	(1,634,000)	(1,590,000)	44,000
Change in Fund Balance	(3,068,384)	(2,968,147)	(114,455)	2,853,692
Fund Balance Beginning of Year	2,817,818	2,817,818	2,817,818	0
Prior Year Encumbrances Appropriated	251,609	251,609	251,609	0
Fund Balance End of Year	\$1,043	\$101,280	\$2,954,972	\$2,853,692

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Fund Net Assets
Proprietary Funds
December 31, 2008

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
<u>Assets</u>					
<u>Current Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$11,912,654	\$1,526,197	\$920,902	\$662,055	\$395,153
Accounts Receivable	2,053,298	191,494	215,614	13,585	132,676
Due from Other Governments	0	0	0	0	10,462
Other Local Taxes Receivable	53,486	0	0	0	0
Interfund Receivable	27,033	892	134	88	327
Prepaid Items	40,085	14,405	14,495	0	7,134
Materials and Supplies Inventory	1,142,509	126,798	28,141	0	4
Total Current Assets	15,229,065	1,859,786	1,179,286	675,728	545,756
<u>Non-Current Assets</u>					
<u>Restricted Assets</u>					
Equity in Pooled Cash and Cash Equivalents	113,773	0	58,064	0	0
Cash and Cash Equivalents with Fiscal Agents	0	0	1,148,142	0	0
Unamortized Bond Issuance Costs	0	0	300,865	0	0
Nondepreciable Capital Assets	205,559	506,143	103,763	0	328,101
Depreciable Capital Assets, Net	6,759,416	5,361,540	14,079,806	1,215,439	535,563
Total Non-Current Assets	7,078,748	5,867,683	15,690,640	1,215,439	863,664
Total Assets	22,307,813	7,727,469	16,869,926	1,891,167	1,409,420
<u>Liabilities</u>					
<u>Current Liabilities</u>					
Accrued Wages Payable	32,122	10,966	23,190	0	12,144
Accounts Payable	116,457	25,240	41,379	3,152	52,841
Contracts Payable	1,139,263	8,409	0	0	0
Due to Other Governments	35,854	10,844	34,639	185	14,042
Interfund Payable	49,164	10,765	13,477	0	443
Accrued Interest Payable	0	1,545	35,236	0	698
Notes Payable	0	600,000	0	0	0
General Obligation Bonds Payable	0	0	0	0	22,000
Mortgage Revenue Bonds Payable	0	0	355,000	0	0
Due to Auglaize County	0	0	2,500	0	0
Capital Loans Payable	0	2,828	0	0	22,759
Compensated Absences Payable	25,492	8,098	38,859	0	8,387
Landfill Postclosure Costs Payable	0	0	0	0	50,279
Total Current Liabilities	1,398,352	678,695	544,280	3,337	183,593
<u>Non-Current Liabilities</u>					
Refundable Deposits	113,773	0	0	0	0
General Obligation Bonds Payable	0	0	0	0	45,900
Mortgage Revenue Bonds Payable (net of unamortized loss on advance refunding)	0	0	9,300,196	0	0
Due to Auglaize County	0	0	8,750	0	0
OWDA Loans Payable	0	1,007	0	0	0
Capital Loans Payable	0	6,133	0	0	48,536
Compensated Absences Payable	71,949	34,649	76,424	0	21,109
Landfill Postclosure Costs Payable	0	0	0	0	1,622,901
Total Non-Current Liabilities	185,722	41,789	9,385,370	0	1,738,446
Total Liabilities	1,584,074	720,484	9,929,650	3,337	1,922,039
<u>Net Assets</u>					
Invested in Capital Assets, Net of Related Debt	6,964,975	5,257,715	4,829,238	1,215,439	724,469
<u>Restricted for</u>					
Revenue Bond Replacement	0	0	58,064	0	0
Future Debt Service	0	0	1,112,906	0	0
Unrestricted (Deficit)	13,758,764	1,749,270	940,068	672,391	(1,237,088)
Total Net Assets (Deficit)	\$20,723,739	\$7,006,985	\$6,940,276	\$1,887,830	(\$512,619)

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

Net assets of business-type activities

See Accompanying Notes to the Basic Financial Statements

Total Enterprise Funds	Governmental Activity Internal Service Fund
\$15,416,961	\$54,353
2,606,667	0
10,462	0
53,486	0
28,474	0
76,119	1,360
1,297,452	2,843
<u>19,489,621</u>	<u>58,556</u>
171,837	0
1,148,142	0
300,865	0
1,143,566	0
27,951,764	36,266
<u>30,716,174</u>	<u>36,266</u>
<u>50,205,795</u>	<u>94,822</u>
78,422	5,974
239,069	1,196
1,147,672	0
95,564	6,199
73,849	240
37,479	0
600,000	0
22,000	0
355,000	0
2,500	0
25,587	0
80,836	3,000
50,279	0
<u>2,808,257</u>	<u>16,609</u>
113,773	0
45,900	0
9,300,196	0
8,750	0
1,007	0
54,669	0
204,131	1,594
1,622,901	0
<u>11,351,327</u>	<u>1,594</u>
<u>14,159,584</u>	<u>18,203</u>
18,991,836	36,266
58,064	0
1,112,906	0
15,883,405	40,353
<u>36,046,211</u>	<u>\$76,619</u>
15,324	
<u>\$36,061,535</u>	

City of Wapakoneta
Statement of Revenues, Expenses,
and Change in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2008

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
<u>Operating Revenues</u>					
Charges for Services	\$14,650,946	\$1,609,240	\$0	\$156,374	\$1,112,113
Charges for Services Pledged as Security on Mortgage Revenue Bonds	0	0	1,845,275	0	0
Licenses and Permits	0	0	0	0	0
Other	44,180	7,511	0	0	110
Other Pledged as Security on Mortgage Revenue Bonds	0	0	14,292	0	0
Total Operating Revenues	14,695,126	1,616,751	1,859,567	156,374	1,112,223
<u>Operating Expenses</u>					
Personal Services	749,350	290,550	594,906	0	359,230
Contractual Services	12,991,564	223,699	502,248	24,550	579,075
Materials and Supplies	392,686	355,430	216,418	9,461	51,996
Depreciation	264,826	184,285	448,991	49,007	25,620
Other	57,512	0	10,790	0	0
Total Operating Expenses	14,455,938	1,053,964	1,773,353	83,018	1,015,921
Operating Income (Loss)	239,188	562,787	86,214	73,356	96,302
<u>Non-Operating Revenues (Expenses)</u>					
Other Local Taxes	54,573	0	0	0	0
Interest Revenue	0	0	19,753	0	0
Interest Expense	0	(29,627)	(457,230)	0	(6,576)
Total Non-Operating Revenues (Expenses)	54,573	(29,627)	(437,477)	0	(6,576)
Income (Loss) before Contributions and Transfers	293,761	533,160	(351,263)	73,356	89,726
Capital Contributions	0	0	47,819	0	0
Transfers In	650,000	0	0	0	0
Transfers Out	(33,086)	(36,488)	(39,879)	(4,615)	(37,700)
Change in Net Assets	910,675	496,672	(343,323)	68,741	52,026
Net Assets (Deficit) Beginning of Year	19,813,064	6,510,313	7,283,599	1,819,089	(564,645)
Net Assets (Deficit) End of Year	\$20,723,739	\$7,006,985	\$6,940,276	\$1,887,830	(\$512,619)

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

Change in net assets of business-type activities

See Accompanying Notes to the Basic Financial Statements

Total Enterprise Funds	Governmental Activity <u>Internal Service Fund</u>
\$17,528,673	\$158,432
1,845,275	0
0	11,936
51,801	774
<u>14,292</u>	<u>0</u>
19,440,041	171,142
1,994,036	155,391
14,321,136	14,975
1,025,991	8,983
972,729	1,469
<u>68,302</u>	<u>0</u>
18,382,194	180,818
<u>1,057,847</u>	<u>(9,676)</u>
54,573	0
19,753	0
<u>(493,433)</u>	<u>0</u>
(419,107)	0
638,740	(9,676)
47,819	0
650,000	0
<u>(151,768)</u>	<u>0</u>
1,184,791	(9,676)
	<u>86,295</u>
	<u>\$76,619</u>
(1,935)	
<u>\$1,182,856</u>	

City of Wapakoneta
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2008

	Business-Type Activities					Total
	Electric	Water	Sewer	Storm Sewer	Refuse	
Increases (Decreases) in Cash and Cash Equivalents						
<u>Cash Flows from Operating Activities</u>						
Cash Received from Customers	\$14,634,355	\$1,623,727	\$1,877,974	\$156,259	\$1,116,052	\$19,408,367
Cash Received from Transactions with Other Funds	0	0	0	0	0	0
Cash Received from Utility Deposits	6,836	0	0	0	0	6,836
Cash Received from Other Revenues	84,931	7,511	14,292	0	110	106,844
Cash Payments for Personal Services	(718,028)	(279,668)	(578,547)	0	(363,110)	(1,939,353)
Cash Payments for Contractual Services	(12,957,210)	(197,820)	(480,836)	(23,552)	(572,578)	(14,231,996)
Cash Payments to Vendors	(368,325)	(316,975)	(234,938)	(6,618)	(50,998)	(977,854)
Cash Payments for Transactions with Other Funds	(77)	(484)	(426)	(813)	(135)	(1,935)
Cash Payments for Utility Refunds	(10,999)	0	0	0	0	(10,999)
Cash Payments for Other Expenses	(57,512)	0	(12,761)	0	0	(70,273)
Net Cash Provided by (Used for) Operating Activities	613,971	836,291	584,758	125,276	129,341	2,289,637
<u>Cash Flows from Noncapital Financing Activities</u>						
Cash Received from Other Local Taxes	3,202	0	0	0	0	3,202
Transfers In	650,000	0	0	0	0	650,000
Transfers Out	(33,086)	(36,488)	(39,879)	(4,615)	(37,700)	(151,768)
Net Cash Provided by (Used for) Noncapital Financing Activities	620,116	(36,488)	(39,879)	(4,615)	(37,700)	501,434
<u>Cash Flows from Capital and Related Financing Activities</u>						
Principal Paid on Bond Anticipation Notes	0	(990,000)	0	0	0	(990,000)
Principal Paid on General Obligation Bonds	0	0	0	0	(21,400)	(21,400)
Principal Paid on Mortgage Revenue Bonds	0	0	(345,000)	0	0	(345,000)
Principal Paid on Due to Auglaize County	0	0	(2,500)	0	0	(2,500)
Principal Paid on Capital Loans	0	(2,681)	(22,161)	0	(21,808)	(46,650)
Interest Paid on Bond Anticipation Notes	0	(40,061)	0	0	0	(40,061)
Interest Paid on General Obligation Bonds	0	0	0	0	(2,690)	(2,690)
Interest Paid on Mortgage Revenue Bonds	0	0	(437,210)	0	0	(437,210)
Interest Paid on Capital Loans	0	(640)	(782)	0	(4,059)	(5,481)
Bond Anticipation Notes Issued	0	600,000	0	0	0	600,000
OWDA Loan Proceeds	0	1,007	0	0	0	1,007
Acquisition of Capital Assets	(487,845)	(230,615)	0	0	(139,522)	(857,982)
Net Cash Used for Capital and Related Financing Activities	(487,845)	(662,990)	(807,653)	0	(189,479)	(2,147,967)
<u>Cash Flows from Investing Activities</u>						
Interest	0	0	19,753	0	0	19,753
Net Increase (Decrease) in Cash and Cash Equivalents	746,242	136,813	(243,021)	120,661	(97,838)	662,857
Cash and Cash Equivalents Beginning of Year	11,280,185	1,389,384	2,370,129	541,394	492,991	16,074,083
Cash and Cash Equivalents End of Year	\$12,026,427	\$1,526,197	\$2,127,108	\$662,055	\$395,153	\$16,736,940

City of Wapakoneta
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2008
(continued)

	Business-Type Activities					Total
	Electric	Water	Sewer	Storm Sewer	Refuse	
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>						
Operating Income (Loss)	\$239,188	\$562,787	\$86,214	\$73,356	\$96,302	\$1,057,847
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>						
Depreciation	264,826	184,285	448,991	49,007	25,620	972,729
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	51,193	15,379	32,833	(27)	(4,312)	95,066
Decrease in Due from Other Governments	0	0	0	0	8,578	8,578
Decrease in Other Local Taxes Receivable	10,854	0	0	0	0	10,854
Increase in Interfund Receivable	(27,033)	(892)	(134)	(88)	(327)	(28,474)
(Increase) Decrease in Prepaid Items	(53)	648	153	0	808	1,556
(Increase) Decrease in Materials and Supplies Inventory	(41,747)	39,236	(8,097)	0	6	(10,602)
Increase (Decrease) in Accrued Wages Payable	6,364	2,448	4,237	0	(89)	12,960
Increase (Decrease) in Accounts Payable	64,909	7,594	(1,430)	2,843	44,018	117,934
Increase (Decrease) in Contracts Payable	34,737	5,603	(2,806)	0	0	37,534
Increase in Due to Other Governments	8,238	3,092	4,649	185	3,209	19,373
Increase (Decrease) in Interfund Payable	(10,379)	10,765	13,477	0	443	14,306
Decrease in Refundable Deposits	(4,163)	0	0	0	0	(4,163)
Increase (Decrease) in Compensated Absences Payable	17,037	5,346	6,671	0	(6,777)	22,277
Decrease in Landfill Postclosure Costs	0	0	0	0	(38,138)	(38,138)
Net Cash Provided by (Used for) Operating Activities	<u>\$613,971</u>	<u>\$836,291</u>	<u>\$584,758</u>	<u>\$125,276</u>	<u>\$129,341</u>	<u>\$2,289,637</u>

Non-Cash Capital Transactions

In 2008, the Street and Sewer Improvement capital projects fund constructed sewer lines and donated them to the Sewer enterprise fund, in the amount of \$47,819.

See Accompanying Notes to the Basic Financial Statements

Governmental
Activity

Internal
Service

(\$9,676)

1,469

0

0

0

0

69

60

2,865

589

0

2,988

240

0

(733)

0

(\$2,129)

City of Wapakoneta
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2008

<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$23,731</u>
 <u>Liabilities</u>	
Deposits Held and Due to Others	\$1,585
Undistributed Assets	<u>22,146</u>
 Total Liabilities	 <u>\$23,731</u>

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

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

A. The City

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

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

B. Reporting Entity

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. There were no component units of the City of Wapakoneta in 2008.

The City participates in two insurance pools, the Ohio Government Risk Management Plan and the Ohio Rural Water Association Workers' Compensation Group Rating Plan. These organizations are presented in Note 21 to the basic financial statements.

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting

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

Governmental Funds

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

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

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

Swimming Pool Construction Fund - To account for the construction of the swimming pool.

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

Proprietary Funds

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

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

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

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

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications; pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are not available to support the City's own programs. The City did not have any trust funds in 2008. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for funds deducted from employee's payroll for dependent, copayment, and COBRA insurance coverage and to account for monies belonging to the police auxiliary, an organization that is not part of the City of Wapakoneta.

C. Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

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

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

Deferred Revenues

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property taxes for which there was an enforceable legal claim at December 31, 2008, but were levied to finance 2009 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

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

Expenses/Expenditures

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

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

E. Budgetary Process

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

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

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

F. Cash and Investments

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

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

During 2008, investments included non-negotiable certificates of deposit, mutual funds, and STAR Ohio. Non-negotiable certificates of deposit are reported at cost. Investments are reported at fair value, which is based on quoted market price or current share price. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2008.

Interest earnings are generally allocated to City funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2008 was \$522,389, which includes \$439,219 assigned from other City funds.

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2008, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

H. Inventory

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

I. Restricted Assets

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

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

J. Unamortized Bond Issuance Costs

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

K. Capital Assets

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

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

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

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Interfund Assets/Liabilities

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

M. Compensated Absences

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

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

N. Accrued Liabilities and Long-Term Obligations

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

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

O. Unamortized Loss on Advance Refunding

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Net Assets

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

Q. Fund Balance Reserves

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

R. Operating Revenues and Expenses

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

S. Interfund Transactions

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

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

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

During 2008, the Water, Sewer, Storm Sewer, and Refuse enterprise funds donated capital assets for governmental operations, in the amount of \$3,403, \$6,794, \$4,615, and \$4,615, respectively. Therefore, transfers in and out do not equal within the fund financial statements.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

T. Capital Contributions

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

U. Estimates

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

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES

For 2008, the City of Wapakoneta has implemented Governmental Accounting Standards Board (GASB) Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations", Statement No. 51, "Accounting and Financial Reporting for Intangible Assets" and Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments".

GASB Statement No. 49 establishes accounting and financial reporting requirements for pollution remediation obligations by requiring more timely and complete reporting of the obligations and by requiring all governments to account for pollution remediation obligations in the same manner. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 52 establishes consistent standards for reporting land and other real estate held as investments. It requires endowments to report land and other real estate investments at fair value, to report the changes in fair value as investment income, and to disclose the methods and significant assumptions used to determine fair value. The implementation of this statement did not result in any changes to the financial statements.

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE

A. Accountability

The deficit net assets in the Refuse enterprise fund, in the amount of \$512,619, is the result of recording landfill postclosure costs. Refuse rates were increased in 2007 to help offset rising costs.

B. Compliance

For the year ended December 31, 2008, the General Fund, Security of Persons and Property, Safety Director, capital outlay account had expenditures in excess of appropriations, in the amount of \$13,495.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE (continued)

For the year ended December 31, 2008, the Swimming Pool Construction capital projects fund and the Refuse enterprise fund, had final appropriations in excess of estimated resources plus available balances, in the amount of \$785,702 and \$9,694, respectively.

The City Auditor will monitor budgetary transactions more closely to ensure expenditures/expenses are within appropriated amounts and that appropriations are within amounts available for appropriation.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

Change in Fund Balance	
GAAP Basis	\$286,180
<u>Increases (Decreases) Due To</u>	
Revenue Accruals:	
Accrued 2007, Received in Cash 2008	253,574
Accrued 2008, Not Yet Received in Cash	(468,881)
Expenditure Accruals:	
Accrued 2007, Paid in Cash 2008	(414,553)
Accrued 2008, Not Yet Paid in Cash	316,701
	(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING (continued)

Change in Fund Balance
(continued)

Cash Accruals:	
Unrecorded Activity 2007	\$90,101
Unrecorded Activity 2008	2,902
Prepaid Items	16,044
Materials and Supplies Inventory	(1,704)
Encumbrances Outstanding at Year End (Budget Basis)	(194,819)
Budget Basis	<u>(\$114,455)</u>

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

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

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$3,775,418 of the City's bank balance of \$8,598,864 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

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

Investments

At December 31, 2008, the City had \$1,148,142 invested in mutual funds with an average maturity of 60 days and \$13,971,326 invested in STAR Ohio with an average maturity of 54.7 days.

Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The investment policy restricts the City Auditor from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the City.

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

NOTE 7 - RECEIVABLES

Receivables at December 31, 2008, consisted of accounts (billings for user charged services, including unbilled utility services); intergovernmental receivables arising from grants, entitlements, and shared revenues; municipal income taxes; other local taxes; interfund; accrued interest; property taxes; notes; and special assessments. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. Notes receivable, in the amount of \$277,855, will not be received within one year. Special assessments receivable, in the amount of \$174,164, will not be received within one year. At December 31, 2008, the amount of delinquent special assessments was \$13,222.

Notes receivable represent low interest loans for development projects granted to eligible City businesses under the Federal Community Development Block Grant program. The notes have an annual interest rate of 4.50 percent to 6.25 percent and are to be repaid over periods ranging from seven to ten years.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 7 - RECEIVABLES (continued)

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Homestead and Rollback	\$24,657
Local Government	206,569
Tangible Personal Property Reimbursement	7,478
Cigarette Taxes	175
Estate Taxes	184,939
Liquor and Beer Permits	834
Auglaize County	1,300
Ohio Department of Commerce	550
FEMA	64,422
Ohio Public Safety	4,426
Total General Fund	495,350
Street and Sewer Improvement	
Ohio Department of Development	768,785
Total Major Funds	1,264,135
Nonmajor Funds	
Street Maintenance	
Gasoline Tax	112,521
Highway Distribution	53,626
Motor Vehicle License Tax	47,243
Ohio Department of Public Safety	931
Total Street Maintenance	214,321
State Highway	
Gasoline Tax	9,445
Highway Distribution	4,286
Motor Vehicle License Tax	3,573
Ohio Department of Public Safety	75
Total State Highway	17,379

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 7 - RECEIVABLES (continued)

	Amount
Governmental Activities (continued)	
Nonmajor Funds (continued)	
Recreation	
Homestead and Rollback	\$5,397
Tangible Personal Property Reimbursement	2,799
Total Recreation	8,196
Enforcement and Education	
Auglaize County	310
Total Nonmajor Funds	240,206
Total Governmental Activities	\$1,504,341
 Business-Type Activities	
Major Fund	
Refuse	
Auglaize County	\$10,462

NOTE 8 - MUNICIPAL INCOME TAXES

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

NOTE 9 - PROPERTY TAXES

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the City. Real property tax revenues received in 2008 represent the collection of 2007 taxes. Real property taxes received in 2008 were levied after October 1, 2007, on the assessed values as of January 1, 2007, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 9 - PROPERTY TAXES (continued)

Public utility property tax revenues received in 2008 represent the collection of 2007 taxes. Public utility real and tangible personal property taxes received in 2008 became a lien on December 31, 2006, were levied after October 1, 2007, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in 2008 (other than public utility property) represent the collection of 2008 taxes. Tangible personal property taxes received in 2008 were levied after October 1, 2007, on the true value as of December 31, 2007. In prior years, tangible personal property was assessed at 25 percent of true value for capital assets and 23 percent for inventory. The tangible personal property tax is being phased out. The assessment percentage for all property, including inventory, for 2008 is 6.25 percent. This will be reduced to zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

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

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2008 and for which there was an enforceable legal claim. In the governmental funds, the entire receivable has been deferred since current taxes were not levied to finance 2008 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, delinquent real property taxes have been recorded as a receivable and revenue while the remainder has been deferred.

The full tax rate for all City operations for the year ended December 31, 2008, was \$3.75 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2008 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate	
Agricultural/Residential	\$99,932,540
Commercial/Industrial	43,264,780
Public Utility Real	46,920
Public Utility Personal	584,380
Tangible Personal	4,227,152
Total	\$148,055,772

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 10 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2008, was as follows:

	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008
Governmental Activities:				
Nondepreciable Capital Assets				
Land	\$763,069	\$505,957	\$0	\$1,269,026
Construction in Progress	115,418	2,196,954	(1,921,334)	391,038
Total Nondepreciable Capital Assets	<u>878,487</u>	<u>2,702,911</u>	<u>(1,921,334)</u>	<u>1,660,064</u>
Depreciable Capital Assets				
Land Improvements	466,287	1,879,029	0	2,345,316
Buildings	3,382,831	42,305	0	3,425,136
Equipment	516,459	78,072	0	594,531
Vehicles	2,315,842	39,357	0	2,355,199
Streets	23,566,648	18,500	0	23,585,148
Total Depreciable Capital Assets	<u>30,248,067</u>	<u>2,057,263</u>	<u>0</u>	<u>32,305,330</u>
Less Accumulated Depreciation for				
Land Improvements	(141,857)	(31,255)	0	(173,112)
Buildings	(515,651)	(39,234)	0	(554,885)
Equipment	(278,632)	(31,215)	0	(309,847)
Vehicles	(1,621,180)	(83,057)	0	(1,704,237)
Streets	(10,182,260)	(450,778)	0	(10,633,038)
Total Accumulated Depreciation	<u>(12,739,580)</u>	<u>(635,539)</u>	<u>0</u>	<u>(13,375,119)</u>
Total Depreciable Capital Assets, Net	<u>17,508,487</u>	<u>1,421,724</u>	<u>0</u>	<u>18,930,211</u>
Governmental Activities Capital Assets, Net	<u>\$18,386,974</u>	<u>\$4,124,635</u>	<u>(\$1,921,334)</u>	<u>\$20,590,275</u>

During 2008, the City accepted contributions of depreciable capital assets of \$238,622; \$19,427 from business-type activities and \$219,195 from outside sources.

	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008
Business-Type Activities:				
Nondepreciable Capital Assets				
Land	\$926,720	\$0	\$0	\$926,720
Construction in Progress	0	216,846	0	216,846
Total Nondepreciable Capital Assets	<u>926,720</u>	<u>216,846</u>	<u>0</u>	<u>1,143,566</u>

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 10 - CAPITAL ASSETS (continued)

	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008
Business-Type Activities (continued):				
Depreciable Capital Assets				
Buildings	\$10,406,923	\$0	\$0	\$10,406,923
Equipment	671,010	64,488	0	735,498
Vehicles	2,160,556	300,302	0	2,460,858
Electric, Water, Sewer, and Storm Sewer Lines	30,108,397	324,165	(70)	30,432,492
Total Depreciable Capital Assets	<u>43,346,886</u>	<u>688,955</u>	<u>(70)</u>	<u>44,035,771</u>
Less Accumulated Depreciation for				
Buildings	(938,747)	(161,061)	0	(1,099,808)
Equipment	(455,596)	(22,199)	0	(477,795)
Vehicles	(1,043,784)	(127,693)	0	(1,171,477)
Electric, Water, Sewer, and Storm Sewer Lines	(12,673,221)	(661,776)	70	(13,334,927)
Total Accumulated Depreciation	<u>(15,111,348)</u>	<u>(972,729)</u>	<u>70</u>	<u>(16,084,007)</u>
Total Depreciable Capital Assets, Net	<u>28,235,538</u>	<u>(283,774)</u>	<u>0</u>	<u>27,951,764</u>
Business-Type Activities Capital Assets, Net	<u>\$29,162,258</u>	<u>(\$66,928)</u>	<u>\$0</u>	<u>\$29,095,330</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Security of Persons and Property - Police	\$27,765
Security of Persons and Property - Fire	48,009
Public Health	15,408
Leisure Time Activities	43,491
Transportation	477,833
General Government	23,033
Total Depreciation Expense - Governmental Activities	<u>\$635,539</u>

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 11 - INTERFUND BALANCES

Interfund balances at December 31, 2008, consisted of the following individual fund receivables and payables:

Due to General Fund from:

Electric	<u><u>\$48,964</u></u>
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Due to Electric Fund from:

General	\$2,382
Other Governmental	674
Water	10,737
Sewer	12,627
Refuse	422
Internal Service	191
Total Electric Fund	<u><u>\$27,033</u></u>

Due to Water Fund from:

General	\$25
Other Governmental	37
Electric	32
Sewer	784
Refuse	7
Internal Service	7
Total Water Fund	<u><u>\$892</u></u>

Due to Sewer Fund from:

General	\$29
Other Governmental	46
Electric	39
Refuse	10
Internal Service	10
Total Sewer Fund	<u><u>\$134</u></u>

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 11 - INTERFUND BALANCES (continued)

Due to Storm Sewer from:

General	\$4
Other Governmental	18
Electric	14
Sewer	44
Refuse	4
Internal Service	4
Total Storm Sewer Fund	\$88

Due to Refuse from:

General	\$63
Other Governmental	71
Electric	115
Water	28
Sewer	22
Internal Service	28
Total Refuse Fund	\$327

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

NOTE 12 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2008, the City contracted with the Ohio Government Risk Management Plan, an insurance pool, for the following coverage:

Type of Coverage	Coverage	Deductible
Property	\$41,062,095	\$1,000
General Liability		
Each Occurrence	7,000,000	0
Aggregate	9,000,000	0
Wrongful Acts		
Each Occurrence	7,000,000	5,000
Aggregate	9,000,000	5,000
Fire Vehicles	2,451,980	250

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 12 - RISK MANAGEMENT (continued)

Type of Coverage	Coverage	Deductible
Law Enforcement Liability		
Each Occurrence	\$7,000,000	\$5,000
Aggregate	9,000,000	5,000
Automobile Liability	7,000,000	250 - 500
Inland Marine	1,586,396	1,000
Electronic Data Processing	280,740	1,000

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

For 2008, the City participated in the Ohio Rural Water Association Workers' Compensation Group Rating Plan (Plan), an insurance pool. The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan. To maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to participants that can meet the Plan's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control, and actuarial services to the Plan. Each year, the City pays an enrollment fee to the Plan to cover the costs of administering the program.

The City may withdraw from the plan if written notice is provided sixty days prior to the prescribed application deadline to the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any participant leaving the Plan allows representatives of the Plan to access loss experience for three years following the last year of participation.

NOTE 13 - SIGNIFICANT CONTRACTUAL COMMITMENTS

The City has several outstanding contracts for professional services. The following amounts remain on these contracts as of December 31, 2008:

Vendor	Contract Amount	Amount Paid as of 12/31/08	Outstanding Balance
Golling's Arena Dodge	\$20,667	\$0	\$20,667
United Fire Apparatus	35,700	1,685	34,015
Pavement Technology	28,002	0	28,002
RHM Concrete and Foundation	92,412	44,637	47,775
Cargill, Inc.	175,000	81,707	93,293
Waste Management of Ohio	40,000	22,764	17,236

NOTE 14 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs, and township police) and public safety divisions exist only within the traditional pension plan.

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

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2008, members in state and local classifications contributed 10 percent of covered payroll, public safety and law enforcement members contributed 10.1 percent.

The City's contribution rate for 2008 was 14 percent of covered payroll, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.4 percent of covered payroll. For 2008, a portion of the City's contribution equal to 7 percent of covered payroll was allocated to fund the postemployment health care plan. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the City of 14 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

The City's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2008, 2007, and 2006 was \$172,627, \$170,191, and \$217,419, respectively; 91 percent has been contributed for 2008 and 100 percent for 2007 and 2006. There were no contributions to the member-directed plan for 2008 made by the City or made by plan members.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

B. Ohio Police and Fire Pension Fund

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. The City's contribution was 19.5 percent for police officers and 24 percent for firefighters. Contribution rates are established by State statute. For 2008, a portion of the City's contribution equal to 6.75 percent of covered payroll was allocated to fund the postemployment health care plan. The City's required contribution for pension obligations for police and firefighters for the year ended December 31, 2008, was \$109,448 and \$145,936, for the year ended December 31, 2007, was \$108,732 and \$142,371, and for the year ended December 31, 2006, was \$77,882 and \$113,526. For 2008, 78 percent has been contributed for police and 86 percent has been contributed for firefighters. The full amount has been contributed for 2007 and 2006.

NOTE 15 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

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

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

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

Funding Policy - The postemployment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). State statute requires that public employers fund postemployment health care through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postemployment health care.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 15 - POSTEMPLOYMENT BENEFITS (continued)

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2008, local government employers contributed 14 percent of covered payroll. Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The amount of the employer contributions which was allocated to fund postemployment health care was 7 percent for 2008.

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

The City's contribution allocated to fund postemployment health care benefits for the years ended December 31, 2008, 2007, and 2006 was \$172,627, \$112,101, and \$106,388, respectively; 91 percent has been contributed for 2008 and 100 percent for 2007 and 2006.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan which was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

B. Ohio Police and Fire Pension Fund

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

OPF provides access to postretirement healthcare coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit, or is a spouse or eligible dependent child of such person.

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

OPF issues a stand-alone financial report that may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - OPF's postemployment healthcare plan was established and is administered as an Internal Revenue Code 401(h) account within the defined benefit pension plan under the authority granted by the Ohio Revised Code to the OPF Board of Trustees. The Ohio Revised Code sets the contribution rates for participating employers and for plan members to the OPF. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and firefighters, respectively.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 15 - POSTEMPLOYMENT BENEFITS (continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2008, the employer contribution allocated to the healthcare plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of section 401(h).

The OPF Board of Trustees is also authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the OPEB Plan.

The City's contribution to OPF which was allocated to fund postemployment health care benefits for police and firefighters for the year ended December 31, 2008, was \$57,943 and \$57,105, for the year ended December 31, 2007, was \$57,564 and \$55,711, and for the year ended December 31, 2006, was \$51,369 and \$54,143. For 2008, 78 percent has been contributed for police and 86 percent has been contributed for firefighters. The full amount has been contributed for 2007 and 2006.

NOTE 16 - COMPENSATED ABSENCES

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

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

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

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 17 - NOTES PAYABLE

The City's note transactions for the year ended December 31, 2008, were as follows:

	Interest Rate	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008
<u>Business-Type Activities</u>					
<u>General Obligation Bond Anticipation Notes</u>					
Water					
2007 Bond Anticipation Note	3.85%	\$990,000	0	990,000	\$0
2008 Bond Anticipation Note	3.00	0	600,000	0	600,000
Total Business-Type Activities		\$990,00	\$600,000	\$990,000	\$600,000

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

The bond anticipation notes in the Water enterprise fund, in the amount of \$600,000, were issued to partially retire notes previously issued, in the amount of \$990,000, for improvements to the water system, including a water tower and the installation of water lines.

NOTE 18 - LONG-TERM OBLIGATIONS

The City's long-term obligations activity for the year ended December 31, 2008, was as follows:

	Interest Rate	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008	Due Within One Year
<u>Governmental Activities</u>						
General Obligation Bonds						
1998 Various Purpose	3.30 - 4.25%	\$85,000	\$0	\$85,000	\$0	\$0
2003 Various Purpose	1.75 - 3.80	1,775,700	0	333,600	1,442,100	338,000
Accounting Loss	3.30 - 4.25	(55,119)	10,970	0	(44,149)	0
Total General Obligation Bonds		1,805,581	10,970	418,600	1,397,951	338,000
Other Long-Term Obligations						
Capital Loans Payable		31,024	0	31,024	0	0
Compensated Absences Payable		418,228	21,834	0	440,062	118,852
Total Governmental Activities		\$2,254,833	\$32,804	\$449,624	\$1,838,013	\$456,852

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 18 - LONG-TERM OBLIGATIONS (continued)

	Interest Rate	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008	Due Within One Year
<u>Business-Type Activities</u>						
General Obligation Bonds						
2003 Various Purpose	1.75 - 3.80%	\$89,300	\$0	\$21,400	\$67,900	\$22,000
Mortgage Revenue Bonds						
1998 Sewer System Bonds	3.30 - 4.95	2,740,000	0	195,000	2,545,000	205,000
Accounting Loss		(28,550)	13,746	0	(14,804)	0
2006 Sewer System Bonds	4 - 4.25	7,275,000	0	150,000	7,125,000	150,000
Total Mortgage Revenue Bonds		9,986,450	13,746	345,000	9,655,196	355,000
Other Long-Term Obligations						
Due to Auglaize County		13,750	0	2,500	11,250	2,500
OWDA Loans Payable		0	1,007	0	1,007	0
Capital Loans Payable		126,906	0	46,650	80,256	25,587
Compensated Absences Payable		262,690	26,367	4,090	284,967	80,836
Landfill Postclosure Costs		1,711,318	0	38,138	1,673,180	50,279
Total Other Long-Term Obligations		2,114,664	27,374	91,378	2,050,660	159,202
Total Business-Type Activities		\$12,190,414	\$41,120	\$457,778	\$11,773,756	\$536,202

1998 Various Purpose General Obligation Bonds - On November 1, 1998, the City issued \$735,000 in unvoted general obligation bonds to retire outstanding bond anticipation notes originally issued to pay for street, sewer, sidewalk, curb, and gutter improvements. The bonds were issued for a ten year period with maturity beginning December 1, 1999. These bonds were fully retired in 2008.

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

Capital Loans Payable - Loans have been entered into with local banks for the purchase of land and equipment. The City is paying each loan in equal monthly or yearly payments over the life of the loan. They range in length from four to ten years depending on the amount of the loan. The loans are being repaid from resources of the General Fund, Street Maintenance and Repair special revenue fund, and the Water and Storm Sewer enterprise funds. The loans in the General Fund and Street Maintenance and Repair special revenue fund were fully retired in 2008.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 18 - LONG-TERM OBLIGATIONS (continued)

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

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

1998 Sewer System Bonds - On November 30, 1998, the City issued \$4,190,000 in sewer system bonds to advance refund 1990 sewer system bonds and pay the costs of certain other improvements to the sewer system. The refunding bonds include serial and term bonds. The bonds are reported on the financial statements net of the unamortized loss on advance refunding of \$14,804 in the Sewer enterprise fund. The bonds were issued for a twenty year period, with final maturity during 2018. The bonds will be paid from the Sewer enterprise fund.

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

Year	Amount
2010	\$210,000
2011	225,000
2012	235,000
2013	245,000
2014	255,000
2015	270,000
2016	285,000
2017	300,000

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 18 - LONG-TERM OBLIGATIONS (continued)

The bonds maturing on or after December 1, 2009, are subject to optional redemption prior to maturity, commencing December 1, 2008, either in whole or in part, in inverse order of maturity and by lot within any maturity, at the redemption prices (expressed as percentages of the principal amount redeemed) plus accrued interest to the redemption date as set forth below:

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

In conjunction with the issuance of the sewer system bonds, the City entered into a trust agreement with a commercial bank. This trust agreement, along with the bond indenture, requires that the City establish various funds for the repayment of debt. The restricted assets in the Sewer enterprise fund segregate funds held by the City from funds held by the trustees in accordance with the trust agreement. Restricted assets relating to the sewer system bonds held by the trustee at December 31, 2008, were \$364,214.

The sewer system bonds defeased, in-substance, \$1,345,000 in sewer system bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the City's financial statements. At December 31, 2008, \$175,000 of this debt was still outstanding.

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

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

In conjunction with the issuance of the sewer system bonds, the City entered into a trust agreement with a commercial bank. This trust agreement, along with the bond indenture, requires that the City establish various funds for the repayment of debt. The restricted assets in the Sewer enterprise fund segregate funds held by the City from funds held by the trustees in accordance with the trust agreement. Restricted assets relating to the sewer system bonds held by the trustee at December 31, 2008, were \$783,928.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 18 - LONG-TERM OBLIGATIONS (continued)

All mortgage revenue bonds will be paid solely from the gross revenues of the Sewer enterprise fund after provisions for reasonable operating and maintenance expenses. Annual principal and interest payments on the bonds are expected to require less than 100 percent of these net revenues. The total principal and interest remaining to be paid on the bonds is \$14,126,863. Principal and interest paid for the current year and total net revenues were \$782,210 and \$554,958, respectively.

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

OWDA Loans

OWDA loans consist of money owed to the Ohio Water Development Authority for waste water treatment plant improvements. OWDA loans will be paid from the Sewer enterprise fund.

The City's legal debt margin was \$14,713,485 at December 31, 2008.

Principal and interest requirements to retire governmental activities long-term obligations outstanding at December 31, 2008, were as follows:

Year	General Obligation Bonds	
	Principal	Interest
2009	\$338,000	\$48,108
2010	332,400	38,644
2011	331,700	28,007
2012	215,000	16,397
2013	225,000	8,550
Total	\$1,442,100	\$139,706

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 18 - LONG-TERM OBLIGATIONS (continued)

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2008, from the enterprise funds were as follows:

Year	General Obligation Bonds		Mortgage Revenue Bonds	
	Principal	Interest	Principal	Interest
2009	\$ 22,000	\$2,155	\$ 355,000	\$422,823
2010	22,600	1,539	375,000	407,905
2011	23,300	816	400,000	390,910
2012	0	0	410,000	372,772
2013	0	0	425,000	354,140
2014 to 2018	0	0	2,475,000	1,459,413
2019 to 2023	0	0	3,060,000	861,900
2024 to 2026	0	0	2,170,000	187,000
Total	<u>\$67,900</u>	<u>\$4,510</u>	<u>\$9,670,000</u>	<u>\$4,456,863</u>

Year	Due to Auglaize County		Capital Loans	
	Principal		Principal	Interest
2009	\$2,500		\$25,587	\$3,601
2010	2,500		26,735	2,453
2011	2,500		27,934	1,254
2012	2,500		0	0
2013	1,250		0	0
Total	<u>\$11,250</u>		<u>\$80,256</u>	<u>\$7,308</u>

NOTE 19 - LANDFILL POSTCLOSURE COSTS

State and federal laws and regulations require the City to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The City stopped accepting waste at its landfill in 1994. The Ohio EPA approved the final closure and postclosure plan in July 1998. The \$1,673,180, reported as landfill postclosure costs at December 31, 2008, represents the costs of maintenance and monitoring through 2028. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. A fee of \$3 and \$1.50 per month was imposed on residential and commercial refuse users, respectively, to finance the postclosure costs, which generates approximately \$159,500 annually.

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 20 - INTERFUND TRANSFERS

During 2008, the General Fund made transfers to the Street and Sewer Improvement capital projects fund, in the amount of \$500,000, as debt payments came due. The General Fund also made transfers to other governmental funds, in the amount of \$440,000; \$340,000 as debt payments came due and \$100,000 to subsidize activities in other funds. In addition, the General Fund transferred \$650,000 to the Electric Fund to support operations.

The Swimming Pool Construction capital projects fund transferred \$35,000 to other governmental funds to subsidize activities in other funds.

Other governmental funds transferred \$40,000 to other governmental funds to subsidize activities in other funds.

The Electric enterprise fund transferred \$33,086 to the Street and Sewer improvement capital projects fund as debt payments came due.

The Water enterprise fund transferred \$33,085 to the Street and Sewer Improvement capital projects fund as debt payments came due and transferred capital assets to governmental activities, in the amount of \$3,403.

The Sewer enterprise fund transferred \$33,085 to the Street and Sewer Improvement capital projects fund as debt payments came due and transferred capital assets to governmental activities, in the amount of \$6,794.

The Storm Sewer enterprise fund transferred capital assets to governmental activities, in the amount of \$4,615.

The Refuse enterprise fund transferred \$33,085 to the Street and Sewer Improvement capital projects fund as debt payments came due and transferred capital assets to governmental activities, in the amount of \$4,615.

NOTE 21 - INSURANCE POOLS

A. Ohio Government Risk Management Plan

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 21 - INSURANCE POOLS (continued)

B. Ohio Rural Water Association Workers' Compensation Group Rating Plan

The City participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Rural Water Association Workers' Compensation Group Rating Plan is an insurance purchasing pool. A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participating members. Financial information may be obtained from the Ohio Rural Water Association Workers' Compensation Group Rating Plan, 975 Linden Avenue, Zanesville, Ohio 43701.

NOTE 22 - CONTINGENT LIABILITIES

A. Litigation

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

B. Federal and State Grants

For the period January 1, 2008, to December 31, 2008, the City received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowances, if any, would be immaterial.

NOTE 23 - SUBSEQUENT EVENT

On June 15, 2009, the City entered into a capital loan, in the amount of \$225,900, to purchase a new recycling truck and equipment at the wastewater treatment plant. The loan has an interest rate of 3.74 percent and will mature on June 15, 2014.

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**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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Nonmajor Special Revenue Funds

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

Street Maintenance Fund

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

State Highway Fund

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

Motor Vehicle Permissive Tax Fund

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

Community Block Grant Fund

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

Recreation Fund

To account for monies received for use on recreation activities.

Swimming Pool Fund

To account for monies received for use on the swimming pool.

Law Enforcement Fund

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

Enforcement and Education Fund

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

Drug Law Enforcement Fund

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

Recreation Trust Fund

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

Rudd Park Trust Fund

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

(continued)

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

Nonmajor Debt Service Funds

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

Debt Service Fund

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

Downtown Debt Fund

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

Nonmajor Capital Projects Fund

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

Capital Fire Truck Fund

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

City of Wapakoneta
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2008

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,331,587	\$609,729	\$202,425	\$2,143,741
Accounts Receivable	1,587	0	0	1,587
Due from Other Governments	240,206	0	0	240,206
Other Local Taxes Receivable	5,572	0	0	5,572
Prepaid Items	8,314	0	0	8,314
Materials and Supplies Inventory	20,579	0	0	20,579
Property Taxes Receivable	98,347	0	0	98,347
Notes Receivable	391,237	0	0	391,237
Special Assessments Receivable	0	4,224	0	4,224
Total Assets	<u>\$2,097,429</u>	<u>\$613,953</u>	<u>\$202,425</u>	<u>\$2,913,807</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$11,680	\$0	\$0	\$11,680
Accounts Payable	14,489	0	0	14,489
Due to Other Governments	15,594	0	0	15,594
Interfund Payable	846	0	0	846
Deferred Revenue	298,577	4,224	0	302,801
Total Liabilities	<u>341,186</u>	<u>4,224</u>	<u>0</u>	<u>345,410</u>
<u>Fund Balance</u>				
Reserved for Notes Receivable	277,855	0	0	277,855
Reserved for Encumbrances	86,166	0	0	86,166
Unreserved, Reported in				
Special Revenue Funds	1,392,222	0	0	1,392,222
Debt Service Funds	0	609,729	0	609,729
Capital Projects Fund	0	0	202,425	202,425
Total Fund Balance	<u>1,756,243</u>	<u>609,729</u>	<u>202,425</u>	<u>2,568,397</u>
Total Liabilities and Fund Balance	<u>\$2,097,429</u>	<u>\$613,953</u>	<u>\$202,425</u>	<u>\$2,913,807</u>

City of Wapakoneta
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2008

	Street Maintenance	State Highway	Motor Vehicle Permissive Tax	Community Block Grant
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$189,334	\$134,581	\$482,263	\$324,129
Accounts Receivable	1,587	0	0	0
Due from Other Governments	214,321	17,379	0	0
Other Local Taxes Receivable	0	0	5,572	0
Prepaid Items	4,821	0	0	0
Materials and Supplies Inventory	19,125	0	0	0
Property Taxes Receivable	0	0	0	0
Notes Receivable	0	0	0	391,237
Total Assets	<u>\$429,188</u>	<u>\$151,960</u>	<u>\$487,835</u>	<u>\$715,366</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$10,830	\$0	\$0	\$0
Accounts Payable	12,387	0	0	0
Due to Other Governments	11,217	0	0	0
Interfund Payable	600	0	0	0
Deferred Revenue	177,630	14,404	0	0
Total Liabilities	<u>212,664</u>	<u>14,404</u>	<u>0</u>	<u>0</u>
<u>Fund Balance</u>				
Reserved for Notes Receivable	0	0	0	277,855
Reserved for Encumbrances	1,911	0	28,002	50,000
Unreserved	214,613	137,556	459,833	387,511
Total Fund Balance	<u>216,524</u>	<u>137,556</u>	<u>487,835</u>	<u>715,366</u>
Total Liabilities and Fund Balance	<u>\$429,188</u>	<u>\$151,960</u>	<u>\$487,835</u>	<u>\$715,366</u>

Recreation	Swimming Pool	Law Enforcement	Enforcement and Education	Drug Law Enforcement	Recreation Trust
\$134,676	\$33,588	\$1,538	\$5,124	\$3,934	\$21,600
0	0	0	0	0	0
8,196	0	0	310	0	0
0	0	0	0	0	0
415	3,078	0	0	0	0
1,454	0	0	0	0	0
98,347	0	0	0	0	0
0	0	0	0	0	0
<u>\$243,088</u>	<u>\$36,666</u>	<u>\$1,538</u>	<u>\$5,434</u>	<u>\$3,934</u>	<u>\$21,600</u>
\$850	\$0	\$0	\$0	\$0	\$0
2,102	0	0	0	0	0
2,445	1,932	0	0	0	0
143	103	0	0	0	0
106,543	0	0	0	0	0
<u>112,083</u>	<u>2,035</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
4,043	2,210	0	0	0	0
126,962	32,421	1,538	5,434	3,934	21,600
<u>131,005</u>	<u>34,631</u>	<u>1,538</u>	<u>5,434</u>	<u>3,934</u>	<u>21,600</u>
<u>\$243,088</u>	<u>\$36,666</u>	<u>\$1,538</u>	<u>\$5,434</u>	<u>\$3,934</u>	<u>\$21,600</u>

(continued)

City of Wapakoneta
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2008
(continued)

	Rudd Park Trust	Total
<u>Assets</u>		
Equity in Pooled Cash and Cash Equivalents	\$820	\$1,331,587
Accounts Receivable	0	1,587
Due from Other Governments	0	240,206
Other Local Taxes Receivable	0	5,572
Prepaid Items	0	8,314
Materials and Supplies Inventory	0	20,579
Property Taxes Receivable	0	98,347
Notes Receivable	0	391,237
	\$820	\$2,097,429
<u>Liabilities and Fund Balance</u>		
<u>Liabilities</u>		
Accrued Wages Payable	\$0	\$11,680
Accounts Payable	0	14,489
Due to Other Governments	0	15,594
Interfund Payable	0	846
Deferred Revenue	0	298,577
	0	341,186
Total Liabilities	0	341,186
<u>Fund Balance</u>		
Reserved for Notes Receivable	0	277,855
Reserved for Encumbrances	0	86,166
Unreserved	820	1,392,222
	820	1,756,243
Total Fund Balance	820	1,756,243
Total Liabilities and Fund Balance	\$820	\$2,097,429

City of Wapakoneta
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2008

	Debt Service	Downtown Debt	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$726	\$609,003	\$609,729
Special Assessments Receivable	4,224	0	4,224
Total Assets	\$4,950	\$609,003	\$613,953
<u>Liabilities and Fund Balance</u>			
<u>Liabilities</u>			
Deferred Revenue	\$4,224	\$0	\$4,224
<u>Fund Balance</u>			
Unreserved	726	609,003	609,729
Total Liabilities and Fund Balance	\$4,950	\$609,003	\$613,953

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City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2008

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Property Taxes	\$99,994	\$0	\$0	\$99,994
Other Local Taxes	72,742	0	0	72,742
Special Assessments	0	14,789	0	14,789
Charges for Services	144,403	0	0	144,403
Fines and Forfeitures	2,892	0	0	2,892
Intergovernmental	560,809	0	0	560,809
Interest	83,624	537	0	84,161
Gifts and Donations	247,501	0	0	247,501
Other	8,244	0	0	8,244
Total Revenues	<u>1,220,209</u>	<u>15,326</u>	<u>0</u>	<u>1,235,535</u>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,290	0	0	1,290
Leisure Time Activities	499,247	0	0	499,247
Community Environment	20,110	0	0	20,110
Transportation	470,104	0	0	470,104
Debt Service:				
Principal Retirement	7,975	232,844	0	240,819
Interest and Fiscal Charges	346	32,824	0	33,170
Total Expenditures	<u>999,072</u>	<u>265,668</u>	<u>0</u>	<u>1,264,740</u>
Excess of Revenues Over (Under) Expenditures	<u>221,137</u>	<u>(250,342)</u>	<u>0</u>	<u>(29,205)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	75,000	340,000	100,000	515,000
Transfers Out	(40,000)	0	0	(40,000)
Total Other Financing Sources (Uses)	<u>35,000</u>	<u>340,000</u>	<u>100,000</u>	<u>475,000</u>
Change in Fund Balance	256,137	89,658	100,000	445,795
Fund Balance Beginning of Year	<u>1,500,106</u>	<u>520,071</u>	<u>102,425</u>	<u>2,122,602</u>
Fund Balance End of Year	<u><u>\$1,756,243</u></u>	<u><u>\$609,729</u></u>	<u><u>\$202,425</u></u>	<u><u>\$2,568,397</u></u>

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2008

	Street Maintenance	State Highway	Motor Vehicle Permissive Tax	Community Block Grant
<u>Revenues</u>				
Property Taxes	\$0	\$0	\$0	\$0
Other Local Taxes	0	0	72,742	0
Charges for Services	22,811	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	449,893	36,476	39,852	0
Interest	10,733	6,693	26,845	38,303
Gifts and Donations	0	0	0	0
Other	5,530	0	2,697	0
Total Revenues	<u>488,967</u>	<u>43,169</u>	<u>142,136</u>	<u>38,303</u>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	20,110
Transportation	456,655	0	13,449	0
Debt Service:				
Principal Retirement	7,975	0	0	0
Interest and Fiscal Charges	346	0	0	0
Total Expenditures	<u>464,976</u>	<u>0</u>	<u>13,449</u>	<u>20,110</u>
Excess of Revenues Over (Under) Expenditures	<u>23,991</u>	<u>43,169</u>	<u>128,687</u>	<u>18,193</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Change in Fund Balance	23,991	43,169	128,687	18,193
Fund Balance Beginning of Year	<u>192,533</u>	<u>94,387</u>	<u>359,148</u>	<u>697,173</u>
Fund Balance End of Year	<u><u>\$216,524</u></u>	<u><u>\$137,556</u></u>	<u><u>\$487,835</u></u>	<u><u>\$715,366</u></u>

<u>Recreation</u>	<u>Swimming Pool</u>	<u>Law Enforcement</u>	<u>Enforcement and Education</u>	<u>Drug Law Enforcement</u>	<u>Recreation Trust</u>
\$99,994	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	121,592	0	0	0	0
0	0	235	1,762	895	0
34,588	0	0	0	0	0
1,050	0	0	0	0	0
40,121	207,109	0	0	0	0
17	0	0	0	0	0
<u>175,770</u>	<u>328,701</u>	<u>235</u>	<u>1,762</u>	<u>895</u>	<u>0</u>
0	0	290	0	1,000	0
170,177	329,070	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>170,177</u>	<u>329,070</u>	<u>290</u>	<u>0</u>	<u>1,000</u>	<u>0</u>
<u>5,593</u>	<u>(369)</u>	<u>(55)</u>	<u>1,762</u>	<u>(105)</u>	<u>0</u>
20,000	55,000	0			
(20,000)	(20,000)	0	0	0	0
0	35,000	0	0	0	0
5,593	34,631	(55)	1,762	(105)	0
125,412	0	1,593	3,672	4,039	21,600
<u>\$131,005</u>	<u>\$34,631</u>	<u>\$1,538</u>	<u>\$5,434</u>	<u>\$3,934</u>	<u>\$21,600</u>

(continued)

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2008
(continued)

	<u>Rudd Park Trust</u>	<u>Total</u>
<u>Revenues</u>		
Property Taxes	\$0	\$99,994
Other Local Taxes	0	72,742
Charges for Services	0	144,403
Fines and Forfeitures	0	2,892
Intergovernmental	0	560,809
Interest	0	83,624
Gifts and Donations	271	247,501
Other	0	8,244
	<hr/>	<hr/>
Total Revenues	271	1,220,209
 <u>Expenditures</u>		
Current:		
Security of Persons and Property		
Police	0	1,290
Leisure Time Activities	0	499,247
Community Environment	0	20,110
Transportation	0	470,104
Debt Service:		
Principal Retirement	0	7,975
Interest and Fiscal Charges	0	346
	<hr/>	<hr/>
Total Expenditures	0	999,072
 Excess of Revenues Over (Under) Expenditures		
	<hr/>	<hr/>
	271	221,137
 <u>Other Financing Sources (Uses)</u>		
Transfers In		75,000
Transfers Out	0	(40,000)
	<hr/>	<hr/>
Total Other Financing Sources (Uses)	0	35,000
 Change in Fund Balance		
	271	256,137
 Fund Balance Beginning of Year		
	<hr/>	<hr/>
	549	1,500,106
 Fund Balance End of Year		
	<hr/> <hr/>	<hr/> <hr/>
	\$820	\$1,756,243

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended December 31, 2008

	Debt Service	Downtown Debt	Total
<u>Revenues</u>			
Special Assessments	\$14,789	\$0	\$14,789
Interest	537	0	537
Total Revenues	<u>15,326</u>	<u>0</u>	<u>15,326</u>
<u>Expenditures</u>			
Debt Service:			
Principal Retirement	43,350	189,494	232,844
Interest and Fiscal Charges	1,842	30,982	32,824
Total Expenditures	<u>45,192</u>	<u>220,476</u>	<u>265,668</u>
Excess of Revenues Under Expenditures	(29,866)	(220,476)	(250,342)
<u>Other Financing Sources</u>			
Transfers In	7,000	333,000	340,000
Change in Fund Balance	(22,866)	112,524	89,658
Fund Balance Beginning of Year	<u>23,592</u>	<u>496,479</u>	<u>520,071</u>
Fund Balance End of Year	<u><u>\$726</u></u>	<u><u>\$609,003</u></u>	<u><u>\$609,729</u></u>

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City of Wapakoneta
Combining Statements - Fiduciary Funds

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

Agency Funds

Dependent Coverage Fund

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

Police Auxiliary Fund

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

City of Wapakoneta
Combining Statement of Assets and Liabilities
Agency Funds
December 31, 2008

	<u>Dependent Coverage</u>	<u>Police Auxiliary</u>	<u>Total</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,585	\$22,146	\$23,731
<u>Liabilities</u>			
Deposits Held and Due to Others	\$1,585	\$0	\$1,585
Undistributed Assets	0	22,146	22,146
Total Liabilities	\$1,585	\$22,146	\$23,731

City of Wapakoneta
Combining Statement of Change in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2008

	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008
<u>Dependent Coverage</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$163	\$119,229	\$117,807	\$1,585
<u>Liabilities</u>				
Deposits Held and Due to Others	\$163	\$119,229	\$117,807	\$1,585
<u>Police Auxiliary</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$21,420	\$19,996	\$19,270	\$22,146
<u>Liabilities</u>				
Undistributed Assets	\$21,420	\$19,996	\$19,270	\$22,146
<u>Total - All Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$21,583	\$139,225	\$137,077	\$23,731
<u>Liabilities</u>				
Deposits Held and Due to Others	\$163	\$119,229	\$117,807	\$1,585
Undistributed Assets	21,420	19,996	19,270	22,146
Total Liabilities	\$21,583	\$139,225	\$137,077	\$23,731

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

City of Wapakoneta
General Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$355,050	\$346,506	\$375,494	\$28,988
Municipal Income Taxes	2,179,052	2,225,000	2,373,043	148,043
Other Local Taxes	686,523	701,171	728,625	27,454
Charges for Services	332,490	353,800	391,489	37,689
Fees, Licenses, and Permits	53,081	72,160	84,803	12,643
Fines and Forfeitures	21,840	20,750	23,872	3,122
Intergovernmental	625,574	629,059	502,406	(126,653)
Interest	489,675	471,929	612,604	140,675
Gifts and Donations	7,848	47,060	60,495	13,435
Other	8,032	27,965	38,799	10,834
Total Revenues	4,759,165	4,895,400	5,191,630	296,230
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police Department				
Personal Services	1,182,514	1,182,514	1,162,246	20,268
Contractual Services	176,539	176,539	143,808	32,731
Materials and Supplies	30,129	30,617	21,197	9,420
Capital Outlay	70,923	70,923	67,786	3,137
Total Police Department	1,460,105	1,460,593	1,395,037	65,556
Fire Department				
Personal Services	1,123,880	1,129,880	1,124,874	5,006
Contractual Services	125,563	125,563	94,227	31,336
Materials and Supplies	53,867	47,867	23,673	24,194
Capital Outlay	86,539	86,539	78,600	7,939
Total Fire Department	1,389,849	1,389,849	1,321,374	68,475
Safety Director				
Personal Services	5,000	5,000	4,314	686
Contractual Services	10,000	10,000	10,000	0
Materials and Supplies	488	0	0	0
Capital Outlay	0	0	13,495	(13,495)
Total Safety Director	15,488	15,000	27,809	(12,809)
Total Security of Persons and Property	2,865,442	2,865,442	2,744,220	121,222

(continued)

City of Wapakoneta
General Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Public Health				
Emergency Medical				
Personal Services	\$176,297	\$176,297	\$106,346	\$69,951
Contractual Services	85,352	85,352	71,334	14,018
Materials and Supplies	19,232	19,232	12,008	7,224
Capital Outlay	81,292	74,250	39,550	34,700
Other	300	300	0	300
Total Emergency Medical	362,473	355,431	229,238	126,193
Miscellaneous				
Contractual Services	3,000	3,000	639	2,361
Capital Outlay	16,641	52,641	51,650	991
Total Miscellaneous	19,641	55,641	52,289	3,352
Total Public Health	382,114	411,072	281,527	129,545
Community Environment				
Boards and Commissions				
Contractual Services	63,800	71,800	57,553	14,247
Materials and Supplies	17,400	30,900	26,283	4,617
Capital Outlay	40,000	40,000	5,200	34,800
Total Community Environment	121,200	142,700	89,036	53,664
General Government				
Council				
Personal Services	37,000	36,995	36,900	95
Materials and Supplies	9,103	9,103	7,748	1,355
Total Council	46,103	46,098	44,648	1,450
Clerk of Council				
Personal Services	3,200	3,205	3,200	5
Contractual Services	4,973	4,973	4,071	902
Materials and Supplies	100	100	53	47
Total Clerk of Council	8,273	8,278	7,324	954
Administrative				
Personal Services	73,840	73,840	59,393	14,447
Contractual Services	155,972	143,552	123,382	20,170
Materials and Supplies	59,267	71,687	58,820	12,867
Capital Outlay	1,800	1,800	760	1,040
Total Administrative	290,879	290,879	242,355	48,524

(continued)

City of Wapakoneta
General Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Finance				
Personal Services	\$32,500	\$32,500	\$27,000	\$5,500
Contractual Services	61,500	61,500	58,649	2,851
Materials and Supplies	1,558	1,557	728	829
Total Finance	95,558	95,557	86,377	9,180
Income Tax				
Personal Services	51,300	51,300	45,753	5,547
Contractual Services	9,205	9,205	4,403	4,802
Materials and Supplies	28,751	28,750	13,375	15,375
Capital Outlay	1,500	1,500	0	1,500
Other	2,215,400	2,193,900	92,597	2,101,303
Total Income Tax	2,306,156	2,284,655	156,128	2,128,527
Law Director				
Personal Services	20,000	20,000	20,000	0
Contractual Services	1,000	1,000	0	1,000
Materials and Supplies	500	500	258	242
Total Law Director	21,500	21,500	20,258	1,242
Civil Service				
Personal Services	1,200	1,200	1,000	200
Materials and Supplies	1,683	1,683	1,222	461
Total Civil Service	2,883	2,883	2,222	661
Elections				
Contractual Services	7,216	7,216	7,216	0
Auglaize County				
Contractual Services	15,884	15,884	11,091	4,793
Administrative Support				
Other	13,700	13,700	0	13,700
Total General Government	2,808,152	2,786,650	577,619	2,209,031
Debt Service:				
Principal Retirement	16,007	23,049	23,049	0
Interest and Fiscal Charges	634	634	634	0
Total Debt Service	16,641	23,683	23,683	0
Total Expenditures	6,193,549	6,229,547	3,716,085	2,513,462
Excess of Revenues Over (Under) Expenditures	(1,434,384)	(1,334,147)	1,475,545	2,809,692

(continued)

City of Wapakoneta
General Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Other Financing Uses</u>				
Transfers Out	(\$1,634,000)	(\$1,634,000)	(\$1,590,000)	\$44,000
Change in Fund Balance	(3,068,384)	(2,968,147)	(114,455)	2,853,692
Fund Balance Beginning of Year	2,817,818	2,817,818	2,817,818	0
Prior Year Encumbrances Appropriated	251,609	251,609	251,609	0
Fund Balance End of Year	<u>\$1,043</u>	<u>\$101,280</u>	<u>\$2,954,972</u>	<u>\$2,853,692</u>

City of Wapakoneta
Street and Sewer Improvement Capital Projects Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Special Assessments	\$95,670	\$98,811	\$3,141
Charges for Services	\$0	\$192	192
Intergovernmental	2,024,000	1,168,470	(855,530)
Interest	7,330	7,330	0
Total Revenues	2,127,000	1,274,803	(852,197)
<u>Expenditures</u>			
Current:			
Transportation			
Street and Sewer Improvement			
Contractual Services	434,650	283,536	151,114
Materials and Supplies	1,000	889	111
Capital Outlay	2,081,523	1,140,846	940,677
Other	375,900	0	375,900
Total Transportation	2,893,073	1,425,271	1,467,802
Debt Service:			
Principal Retirement	77,000	76,450	550
Interest and Fiscal Charges	5,750	4,203	1,547
Total Debt Service	82,750	80,653	2,097
Total Expenditures	2,975,823	1,505,924	1,469,899
Excess of Revenues Under Expenditures	(848,823)	(231,121)	617,702
<u>Other Financing Sources</u>			
Transfers In	500,000	500,000	0
Change in Fund Balance	(348,823)	268,879	617,702
Fund Balance Beginning of Year	321,584	321,584	0
Prior Year Encumbrances Appropriated	103,173	103,173	0
Fund Balance End of Year	\$75,934	\$693,636	\$617,702

City of Wapakoneta
Swimming Pool Construction Capital Projects Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$0	\$40,122	\$40,122
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Recreation			
Contractual Services	28,480	22,312	6,168
Capital Outlay	1,390,427	1,353,490	36,937
General Government			
Contractual Services	0	2,082	(2,082)
Total Expenditures	<u>1,418,907</u>	<u>1,377,884</u>	<u>41,023</u>
Excess of Revenues Under Expenditures	(1,418,907)	(1,337,762)	81,145
<u>Other Financing Uses</u>			
Transfers Out	(76,000)	(35,000)	41,000
Change in Fund Balance	(1,494,907)	(1,372,762)	122,145
Fund Balance (Deficit) Beginning of Year	(634,702)	(634,702)	0
Prior Year Encumbrances Appropriated	<u>1,343,907</u>	<u>1,343,907</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u>(\$785,702)</u>	<u>(\$663,557)</u>	<u>\$122,145</u>

City of Wapakoneta
Electric Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$15,355,500	\$14,634,085	(\$721,415)
Other Local Taxes	56,000	3,202	(52,798)
Utility Deposits	12,500	6,836	(5,664)
Other	23,500	84,931	61,431
Total Revenues	15,447,500	14,729,054	(718,446)
<u>Expenses</u>			
Personal Services	843,250	793,296	49,954
Contractual Services	16,478,342	14,294,192	2,184,150
Materials and Supplies	601,545	547,271	54,274
Capital Outlay	3,855,345	1,077,108	2,778,237
Utility Refunds	17,500	10,999	6,501
Other	5,467,500	57,512	5,409,988
Debt Service:			
Principal Retirement	27,400	27,327	73
Interest Expense	6,100	5,759	341
Total Expenses	27,296,982	16,813,464	10,483,518
Excess of Revenues Under Expenses	(11,849,482)	(2,084,410)	9,765,072
<u>Other Financing Sources</u>			
Transfers In	700,000	650,000	(50,000)
Change in Fund Balance	(11,149,482)	(1,434,410)	9,715,072
Fund Balance Beginning of Year	9,785,703	9,785,703	0
Prior Year Encumbrances Appropriated	1,494,482	1,494,482	0
Fund Balance End of Year	\$130,703	\$9,845,775	\$9,715,072

City of Wapakoneta
Water Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$1,513,900	\$1,623,727	\$109,827
Bond Anticipation Notes Issued	950,000	600,000	(350,000)
OWDA Loan Proceeds	10,000,000	1,007	(9,998,993)
Other	1,300	7,511	6,211
Total Revenues	12,465,200	2,232,245	(10,232,955)
<u>Expenses</u>			
Personal Services	313,000	277,231	35,769
Contractual Services	548,237	447,877	100,360
Materials and Supplies	401,299	373,855	27,444
Capital Outlay	9,877,899	114,953	9,762,946
Other	596,200	0	596,200
Debt Service:			
Principal Retirement	1,878,643	1,020,007	858,636
Interest Expense	196,180	48,560	147,620
Total Expenses	13,811,458	2,282,483	11,528,975
Change in Fund Balance	(1,346,258)	(50,238)	1,296,020
Fund Balance Beginning of Year	1,196,126	1,196,126	0
Prior Year Encumbrances Appropriated	193,258	193,258	0
Fund Balance End of Year	\$43,126	\$1,339,146	\$1,296,020

City of Wapakoneta
Sewer Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$1,898,000	\$1,877,791	(\$20,209)
Interest	10,000	24,924	14,924
Other	10,500	14,292	3,792
Total Revenues	<u>1,918,500</u>	<u>1,917,007</u>	<u>(1,493)</u>
<u>Expenses</u>			
Personal Services	620,895	573,617	47,278
Contractual Services	569,657	540,212	29,445
Materials and Supplies	223,254	183,666	39,588
Capital Outlay	128,484	73,934	54,550
Other	620,659	18,553	602,106
Debt Service:			
Principal Retirement	404,716	396,987	7,729
Interest Expense	458,284	444,051	14,233
Total Expenses	<u>3,025,949</u>	<u>2,231,020</u>	<u>794,929</u>
Change in Fund Balance	(1,107,449)	(314,013)	(793,436)
Fund Balance Beginning of Year	2,195,187	2,195,187	0
Prior Year Encumbrances Appropriated	<u>169,954</u>	<u>169,954</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1,257,692</u></u>	<u><u>\$2,051,128</u></u>	<u><u>(\$793,436)</u></u>

City of Wapakoneta
Storm Sewer Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$152,500	\$156,259	\$3,759
<u>Expenses</u>			
Contractual Services	35,000	24,550	10,450
Materials and Supplies	15,809	8,594	7,215
Capital Outlay	643,000	6,348	636,652
Total Expenses	693,809	39,492	654,317
Change in Fund Balance	(541,309)	116,767	658,076
Fund Balance Beginning of Year	541,085	541,085	0
Prior Year Encumbrances Appropriated	309	309	0
Fund Balance End of Year	<u>\$85</u>	<u>\$658,161</u>	<u>\$658,076</u>

City of Wapakoneta
Refuse Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$1,064,900	\$1,116,052	\$51,152
Other	1,500	110	(1,390)
Total Revenues	<u>1,066,400</u>	<u>1,116,162</u>	<u>49,762</u>
<u>Expenses</u>			
Personal Services	379,500	360,428	19,072
Contractual Services	710,014	626,720	83,294
Materials and Supplies	97,971	53,962	44,009
Capital Outlay	166,100	148,646	17,454
Other	128,500	0	128,500
Debt Service:			
Principal Retirement	70,920	70,535	385
Interest Expense	16,080	15,007	1,073
Total Expenses	<u>1,569,085</u>	<u>1,275,298</u>	<u>293,787</u>
Change in Fund Balance	(502,685)	(159,136)	343,549
Fund Balance Beginning of Year	454,505	454,505	0
Prior Year Encumbrances Appropriated	<u>38,486</u>	<u>38,486</u>	<u>0</u>
Fund (Deficit) Balance End of Year	<u><u>(\$9,694)</u></u>	<u><u>\$333,855</u></u>	<u><u>\$343,549</u></u>

City of Wapakoneta
Street Maintenance Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$11,500	\$22,184	\$10,684
Intergovernmental	440,000	431,538	(8,462)
Interest	3,000	11,662	8,662
Other	3,000	5,120	2,120
Total Revenues	<u>457,500</u>	<u>470,504</u>	<u>13,004</u>
<u>Expenditures</u>			
Current:			
Transportation			
Street Maintenance			
Personal Services	318,451	274,251	44,200
Contractual Services	105,722	89,070	16,652
Materials and Supplies	131,411	85,966	45,445
Capital Outlay	52,720	50,886	1,834
Other	55,600	0	55,600
Debt Service:			
Principal Retirement	7,975	7,975	0
Interest and Fiscal Charges	346	346	0
Total Expenditures	<u>672,225</u>	<u>508,494</u>	<u>163,731</u>
Change in Fund Balance	(214,725)	(37,990)	176,735
Fund Balance Beginning of Year	172,078	172,078	0
Prior Year Encumbrances Appropriated	<u>42,725</u>	<u>42,725</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$78</u></u>	<u><u>\$176,813</u></u>	<u><u>\$176,735</u></u>

City of Wapakoneta
State Highway Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$31,000	\$34,988	\$3,988
Interest	1,500	6,954	5,454
Total Revenues	<u>32,500</u>	<u>41,942</u>	<u>9,442</u>
<u>Expenditures</u>			
Current:			
Transportation			
State Highway			
Contractual Services	9,500	0	9,500
Capital Outlay	115,600	0	115,600
Total Expenditures	<u>125,100</u>	<u>0</u>	<u>125,100</u>
Change in Fund Balance	(92,600)	41,942	134,542
Fund Balance Beginning of Year	<u>92,639</u>	<u>92,639</u>	<u>0</u>
Fund Balance End of Year	<u>\$39</u>	<u>\$134,581</u>	<u>\$134,542</u>

City of Wapakoneta
Motor Vehicle Permissive Tax Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Other Local Taxes	\$73,000	\$72,563	(\$437)
Intergovernmental	48,000	39,852	(8,148)
Interest	7,000	29,852	22,852
Other	2,500	2,697	197
Total Revenues	<u>130,500</u>	<u>144,964</u>	<u>14,464</u>
<u>Expenditures</u>			
Current:			
Transportation			
Motor Vehicle Permissive Tax			
Contractual Services	20,000	0	20,000
Capital Outlay	355,500	41,451	314,049
Other	105,000	0	105,000
Total Expenditures	<u>480,500</u>	<u>41,451</u>	<u>439,049</u>
Change in Fund Balance	(350,000)	103,513	453,513
Fund Balance Beginning of Year	<u>350,748</u>	<u>350,748</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$748</u></u>	<u><u>\$454,261</u></u>	<u><u>\$453,513</u></u>

City of Wapakoneta
Community Block Grant Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$5,000	\$0	(\$5,000)
Interest	3,500	17,724	14,224
Revolving Loan Payments	135,000	151,562	16,562
Total Revenues	<u>143,500</u>	<u>169,286</u>	<u>25,786</u>
<u>Expenditures</u>			
Current:			
Community Environment			
Community Block Grant			
Contractual Services	317,400	70,110	247,290
Materials and Supplies	1,000	0	1,000
Total Expenditures	<u>318,400</u>	<u>70,110</u>	<u>248,290</u>
Change in Fund Balance	(174,900)	99,176	274,076
Fund Balance Beginning of Year	<u>174,953</u>	<u>174,953</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$53</u></u>	<u><u>\$274,129</u></u>	<u><u>\$274,076</u></u>

City of Wapakoneta
Recreation Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Property Taxes	\$89,460	\$99,994	\$10,534
Intergovernmental	15,040	42,314	27,274
Interest	26,906	1,050	(25,856)
Gifts and Donations	0	40,121	40,121
Other	0	17	17
Total Revenues	131,406	183,496	52,090
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Recreation			
Personal Services	71,800	70,094	1,706
Contractual Services	42,652	33,378	9,274
Materials and Supplies	30,743	20,758	9,985
Capital Outlay	58,370	54,945	3,425
Total Expenditures	203,565	179,175	24,390
Excess of Revenues Over (Under Expenditures)	(72,159)	4,321	76,480
<u>Other Financing Sources (Uses)</u>			
Transfers In	0	20,000	20,000
Transfers Out	(20,000)	(20,000)	0
Total Other Financing Sources (Uses)	(20,000)	0	20,000
Change in Fund Balance	(92,159)	4,321	96,480
Fund Balance Beginning of Year	117,395	117,395	0
Prior Year Encumbrances Appropriated	7,065	7,065	0
Fund Balance End of Year	\$32,301	\$128,781	\$96,480

City of Wapakoneta
Swimming Pool Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$124,800	\$121,492	(\$3,308)
Gifts and Donations	25,000	207,109	182,109
Other	177,800	0	(177,800)
Total Revenues	<u>327,600</u>	<u>328,601</u>	<u>1,001</u>
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Recreation			
Personal Services	58,092	58,092	0
Contractual Services	26,123	26,123	0
Materials and Supplies	35,484	34,660	824
Capital Outlay	235,000	213,551	21,449
Total Expenditures	<u>354,699</u>	<u>332,426</u>	<u>22,273</u>
Excess of Revenues Under Expenditures	<u>(27,099)</u>	<u>(3,825)</u>	<u>23,274</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	55,000	55,000	0
Transfers Out	(20,000)	(20,000)	0
Total Other Financing Sources (Uses)	<u>35,000</u>	<u>35,000</u>	<u>0</u>
Change in Fund Balance	7,901	31,175	23,274
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$7,901</u></u>	<u><u>\$31,175</u></u>	<u><u>\$23,274</u></u>

City of Wapakoneta
Law Enforcement Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$200	\$235	\$35
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Law Enforcement			
Materials and Supplies	<u>1,700</u>	<u>290</u>	<u>1,410</u>
Change in Fund Balance	(1,500)	(55)	1,445
Fund Balance Beginning of Year	<u>1,593</u>	<u>1,593</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$93</u></u>	<u><u>\$1,538</u></u>	<u><u>\$1,445</u></u>

City of Wapakoneta
Enforcement and Education Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$1,000	\$1,452	\$452
<u>Expenditures</u>			
Current:			
Security of Persons and Property Enforcement and Education Materials and Supplies	4600	0	4,600
Change in Fund Balance	(3,600)	1,452	5,052
Fund Balance Beginning of Year	3,672	3,672	0
Fund Balance End of Year	\$72	\$5,124	\$5,052

City of Wapakoneta
Drug Law Enforcement Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$500	\$945	\$445
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Drug Law Enforcement			
Materials and Supplies	4,400	1,000	3,400
Change in Fund Balance	(3,900)	(55)	3,845
Fund Balance Beginning of Year	3,989	3,989	0
Fund Balance End of Year	\$89	\$3,934	\$3,845

City of Wapakoneta
Recreation Trust Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

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

City of Wapakoneta
Rudd Park Trust Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Gifts and Donations	\$1,000	\$271	(\$729)
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Rudd Park			
Materials and Supplies	1,000	0	1,000
Change in Fund Balance	0	271	271
Fund Balance Beginning of Year	549	549	0
Fund Balance End of Year	\$549	\$820	\$271

City of Wapakoneta
Debt Service Debt Service Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Special Assessments	\$14,789	\$14,789	\$0
Interest	537	537	0
Total Revenues	<u>15,326</u>	<u>15,326</u>	<u>0</u>
<u>Expenditures</u>			
Debt Service:			
Principal Retirement	43,350	43,350	0
Interest and Fiscal Charges	1,842	1,842	0
Total Expenditures	<u>45,192</u>	<u>45,192</u>	<u>0</u>
Excess of Revenues Under Expenditures	(29,866)	(29,866)	0
<u>Other Financing Sources</u>			
Transfers In	6,675	7,000	325
Change in Fund Balance	(23,191)	(22,866)	325
Fund Balance Beginning of Year	<u>23,592</u>	<u>23,592</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$401</u></u>	<u><u>\$726</u></u>	<u><u>\$325</u></u>

City of Wapakoneta
Downtown Debt Debt Service Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Expenditures</u>			
Debt Service:			
Principal Retirement	189,500	189,494	6
Interest and Fiscal Charges	<u>31,500</u>	<u>30,982</u>	<u>518</u>
Total Expenditures	<u>221,000</u>	<u>220,476</u>	<u>524</u>
Excess of Revenues Under Expenditures	(221,000)	(220,476)	524
<u>Other Financing Sources</u>			
Transfers In	<u>333,000</u>	<u>333,000</u>	<u>0</u>
Change in Fund Balance	112,000	112,524	524
Fund Balance Beginning of Year	<u>496,479</u>	<u>496,479</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$608,479</u></u>	<u><u>\$609,003</u></u>	<u><u>\$524</u></u>

City of Wapakoneta
Capital Fire Truck Capital Projects Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	0	0	0
<u>Other Financing Sources</u>			
Transfers In	<u>40,000</u>	<u>100,000</u>	<u>60,000</u>
Change in Fund Balance	40,000	100,000	60,000
Fund Balance Beginning of Year	<u>102,425</u>	<u>102,425</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$142,425</u></u>	<u><u>\$202,425</u></u>	<u><u>\$60,000</u></u>

City of Wapakoneta
Engineering Internal Service Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2008

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$125,000	\$158,432	\$33,432
Fees, Licenses, and Permits	10,200	11,936	1,736
Other	400	774	374
Total Revenues	<u>135,600</u>	<u>171,142</u>	<u>35,542</u>
<u>Expenses</u>			
Personal Services	150,800	148,600	2,200
Contractual Services	20,941	15,634	5,307
Materials and Supplies	13,087	9,173	3,914
Capital Outlay	1,000	0	1,000
Other	5,500	0	5,500
Total Expenses	<u>191,328</u>	<u>173,407</u>	<u>17,921</u>
Change in Fund Balance	(55,728)	(2,265)	53,463
Fund Balance Beginning of Year	55,354	55,354	0
Prior Year Encumbrances Appropriated	<u>1,128</u>	<u>1,128</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$754</u></u>	<u><u>\$54,217</u></u>	<u><u>\$53,463</u></u>

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SCHEDULES OF CAPITAL ASSETS
USED IN THE OPERATION OF
GOVERNMENTAL FUNDS

City of Wapakoneta

Capital Assets Used in the Operation of Governmental Funds
 Schedule by Program and Department
 December 31, 2008

Program/Department	Total	Land	Construction in Progress	Land Improvements
Security of Persons and Property				
Police	\$1,347,249	\$46,702	\$0	\$0
Fire	1,847,490	46,702	0	48,229
Total Security of Persons and Property	3,194,739	93,404	0	48,229
Public Health				
Emergency Medical	638,329	0	0	0
Leisure Time Activities				
Recreation	2,765,697	63,300	0	2,297,087
Transportation				
Street	24,696,810	32,861	155,440	0
General Government				
City Offices	2,549,445	1,079,461	235,598	0
Total General Capital Assets Allocated to Programs	<u>\$33,845,020</u>	<u>\$1,269,026</u>	<u>\$391,038</u>	<u>\$2,345,316</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service fund are excluded from the above amounts. The capital assets of the internal service fund are included as part of governmental activities on the statement of net assets.

<u>Buildings</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>Streets</u>
\$1,057,574	\$62,372	\$180,601	\$0
468,679	145,934	1,137,946	0
1,526,253	208,306	1,318,547	0
342,156	51,256	244,917	0
261,483	143,827	0	0
146,554	58,510	718,297	23,585,148
1,088,679	107,671	38,036	0
<u>\$3,365,125</u>	<u>\$569,570</u>	<u>\$2,319,797</u>	<u>\$23,585,148</u>

City of Wapakoneta

Capital Assets Used in the Operation of Governmental Funds
 Schedule of Change by Program and Department
 For the Year Ended December 31, 2008

Program/Department	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008
Security of Persons and Property				
Police	\$1,326,352	\$20,897	\$0	\$1,347,249
Fire	1,847,490	0	0	1,847,490
Total Security of Persons and Property	3,173,842	20,897	0	3,194,739
Public Health				
Emergency Medical	587,073	51,256	0	638,329
Leisure Time Activities				
Recreation	941,679	1,824,018	0	2,765,697
Transportation				
Street	24,495,695	201,115	0	24,696,810
General Government				
City Offices	1,807,891	741,554	0	2,549,445
Total General Capital Assets Allocated to Programs	<u>\$31,006,180</u>	<u>\$2,838,840</u>	<u>\$0</u>	<u>\$33,845,020</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service fund are excluded from the above amounts. The capital assets of the internal service fund are included as part of governmental activities on the statement of net assets.

City of Wapakoneta

Capital Assets Used in the Operation of Governmental Funds
 Schedule by Source
 December 31, 2008

	<u>Amounts</u>
<u>Governmental Funds Capital Assets</u>	
Land	\$1,269,026
Construction in Progress	391,038
Land Improvements	2,345,316
Buildings	3,365,125
Equipment	569,570
Vehicles	2,319,797
Streets	<u>23,585,148</u>
Total Capital Assets	<u><u>\$33,845,020</u></u>
 <u>Investment in Governmental Funds Capital Assets</u>	
General Fund	\$3,395,198
Special Revenue Funds	2,238,547
Capital Projects Funds	4,207,364
Enterprise Funds	2,550,780
General Capital Assets Acquired Prior to 1986	<u>21,453,131</u>
Total Investment in Capital Assets	<u><u>\$33,845,020</u></u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service fund are excluded from the above amounts. The capital assets of the internal service fund are included as part of governmental activities on the statement of net assets.

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STATISTICAL
SECTION

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City of Wapakoneta
Statistical Section

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

Contents **Page**

Financial Trends.....S-2

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

Revenue Capacity.....S-12

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

Debt Capacity.....S-34

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

Demographic and Economic Information.....S-41

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

Operating Information.....S-44

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

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

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

	2008	2007	2006	2005	2004
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$19,192,324	\$16,550,369	\$15,550,482	\$14,957,082	\$14,695,619
Restricted for					
Debt Service	609,944	534,616	440,193	344,370	550,261
Capital Projects	2,534,599	4,691,427	1,020,043	842,208	816,352
Other Purposes	1,904,101	1,651,443	3,001,698	2,557,353	2,352,316
Unrestricted	4,051,240	3,718,111	3,002,012	2,471,796	1,874,180
Total Governmental Activities Net Assets	28,292,208	27,145,966	23,014,428	21,172,809	20,288,728
Business-Type Activities					
Invested in Capital Assets, Net of Related Debt	18,991,836	18,277,471	18,054,990	18,859,104	18,380,759
Restricted	1,170,970	1,236,810	1,164,741	355,195	396,777
Unrestricted	15,898,729	15,364,398	15,117,904	16,125,101	14,648,742
Total Business-Type Activities Net Assets	36,061,535	34,878,679	34,337,635	35,339,400	33,426,278
Primary Government					
Invested in Capital Assets, Net of Related Debt	38,184,160	34,827,840	33,605,472	33,816,186	33,076,378
Restricted	6,219,614	8,114,296	5,626,675	4,099,126	4,115,706
Unrestricted	19,949,969	19,082,509	18,119,916	18,596,897	16,522,922
Total Primary Government Net Assets	\$64,353,743	\$62,024,645	\$57,352,063	\$56,512,209	\$53,715,006

2003

\$14,325,984

555,349

1,469,441

2,002,016

1,184,646

19,537,436

18,897,701

413,447

12,696,857

32,008,005

33,223,685

4,440,253

13,881,503

\$51,545,441

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

	2008	2007	2006	2005	2004
<u>Expenses</u>					
<u>Governmental Activities</u>					
Security of Persons and Property					
Police	\$1,353,354	\$1,283,549	\$1,266,253	\$1,221,018	\$1,145,709
Fire	1,287,195	1,189,033	1,153,285	1,182,460	1,166,485
Other	27,849	14,584	11,066	119,623	20,226
Public Health	231,505	231,311	215,334	212,986	226,206
Leisure Time Activities	304,089	217,175	196,271	223,249	165,540
Community Environment	109,785	87,005	98,537	120,691	62,593
Transportation	1,312,919	1,212,316	1,029,441	1,439,048	1,596,994
General Government	496,979	568,638	550,479	434,292	390,067
Interest and Fiscal Charges	70,941	82,806	93,647	103,670	120,857
Total Governmental Activities Expenses	5,194,616	4,886,417	4,614,313	5,057,037	4,894,677
<u>Business-Type Activities</u>					
Electric	14,456,015	15,018,241	14,306,107	7,035,506	6,772,154
Water	1,084,075	1,022,962	1,013,762	813,587	1,196,319
Sewer	2,231,009	2,095,884	2,077,733	1,736,226	1,540,649
Storm Sewer	83,831	71,239	120,408	102,578	147,612
Refuse	1,022,632	1,413,105	1,033,454	872,598	766,336
Total Business-Type Activities Expenses	18,877,562	19,621,431	18,551,464	10,560,495	10,423,070
Total Primary Government Expenses	24,072,178	24,507,848	23,165,777	15,617,532	15,317,747
<u>Program Revenues</u>					
<u>Governmental Activities</u>					
<u>Charges for Services</u>					
Security of Persons and Property					
Police	8,911	10,723	9,996	7,352	9,314
Fire	41,361	42,190	49,611	38,084	37,657
Public Health	302,651	371,603	296,934	295,465	181,748
Leisure Time Activities	121,592	0	0	350	1,130
Community Environment	0	250	0	0	0
Transportation	231,173	156,627	207,116	322,510	241,842
General Government	36,549	33,621	26,362	26,651	35,148
Total Charges for Services	742,237	615,014	590,019	690,412	506,839
Operating Grants, Contributions, and Interest	863,897	739,172	871,074	1,263,577	778,158
Capital Grants, Contributions, and Interest	285,219	2,150,030	161,197	29,847	512,480
Total Governmental Activities Program Revenues	1,891,353	3,504,216	1,622,290	1,983,836	1,797,477
<u>Business-Type Activities</u>					
<u>Charges for Services</u>					
Electric	14,705,519	14,907,663	12,848,899	7,785,644	7,250,248
Water	1,609,240	1,544,797	1,404,361	1,312,634	1,210,189
Sewer	1,845,275	1,888,360	1,856,922	1,827,371	1,799,788
Storm Sewer	156,374	155,588	156,184	154,160	151,128
Refuse	1,112,113	1,085,587	921,989	924,455	890,986
Total Charges for Services	19,428,521	19,581,995	17,188,355	12,004,264	11,302,339
Operating Grants, Contributions, and Interest	0	0	13,000	0	155,203
Total Business-Type Activities Program Revenues	19,428,521	19,581,995	17,201,355	12,004,264	11,457,542
Total Primary Government Program Revenues	21,319,874	23,086,211	18,823,645	13,988,100	13,255,019
<u>Net (Expense) Revenue</u>					
Governmental Activities	(3,303,263)	(1,382,201)	(2,992,023)	(3,073,201)	(3,097,200)
Business-Type Activities	550,959	(39,436)	(1,350,109)	1,443,769	1,034,472
Total Primary Government Net Expense	(2,752,304)	(1,421,637)	(4,342,132)	(1,629,432)	(2,062,728)

2003

\$1,142,760
1,011,846
56,884
222,529
161,832
99,744
937,128
441,101
203,770

4,277,594

6,718,403
1,072,455
1,426,900
71,095
857,056

10,145,909

14,423,503

6,203
41,073
180,201
0
0
170,253
30,855

428,585
604,227
384,169

1,416,981

7,250,893
1,155,879
1,677,186
149,247
902,553

11,135,758
50,000

11,185,758

12,602,739

(2,860,613)
1,039,849

(1,820,764)

(continued)

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

	2008	2007	2006	2005	2004
<u>General Revenues and Other Changes in Net Assets</u>					
<u>Governmental Activities</u>					
Property Taxes Levied for General Purposes	\$376,258	\$382,346	\$390,020	\$356,201	\$343,628
Property Taxes Levied for Recreation	100,267	103,445	106,334	105,934	102,350
Municipal Income Taxes	2,419,511	2,286,433	2,290,400	2,136,920	2,118,637
Other Local Taxes	666,801	702,847	678,614	656,921	639,180
Grants and Entitlements not Restricted to Specific Progr:	736,776	699,524	530,856	483,500	653,985
Franchise Taxes	67,136	50,369	45,289	39,650	37,741
Interest	522,389	919,480	892,006	546,259	236,441
Gifts and Donations	59,095	8,352	13,142	7,791	17,348
Other	47,323	30,384	153,570	9,090	24,438
Gain on Sale of Investment	0	758,441	0	0	0
Transfers	(546,051)	(427,882)	(266,589)	(384,984)	(325,256)
Total Governmental Activities	4,449,505	5,513,739	4,833,642	3,957,282	3,848,492
<u>Business-Type Activities</u>					
Interest	19,753	59,555	36,694	10,904	30,482
Other	66,093	93,043	45,061	73,465	28,063
Transfers	546,051	427,882	266,589	384,984	325,256
Total Business-Type Activities	631,897	580,480	348,344	469,353	383,801
Total Primary Government	5,081,402	6,094,219	5,181,986	4,426,635	4,232,293
<u>Change in Net Assets</u>					
Governmental Activities	1,146,242	4,131,538	1,841,619	884,081	751,292
Business-Type Activities	1,182,856	541,044	(1,001,765)	1,913,122	1,418,273
Total Primary Government Change in Net Assets	\$2,329,098	\$4,672,582	\$839,854	\$2,797,203	\$2,169,565

2003

\$349,783
104,731
2,004,839
641,975
515,817
57,486
260,864
22,090
32,297
0
(554,880)

3,435,002

2,001
39,259
554,880

596,140

4,031,142

574,389
1,635,989

\$2,210,378

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

	2008	2007	2006	2005	2004
General Fund					
Reserved	\$159,606	\$204,428	\$82,397	\$40,641	\$38,253
Unreserved	<u>3,169,890</u>	<u>2,838,888</u>	<u>2,303,358</u>	<u>1,731,727</u>	<u>899,035</u>
Total General Fund	<u>3,329,496</u>	<u>3,043,316</u>	<u>2,385,755</u>	<u>1,772,368</u>	<u>937,288</u>
All Other Governmental Funds					
Reserved	465,171	1,859,426	485,067	841,079	298,187
Unreserved, Reported in					
Special Revenue Funds	1,392,222	1,078,936	2,444,533	1,894,745	2,175,390
Debt Service Funds	609,729	520,071	413,201	301,980	229,925
Capital Projects Funds	<u>1,617,466</u>	<u>1,384,703</u>	<u>688,783</u>	<u>478,067</u>	<u>831,123</u>
Total All Other Governmental Funds	<u>4,084,588</u>	<u>4,843,136</u>	<u>4,031,584</u>	<u>3,515,871</u>	<u>3,534,625</u>
Total Governmental Funds	<u><u>\$7,414,084</u></u>	<u><u>\$7,886,452</u></u>	<u><u>\$6,417,339</u></u>	<u><u>\$5,288,239</u></u>	<u><u>\$4,471,913</u></u>

Information prior to 2003 not available.

<u>2003</u>
\$59,165
<u>690,012</u>
<u>749,177</u>
142,587
1,805,603
161,129
<u>1,364,097</u>
<u>3,473,416</u>
<u><u>\$4,222,593</u></u>

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

	2008	2007	2006	2005	2004
<u>Revenues</u>					
Property Taxes	\$475,488	\$485,855	\$494,322	\$463,550	\$450,912
Municipal Income Taxes	2,343,504	2,330,159	2,186,885	2,155,844	2,064,190
Other Local Taxes	739,543	775,349	750,786	729,535	712,250
Special Assessments	113,600	99,838	127,830	141,800	110,523
Charges for Services	534,173	383,477	394,449	314,313	282,566
Fees, Licenses, and Permits	84,803	58,235	49,667	53,014	54,022
Fines and Forfeitures	26,414	28,153	26,397	19,469	28,312
Intergovernmental	2,352,860	1,429,731	1,112,975	1,932,243	1,319,319
Interest	638,987	1,385,496	1,123,113	622,515	497,487
Gifts and Donations	306,596	29,040	39,358	33,081	35,090
Other	47,323	29,805	153,570	9,443	24,085
Total Revenues	7,663,291	7,035,138	6,459,352	6,474,807	5,578,756
<u>Expenditures</u>					
Current:					
Security of Persons and Property					
Police	1,335,039	1,275,070	1,261,097	1,184,347	1,115,067
Fire	1,228,768	1,157,457	1,468,411	1,201,714	1,127,628
Other	27,847	14,333	13,040	119,204	20,343
Public Health	270,897	218,356	191,798	188,684	204,721
Leisure Time Activities	1,874,381	283,512	209,160	284,270	140,660
Community Environment	105,721	75,643	113,779	121,393	133,654
Transportation	1,790,505	1,128,899	741,257	1,203,088	1,395,155
General Government	474,176	1,129,757	533,235	416,606	374,390
Debt Service:					
Principal Retirement	449,624	454,074	448,553	448,060	431,989
Interest and Fiscal Charges	61,042	73,146	84,149	94,174	118,485
Total Expenditures	7,618,000	5,810,247	5,064,479	5,261,540	5,062,092
Excess of Revenues Over (Under) Expenditures	45,291	1,224,891	1,394,873	1,213,267	516,664
<u>Other Financing Sources (Uses)</u>					
Sale of Capital Assets	0	4,201	816	0	0
General Obligation Bonds Issued	0	0	0	0	0
General Obligation Refunding Bonds Issued	0	0	0	0	0
Capital Loans Issued	0	0	0	0	0
Gain on Sale of Investments	0	758,441	0	0	0
Transfers In	1,147,341	1,751,741	967,411	500,059	876,428
Transfers Out	(1,665,000)	(2,270,161)	(1,234,000)	(897,000)	(1,143,772)
Total Other Financing Sources (Uses)	(517,659)	244,222	(265,773)	(396,941)	(267,344)
Change in Fund Balance	(\$472,368)	\$1,469,113	\$1,129,100	\$816,326	\$249,320
Debt Service as a Percentage of Noncapital Expenditures	10.18%	11.15%	12.11%	11.61%	11.90%

Information prior to 2003 not available.

2003
\$449,601
2,031,494
714,371
122,025
272,376
44,452
25,471
1,202,606
304,393
105,535
30,794
5,303,118

1,175,836
995,116
56,880
315,559
249,335
134,590
995,578
426,549
3,020,000
306,967
7,676,410

(2,373,292)

1,510
288,400
2,836,000
145,000
0
1,225,000
(1,758,500)
2,737,410
\$364,118

48.13%

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

Year	Real Property				Public Utility Personal Property		
	Assessed Value		Public Utility	Total Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial					
2008	\$99,932,540	\$43,264,780	\$46,920	\$143,244,240	\$409,269,257	\$584,380	\$664,068
2007	98,356,360	41,575,210	43,590	139,975,160	399,929,029	3,300,180	3,750,205
2006	96,797,980	39,755,360	77,760	136,631,100	390,374,571	3,745,680	4,256,455
2005	85,608,830	33,803,110	76,420	119,488,360	341,395,314	3,715,910	4,222,625
2004	84,027,250	33,452,810	75,780	117,555,840	335,873,829	3,816,660	4,337,114
2003	82,548,700	33,025,070	74,390	115,648,160	330,423,314	3,954,800	4,494,091
2002	76,609,370	32,569,640	71,520	109,250,530	312,144,371	4,045,290	4,596,920
2001	74,844,900	33,066,020	73,910	107,984,830	308,528,086	4,711,420	5,353,886
2000	72,754,680	32,587,890	87,770	105,430,340	301,229,543	3,802,580	4,321,114
1999	60,169,690	28,788,710	65,400	89,023,800	254,353,714	4,623,490	5,253,966

Source: Auglaize County Auditor

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

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of actual value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed at 25 percent of actual value for machinery and equipment and 23 percent for inventory. The general business tangible personal property tax is being phased out. The percentage was 6.25 percent for 2008 and is zero for 2009.

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

Tangible Personal Property		Total		Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$4,227,152	\$67,634,432	\$148,055,772	\$477,567,757	\$3.45
8,454,304	67,634,432	151,729,644	471,313,666	3.47
10,846,559	57,848,315	151,223,339	452,479,341	3.48
14,938,545	59,754,180	138,142,815	405,372,119	3.55
21,012,884	84,051,536	142,385,384	424,262,479	3.56
22,326,522	89,306,088	141,929,482	424,223,493	3.56
22,437,024	89,748,096	135,732,844	406,489,387	3.59
25,315,900	101,263,600	138,012,150	415,145,572	3.59
22,119,150	88,476,600	131,352,070	394,027,257	3.59
20,180,660	80,722,640	113,827,950	340,330,320	3.68

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

Collection Year	2008	2007	2006	2005	2004
Voted Millage					
2002 Recreation - 5 Years					
Effective Millage Rates					
Residential/Agriculture	\$0.5989	\$0.6299	\$0.6316	\$0.7014	\$0.7028
Commercial/Industrial	0.8693	0.8607	0.8528	0.9316	0.9314
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000	1.0000
Unvoted Millage					
General	2.1500	2.1500	2.1500	2.1500	2.1500
Fire Pension	0.3000	0.3000	0.3000	0.3000	0.3000
Police Pension	0.3000	0.3000	0.3000	0.3000	0.3000
Total Unvoted Millage	2.7500	2.7500	2.7500	2.7500	2.7500
Total Millage					
Total Effective Millage by Type of Property					
Residential/Agriculture	3.3489	3.3799	3.3816	3.4514	3.4528
Commercial/Industrial	3.6193	3.6107	3.6028	3.6816	3.6814
Tangible/Public Utility Personal	3.7500	3.7500	3.7500	3.7500	3.7500
Auglaize County	11.7500	11.7500	11.2500	11.2500	11.2500
Wapakoneta City School District	31.3000	31.3000	29.6000	29.6000	29.6000
Apollo Career Center	2.2000	2.2000	2.2000	2.2000	2.2000
Duchouquet Township	0.2000	0.2000	0.2000	0.2000	0.2000

Source: Auglaize County Auditor

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

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

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

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
\$0.7035	\$0.7451	\$0.7477	\$0.7509	\$0.8780
0.9301	0.9256	0.8999	0.8985	0.9623
<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>
2.1500	2.1500	2.1500	2.1500	2.1500
0.3000	0.3000	0.3000	0.3000	0.3000
<u>0.3000</u>	<u>0.3000</u>	<u>0.3000</u>	<u>0.3000</u>	<u>0.3000</u>
<u>2.7500</u>	<u>2.7500</u>	<u>2.7500</u>	<u>2.7500</u>	<u>2.7500</u>
3.4535	3.4951	3.4977	3.5009	3.6280
3.6801	3.6756	3.6499	3.6485	3.7123
<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>
9.3700	9.4000	9.4000	9.4000	9.5000
29.8000	30.7000	30.7000	30.7000	31.8000
2.2000	2.2000	2.2000	2.2000	2.2000
0.2000	0.2000	0.2000	0.2000	0.2000

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City of Wapakoneta
Property Tax Levies and Collections
Last Ten Years

Year	Current Tax Levy (1)	Current Tax Collections	Percent Collected	Total Outstanding Delinquent Taxes	Percent Delinquent
2008	\$579,024	\$565,256	97.62%	\$8,248	1.42%
2007	545,199	598,187	109.72	14,151	2.60
2006	553,228	606,765	109.68	12,849	2.32
2005	548,783	583,413	106.31	7,559	1.38
2004	508,913	491,031	96.49	13,257	2.60
2003	502,468	486,704	96.86	20,341	4.05
2002	494,903	469,867	94.94	12,646	2.56
2001	481,194	471,669	98.02	8,475	1.76
2000	461,863	456,994	98.95	8,545	1.85
1999	424,489	408,828	96.31	9,381	2.21

Source: Auglaize County Auditor

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

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

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

Taxpayer	Type of Business	2008		
		Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Wal-Mart Stores East LP	Retail Business	\$3,355,230	1	2.34%
GAMCO Components Group LLC	Automotive Suspension Manufacturing	1,980,650	2	1.38
Schlenker Enterprises	Land Developments and Apartments	1,879,280	3	1.31
Ametek, Inc.	Plastic Compounds	1,164,360	4	0.81
DW 28 Wapakoneta LLC	Retail Business	1,097,780	5	0.77
Koneta, Inc.	Rubber Truck Accessories Manufacturing	1,081,660	6	0.76
Quaker Run Farms	Warehousing and Distribution	987,150	7	0.69
Normandy Ridge Limited	Residential Apartments	858,600	8	0.60
Miller's Textile Services, Inc.	Uniform Rentals	844,160	9	0.59
Dr. L.Y. Soo	Individual Property Owner	735,550	10	0.51
LRV Acquisition	Hotel Properties			
L&G Truckers	Truck Stop			
Quaker Run	Residential Apartments			
Hi Pockets, Inc.	Residential Investment			
Auglaize Investment Company	Big Bear Department Store			
WGP Holding	Superior Tube			
JB Tool and Machine Company	Metal Stamping and Turning			
Gray Fox LTD	Individual Property Owner			
	Total	13,984,420		9.76
	All Other Taxpayers	129,259,820		90.24
	Total Assessed Valuation	<u>\$143,244,240</u>		<u>100.00%</u>

Source: Auglaize County Auditor

1999		
<u>Real Property Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
\$1,898,510	1	2.13%
1,383,390	2	1.55
1,003,760	3	1.13
870,780	4	0.98
749,670	5	0.84
731,170	6	0.82
705,970	7	0.79
547,660	8	0.62
540,100	9	0.61
<u>518,130</u>	10	<u>0.58</u>
8,949,140		10.05
<u>80,074,660</u>		<u>89.95</u>
<u><u>\$89,023,800</u></u>		<u><u>100.00%</u></u>

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

Taxpayer	Type of Business	2008		
		Personal Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Telephone Service Company	Telephone Communications	\$37,307	1	0.88%
Superior Metal Products, Inc.	Metal Stamping	33,515	2	0.80
Wal-Mart Stores East LP	Retail Business	18,230	3	0.43
Koneta, Inc.	Rubber Truck Accessories Manufacturing	15,452	4	0.37
Midwest Elastomers, Inc.	Manufacturing	13,053	5	0.31
Ametek, Inc.	Plastic Compounds	11,837	6	0.28
Miller's Textile Services, Inc.	Uniform Rentals	11,775	7	0.28
Durez Corporation	Manufacturing	11,561	8	0.27
Alcan Primary Products	Aluminum Manufacturing	9,002	9	0.21
Park Ohio Holdings Corporation	Diversified Manufacturing Services	8,921	10	0.21
JB Tool and Machine Company	Metal Stamping and Turning			
LRV Acquisition	Hotel Properties			
American Trim Limited	Liability Company			
Occidental Chemical Corporation	Buyer and Seller of Real Estate			
Besnier Scerma USA	Import/Export Milk Protein			
Penn Traffic Company	Retail Grocery and Department Store			
	Total	170,653		4.04
	All Other Taxpayers	4,056,499		95.96
	Total Assessed Valuation	<u>\$4,227,152</u>		<u>100.00%</u>

Source: Auglaize County Auditor

1999		
<u>Personal Property Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
\$1,049,940	4	5.20%
660,320	7	3.27
761,510	5	3.77
604,330	9	2.99
2,843,570	1	14.09
1,272,080	2	6.30
1,264,740	3	6.27
745,870	6	3.70
618,730	8	3.07
<u>570,660</u>	10	<u>2.83</u>
10,391,750		51.49
<u>9,788,910</u>		<u>48.51</u>
<u>\$20,180,660</u>		<u>100.00%</u>

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes From Individual Payments	Percentage of Taxes from Individual Payments
2008	1.00%	\$2,419,511	\$1,843,971	76.21%	\$228,064	9.43%	\$347,476	14.36%
2007	1.00	2,286,433	1,794,095	78.47	169,089	7.40	323,249	14.13
2006	1.00	2,290,400	1,689,748	73.78	309,030	13.49	291,622	12.73
2005	1.00	2,136,920	1,726,299	80.78	139,636	6.53	270,985	12.68
2004	1.00	2,118,637	1,648,114	77.79	157,669	7.44	312,854	14.77

Source: City Records

Note: Tax years prior to 2004 not available.

City of Wapakoneta
Electric Utility Statistics
Last Ten Years

	2008	2007	2006	2005	2004
Kilowatt Hours Purchased from:					
American Electric Power	0	197,661,771	187,474,222	187,080,998	182,064,625
AMP-Ohio	191,475,666	4,149,000	4,122,000	4,096,736	4,172,642
Total Kilowatt Hours Purchased	191,475,666	201,810,771	191,596,222	191,177,734	186,237,267
Payments for Purchased Power to:					
American Electric Power	\$11,197	\$13,344,311	\$12,570,995	\$5,252,736	\$5,035,490
AMP-Ohio	12,608,416	146,348	136,101	165,854	97,896
Total Payments for Purchased Power	\$12,619,613	\$13,490,659	\$12,707,096	\$5,418,590	\$5,133,386
Kilowatt Hours Sold to Users					
Residential	49,579,753	50,710,462	48,981,563	51,072,037	48,335,392
Commercial	54,894,606	59,434,626	62,709,278	61,528,576	56,617,209
Industrial	73,796,880	78,444,120	70,704,980	63,297,900	65,596,500
Total Kilowatt Hours Sold to Users	178,271,239	188,589,208	182,395,821	175,898,513	170,549,101
Charges for Kilowatt Hours Sold to Users					
Residential	\$4,420,838	\$4,324,976	\$3,691,525	\$2,568,233	\$2,404,143
Commercial	5,355,024	5,510,541	4,938,547	3,158,202	2,862,108
Industrial	5,503,887	5,511,166	4,587,937	2,604,184	2,548,999
Total Dollar Amount of Kilowatt Hours Sold to Users	\$15,279,749	\$15,346,683	\$13,218,009	\$8,330,619	\$7,815,250

Rate

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

Source: City Records

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

2003	2002	2001	2000	1999
179,583,038	179,215,817	169,197,813	177,338,340	169,407,160
4,749,257	5,021,624	4,706,427	5,537,652	5,814,896
<u>184,332,295</u>	<u>184,237,441</u>	<u>173,904,240</u>	<u>182,875,992</u>	<u>175,222,056</u>
\$4,939,067	\$4,977,901	\$4,744,500	\$5,000,663	\$4,845,661
115,651	121,407	112,609	100,395	116,745
<u>\$5,054,718</u>	<u>\$5,099,308</u>	<u>\$4,857,109</u>	<u>\$5,101,058</u>	<u>\$4,962,406</u>
47,658,779	49,167,864	45,955,454	43,937,445	45,558,562
55,814,108	56,865,233	57,127,766	58,086,396	60,089,223
68,457,100	69,255,300	62,258,000	70,867,400	65,245,700
<u>171,929,987</u>	<u>175,288,397</u>	<u>165,341,220</u>	<u>172,891,241</u>	<u>170,893,485</u>
\$2,364,694	\$2,442,441	\$2,309,352	\$2,202,581	\$2,285,449
2,817,770	2,867,954	2,896,209	2,946,545	3,049,840
2,601,531	2,646,084	2,466,596	2,679,322	2,532,610
<u>\$7,783,995</u>	<u>\$7,956,479</u>	<u>\$7,672,157</u>	<u>\$7,828,448</u>	<u>\$7,867,899</u>

City of Wapakoneta
Water Utility Statistics
Last Ten Years

Type of Customer	2008	2007	2006	2005	2004
Residential	\$977,828	\$931,953	\$845,137	\$803,042	\$709,519
Industrial	312,965	310,036	263,913	209,814	207,575
Commercial	270,467	271,697	264,331	256,465	204,331
Total Billed	\$1,561,260	\$1,513,686	\$1,373,381	\$1,269,321	\$1,121,425

Billed in Cubic Feet

Rate in Cubic Feet:

All Customers

0 - 200	\$7.14	\$6.61	\$6.12	\$5.67	\$5.25
201 - 1,300	3.01	2.79	2.58	2.39	2.21
1,301 - 6,100	2.51	2.32	2.15	1.99	1.84
6,101 - 22,800	2.04	1.89	1.75	1.62	1.50
22,801 and up	1.84	1.70	1.57	1.45	1.34

Multi Residential

0 - 200	\$7.14	\$6.61	\$6.12	\$5.67	\$5.25
Each Additional 100	2.91	2.69	2.49	2.31	2.14

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

Outside Rates after February 1, 2005, add 200%

Source: City Records

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

2003	2002	2001	2000	1999
\$707,773	\$754,799	\$743,662	\$609,917	\$530,869
167,426	156,204	159,939	118,322	75,824
227,810	246,097	228,353	198,081	172,012
<u>\$1,103,009</u>	<u>\$1,157,100</u>	<u>\$1,131,954</u>	<u>\$926,320</u>	<u>\$778,705</u>

\$5.25	\$5.25	\$5.25	\$4.50	\$3.80
2.21	2.21	2.21	1.81	1.49
1.84	1.84	1.84	1.44	1.12
1.50	1.50	1.50	1.10	0.78
1.34	1.34	1.34	0.94	0.62
\$5.25	\$5.25	\$5.25	\$4.50	\$3.80
2.14	2.14	2.14	1.74	1.42

City of Wapakoneta
Sewer Utility Statistics
Last Ten Years

Type of Customer	2008	2007	2006	2005	2004
Residential	\$1,035,296	\$1,045,093	\$1,013,454	\$1,016,743	\$994,203
Commercial	300,312	318,508	348,872	365,911	304,829
Industrial	473,693	512,977	471,939	414,251	425,951
Total Billed	\$1,809,301	\$1,876,578	\$1,834,265	\$1,796,905	\$1,724,983
Billed in Cubic Feet					
Base Rate for First 200 Cubic Feet:					
Residential	\$10.05	\$9.90	\$9.75	\$9.60	\$9.46
Commercial	10.05	9.90	9.75	9.60	9.46
Industrial	10.05	9.90	9.75	9.60	9.46
Additional per 100 Cubic Feet:					
Residential	\$2.93	\$2.89	\$2.85	\$2.81	\$2.77
Commercial	3.16	3.11	3.06	3.01	2.97
Industrial	2.93	2.89	2.85	2.81	2.77

Outside Rates add 115%

Source: City Records

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

2003	2002	2001	2000	1999
\$974,159	\$854,661	\$667,021	\$641,624	\$658,871
342,570	318,176	231,829	273,393	297,845
337,538	285,997	233,445	236,919	210,233
<u>\$1,654,267</u>	<u>\$1,458,834</u>	<u>\$1,132,295</u>	<u>\$1,151,936</u>	<u>\$1,166,949</u>

\$9.32	\$7.76	\$6.21	\$6.03	\$6.03
9.32	7.76	6.21	6.03	6.03
9.32	7.76	6.21	6.03	6.03
\$2.73	\$2.28	\$1.82	\$1.76	\$1.76
2.93	2.44	1.95	1.89	1.89
2.73	2.28	1.82	1.76	1.76

City of Wapakoneta
Storm Sewer Utility Statistics
Last Ten Years

Type of Customer	2008	2007	2006	2005	2004
Residential	\$87,772	\$87,348	\$86,742	\$85,832	\$84,732
Commercial/Industrial	66,802	67,425	67,411	66,755	64,812
Total Billed	\$154,574	\$154,773	\$154,153	\$152,587	\$149,544

Rates:

Residential: \$2 per month

Commercial/Industrial:

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

Source: City Records

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

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
\$83,888	\$82,568	\$82,146	\$81,802	\$80,926
<u>63,852</u>	<u>63,684</u>	<u>62,757</u>	<u>62,799</u>	<u>61,378</u>
<u>\$147,740</u>	<u>\$146,252</u>	<u>\$144,903</u>	<u>\$144,601</u>	<u>\$142,304</u>

City of Wapakoneta
Refuse Utility Statistics
Last Ten Years

Type of Customer	2008	2007	2006	2005	2004
Residential	\$366,097	\$342,334	\$294,849	\$291,252	\$290,097
Commercial/Industrial	207,471	203,805	136,612	141,192	128,449
Bag Sales (all customers)	287,938	267,579	236,150	241,800	195,500
Total	\$861,506	\$813,718	\$667,611	\$674,244	\$614,046
Amount Paid by City to Waste Management	\$215,993	\$220,755	\$219,332	\$180,182	\$161,692
Amount per Ton Paid to Waste Management	\$55.09	\$53.55	\$51.00	\$41.60	\$39.30
<u>Monthly Base Rate:</u>					
Residential Inside	\$7	\$7	\$6	\$6	\$6
Residential Outside	\$11	\$11	\$10	\$10	\$10

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

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

Source: City Records

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

2003	2002	2001	2000	1999
\$289,368	\$288,412	\$289,659	\$287,472	\$287,472
128,209	124,606	125,568	116,691	116,691
188,450	209,700	225,200	200,000	200,000
<u>\$606,027</u>	<u>\$622,718</u>	<u>\$640,427</u>	<u>\$604,163</u>	<u>\$604,163</u>
<u>\$160,854</u>	<u>\$146,767</u>	<u>\$144,449</u>	<u>\$112,203</u>	<u>\$112,203</u>
\$37.30	\$37.30	\$36.50	\$36.50	\$36.50
\$6	\$6	\$6	\$6	\$6
\$10	\$10	\$10	\$10	\$10

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

Year	Governmental Activities				Business-Type Activities		
	General Obligation Bonds	Special Assessment Bonds	Capital Loans	Police and Fire Pension	General Obligation Bonds	Mortgage Revenue Bonds	Due to Auglaize County
2008	\$1,397,951	\$0	\$0	\$0	\$67,900	\$9,655,196	\$11,250
2007	1,805,581	0	31,024	0	89,300	9,986,450	13,750
2006	2,218,912	0	61,098	0	110,300	10,308,232	16,250
2005	2,627,902	0	90,251	0	130,900	3,050,543	18,750
2004	3,037,372	0	118,511	0	151,100	3,213,383	21,250
2003	3,432,764	0	145,000	0	170,600	3,367,280	23,750
2002	3,425,000	0	0	0	0	3,516,177	26,250
2001	3,705,000	0	0	0	0	3,760,000	28,750
2000	3,982,541	17,459	30,059	0	0	3,910,000	31,250
1999	4,250,083	34,917	80,955	90,155	0	4,055,000	33,750

Source: City Records

(1) See S-41 for population and personal income. These ratios are calculated using population and personal income for the prior calendar year.

OWDA Loans	Capital Loans	Landfill Closure	Total Debt	Per Capita (1)	Percentage of Personal Income (1)
\$1,007	\$80,256	\$1,673,180	\$12,886,740	\$1,366	7.20%
0	126,906	1,711,318	13,764,329	1,437	7.57
0	57,749	1,274,332	14,046,873	1,463	7.71
0	105,765	1,294,710	7,318,821	768	4.05
0	151,762	1,315,484	8,008,862	841	4.43
0	195,789	1,342,111	8,677,294	916	4.83
0	115,913	1,380,609	8,463,949	893	4.71
943,414	53,977	1,404,221	9,895,362	1,044	5.50
943,414	56,370	1,436,123	10,407,216	1,099	5.79
943,414	56,370	1,458,248	11,002,892	1,068	8.88

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

Year	Population	Estimated Actual Value	Gross Bonded Debt	Ratio of Bonded Debt to Estimated Actual Value	Bonded Debt Per Capita
2008	9,432	\$477,567,757	\$1,465,851	0.31%	\$155.41
2007	9,579	471,313,666	1,894,881	0.40	197.82
2006	9,602	452,479,341	2,329,212	0.51	242.58
2005	9,531	405,372,119	2,758,802	0.68	289.46
2004	9,518	424,262,479	3,188,472	0.75	334.99
2003	9,474	424,223,493	3,603,364	0.85	380.34
2002	9,474	406,489,387	3,425,000	0.84	361.52
2001	9,474	415,145,572	3,705,000	0.89	391.07
2000	9,474	394,027,257	3,982,541	1.01	420.37
1999	10,303	340,330,320	4,250,083	1.25	412.51

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

City of Wapakoneta
 Computation of Direct and Overlapping Debt for Governmental Activities
 December 31, 2008

Jurisdiction	Outstanding Debt	Percentage Applicable to City of Wapakoneta (1)	Amount Applicable to City of Wapakoneta
City of Wapakoneta 2003 Various Purpose	\$1,397,951	100.00%	\$1,397,951
Wapakoneta City School District	27,000,000	49.73	13,427,100
Auglaize County	<u>67,257</u>	17.92	<u>12,052</u>
Total	<u><u>\$28,465,208</u></u>		<u><u>\$14,837,103</u></u>

Source: City Records
 Ohio Municipal Advisory Council

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

City of Wapakoneta
 Computation of Legal Debt Margin
 Last Ten Years

	2008	2007	2006	2005
Total Assessed Valuation	<u>\$148,055,772</u>	<u>\$151,729,644</u>	<u>\$151,223,339</u>	<u>\$138,142,815</u>
Overall Debt Limitation - 10.5 Percent of Assessed Valuation	15,545,856	15,931,613	15,878,451	14,504,996
Gross Indebtedness	11,861,263	13,112,930	14,313,847	14,724,416
Less Debt Outside Limitation				
Bond Anticipation Notes	600,000	990,000	1,450,000	8,588,400
General Obligation Bonds	67,900	89,300	110,300	130,900
Special Assessment Bonds	0	0	0	0
Mortgage Revenue Bonds	9,670,000	10,015,000	10,350,000	3,105,000
Capital Loans	80,256	157,930	118,847	196,016
OWDA Loans	<u>1,007</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness	1,442,100	1,860,700	2,284,700	2,704,100
Less Fund Balance in Debt Service Fund	<u>609,729</u>	<u>520,071</u>	<u>413,201</u>	<u>301,980</u>
Net Debt Within 10.5 Percent Limitation	<u>832,371</u>	<u>1,340,629</u>	<u>1,871,499</u>	<u>2,402,120</u>
Legal Debt Margin Within 10.5 Percent Limitation	<u>\$14,713,485</u>	<u>\$14,590,984</u>	<u>\$14,006,952</u>	<u>\$12,102,876</u>
Legal Debt Margin as a Percentage of the Overall Debt Limitation	94.65%	91.59%	88.21%	83.44%
Unvoted Debt Limitation - 5.5 Percent of Assessed Valuation	\$8,143,067	\$8,345,130	\$8,317,284	\$7,597,855
Gross Indebtedness	11,861,263	13,112,930	14,313,847	14,724,416
Less Debt Outside Limitation				
Bond Anticipation Notes	600,000	990,000	1,450,000	8,588,400
General Obligation Bonds	67,900	89,300	110,300	130,900
Special Assessment Bonds	0	0	0	0
Mortgage Revenue Bonds	9,670,000	10,015,000	10,350,000	3,105,000
OWDA Loans	1,007	0	0	0
Capital Loans	<u>80,256</u>	<u>157,930</u>	<u>118,847</u>	<u>196,016</u>
Net Indebtedness	1,442,100	1,860,700	2,284,700	2,704,100
Less Fund Balance in Debt Service Fund	<u>609,729</u>	<u>520,071</u>	<u>413,201</u>	<u>301,980</u>
Net Debt Within 5.5 Percent Limitation	<u>832,371</u>	<u>1,340,629</u>	<u>1,871,499</u>	<u>2,402,120</u>
Legal Debt Margin Within 5.5 Percent Limitation	<u>\$7,310,696</u>	<u>\$7,004,501</u>	<u>\$6,445,785</u>	<u>\$5,195,735</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	89.78%	83.94%	77.50%	68.38%

Source: City Records

2004	2003	2002	2001	2000	1999
<u>\$142,385,384</u>	<u>\$141,929,482</u>	<u>\$135,732,844</u>	<u>\$138,012,150</u>	<u>\$131,352,070</u>	<u>\$113,827,950</u>
14,950,465	14,902,596	14,251,949	14,491,276	13,791,967	11,951,935
15,082,873	14,762,589	9,958,036	13,323,554	12,869,843	11,561,840
8,257,600	7,276,800	2,547,941	4,730,977	3,835,860	2,072,500
151,100	170,600	0	0	0	0
0	0	0	0	17,459	34,917
3,280,000	3,445,000	3,605,000	3,760,000	3,910,000	4,055,000
270,273	340,789	115,913	53,977	86,429	185,671
0	0	1,123	943,414	943,414	943,414
3,123,900	3,529,400	3,688,059	3,835,186	4,076,681	4,270,338
229,925	161,129	118,215	60,695	64,024	120,707
2,893,975	3,368,271	3,569,844	3,774,491	4,012,657	4,149,631
<u>\$12,056,490</u>	<u>\$11,534,325</u>	<u>\$10,682,105</u>	<u>\$10,716,785</u>	<u>\$9,779,310</u>	<u>\$7,802,304</u>
80.64%	77.40%	74.95%	73.95%	70.91%	65.28%
\$7,831,196	\$7,806,122	\$7,465,306	\$7,590,668	\$7,224,364	\$6,260,537
15,082,873	14,762,589	9,958,036	13,323,554	12,869,843	11,561,840
8,257,600	7,276,800	2,547,941	4,730,977	3,835,860	2,072,500
151,100	170,600	0	0	0	0
0	0	0	0	17,459	34,917
3,280,000	3,445,000	3,605,000	3,760,000	3,910,000	4,055,000
0	0	1,123	943,414	943,414	943,414
270,273	340,789	115,913	53,977	86,429	185,671
3,123,900	3,529,400	3,688,059	3,835,186	4,076,681	4,270,338
229,925	161,129	118,215	60,695	64,024	120,707
2,893,975	3,368,271	3,569,844	3,774,491	4,012,657	4,149,631
<u>\$4,937,221</u>	<u>\$4,437,851</u>	<u>\$3,895,462</u>	<u>\$3,816,177</u>	<u>\$3,211,707</u>	<u>\$2,110,906</u>
63.05%	56.85%	52.18%	50.27%	44.46%	33.72%

City of Wapakoneta
Revenue Bond Coverage
Sewer Fund
Last Ten Years

Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2008	\$1,879,320	\$1,324,362	\$554,958	\$345,000	\$437,210	\$782,210	0.71
2007	1,961,301	1,176,047	785,254	335,000	450,788	785,788	1.00
2006	1,901,842	1,192,376	709,466	180,000	291,933	471,933	1.50
2005	1,864,785	963,590	901,195	175,000	155,092	330,092	2.73
2004	1,832,802	896,473	936,329	165,000	161,610	326,610	2.87
2003	1,693,997	860,093	833,904	160,000	167,770	327,770	2.54
2002	1,495,944	829,276	666,668	155,000	173,583	328,583	2.03
2001	1,217,966	659,164	558,802	150,000	179,058	329,058	1.70
2000	1,311,695	865,523	446,172	145,000	186,348	331,348	1.35
1999	1,312,885	831,324	481,561	135,000	188,600	323,600	1.49

Source: City Records

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

City of Wapakoneta
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (2)	Per Capita Personal Income (3)	School Enrollment (4)	Unemployment Rate Auglaize County (5)
2008	9,432	\$178,981,632	\$18,976	3,025	6.80%
2007	9,579	181,771,104	18,976	3,043	4.70
2006	9,602	182,207,552	18,976	3,023	4.20
2005	9,531	180,860,256	18,976	3,163	4.20
2004	9,518	180,613,568	18,976	3,119	3.30
2003	9,474	179,778,624	18,976	3,069	5.50
2002	9,474	179,778,624	18,976	3,269	5.30
2001	9,474	179,778,624	18,976	3,285	4.60
2000	9,474	179,778,624	18,976	3,334	2.80
1999	10,303	123,955,393	12,031	3,455	2.90

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

City of Wapakoneta
Principal Employers
Current Year and Five Years Ago

Employer	Type of Business	2008		
		Number of Employees	Rank	Percentage of Total Employment
Auglaize County	Government	518	1	10.93%
Wapakoneta City School District	Government	307	2	6.48
Wal-Mart Stores East LP	Retail Business	288	3	6.08
American Trim Limited	Liability Company	235	4	4.96
Koneta, Inc.	Rubber Truck Accessories Manufacturing	217	5	4.58
Advanced Agri Solutions	Agricultural Commodities Supplier	168	6	3.54
General Aluminum Manufacturing Company	Aluminum Manufacturing	125	7	2.64
Miller's Textile Services, Inc.	Uniform Rentals	125	8	2.64
Ametek, Inc.	Plastic Compounds	110	9	2.32
GA Wintzer & Son Company	Manufacturing	93	10	1.96
City of Wapakoneta	Government			
Superior Metal Products, Inc.	Metal Stamping			
LRV Acquisition	Hotel Properties			
Penn Traffic Company	Retail Grocery and Department Store			
HCF, Inc.	Nursing Home			
Amcast Industrial Corporation	Automotive Parts			
Total		2,186		46.13%
Total Employment Within the City		4,739		

Source: City Records

Note: Information prior to 2003 not available.

Total employment based on 2000 census

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

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

Function/Program	2008	2007	2006
General Government			
Mayor	1.00	1.00	1.00
Council	8.00	8.00	8.00
Clerk of Council	0.50	0.50	0.50
Auditor	1.00	1.00	1.00
Treasurer	1.00	1.00	1.00
Income Tax Administrator	1.00	1.00	1.00
Income Tax Clerk	1.00	1.00	1.00
Law Director	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Security of Persons and Property			
Police	14.00	13.00	14.00
Police - Dispatchers	5.00	5.00	5.00
Police - Auxiliary	15.00	14.00	15.00
Fire	15.00	14.00	14.00
Fire - Auxiliary	11.00	11.00	11.00
Safety Director	1.00	1.00	1.00
Public Health			
Emergency Medical Services	9.00	14.00	14.00
Leisure Time Activities			
Recreation Director	1.00	0.50	0.50
Transportation			
Public Works	10.00	10.00	10.00
Basic Utility Services			
Engineering	3.00	2.00	2.00
Utility Clerks	2.00	2.00	2.00
Electric	12.00	13.00	11.00
Water	4.00	4.00	4.00
Sewer	6.00	6.00	6.00
Refuse	6.00	6.00	7.00
Total	129.50	131.00	132.00

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

Source: City Payroll Records

Note: Information prior to 2004 not available.

2005	2004
1.00	1.00
8.00	8.00
0.50	0.50
1.00	1.00
1.00	1.00
1.00	1.00
1.00	1.00
1.00	1.00
1.00	1.00
1.00	1.00
14.00	19.00
5.00	5.00
15.00	16.00
15.00	14.00
14.00	16.00
1.00	1.00
10.00	12.00
0.50	0.50
10.00	10.00
4.00	4.00
3.00	3.00
12.00	12.00
4.00	4.00
6.00	6.00
7.00	7.00
136.00	145.00

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

Function/Program	2008	2007	2006	2005
Security of Persons and Property-Police				
Vehicle Mileage	100,909	105,005	102,691	104,561
Number of Traffic Citations and Arrests	1,239	1,316	1,070	845
Number of Parking Tickets Issued	474	457	429	371
Dollar Amount Collected for Tickets	\$4,650	\$4,410	\$3,870	\$3,930
Security of Persons and Property-Fire				
Number of EMS Calls	1,009	966	995	926
Number of Fire Calls	41	34	40	46
Miscellaneous Calls	246	186	198	422
Transportation				
Number of Gallons of R-S-2 Used to Fill Potholes	5,320	2,750	2,760	2,569
Number of Pounds of Crack Sealer Used	4,730	4,928	8,928	4,630
General Government				
Income Tax				
Number of Individual Accounts	4,805	4,697	4,709	4,392
Number of Business Accounts	805	790	823	464
Number of Business Withholding Accounts	856	854	817	805
Total Receipts Collected	\$2,419,511	\$2,286,433	\$2,290,400	\$2,136,920
Amount of Interest and Penalties Charged	\$19,780	\$6,119	\$4,901	\$5,576
Amount of Interest and Penalties Collected	\$6,604	\$9,392	\$446	\$1,211
City Commission				
Number of Ordinances Passed	53	63	62	48
Number of Resolutions Passed	6	7	8	5
Electric Department				
Kilowatt Hours Used	191,475,666	201,810,771	191,596,222	191,177,734
City Cost of Power	\$12,619,613	\$13,490,659	\$12,707,096	\$5,418,590
Water Department				
Number of Wells Operating	7	7	7	7
Millions of Gallons of Finished Water	576.70	559.13	530.86	561.44
Chlorine Used (pounds)	17,424	14,497	13,074	10,349
Phosphate Used (gallons)	2,649	3,154	2,606	2,639
Salt in Tons (regenerates softening units)	2,150	2,253	1,929	2,232
Number of Gallons of Water Able to be Pumped a Day Combined	2,000,000	2,000,000	2,000,000	2,000,000
Daily Average Consumption (gallons)	1,576,000	1,530,000	1,540,000	1,540,000
Maximum Daily Capacity of Treatment Plant (gallons)	2,722,000	2,722,000	2,722,000	2,722,000
Sewer Department				
Number of Gallons of Sewage Treated (in millions)	1,281	1,242	1,141	1,208
Average Daily Flow (millions of gallons per day)	3.50	3.40	3.13	3.31
Maximum Daily Capacity of Treatment Plant (gallons)	6,000,000	6,000,000	6,000,000	8,000,000
Number of Tons of N-Viro Produced (fertilizer)	4,460	4,242	3,460	3,145
Refuse Department				
Number of Tons of Refuse Collected	3,849	4,169	4,326	4,346
Number of Trash Bags Sold (in cases of 250 bags)	966	903	998	1,058
Number of Tons of Recycling Collected	1,305	1,376	1,338	1,429
Number of Gallons of Used Motor Oil Collected and Recycled	5,600	4,800	4,200	3,800
Engineering				
Number of Registered Contractors	287	245	245	226
Number of Building Permits Issued	264	223	206	192

Source: City Records

2004	2003	2002	2001	2000	1999
108,388	102,354	96,139	97,946	93,293	100,494
1,278	1,068	1,228	1,135	1,044	1,129
377	465	465	389	428	624
\$3,280	\$4,420	\$4,280	\$3,630	\$4,050	\$5,400
899	841	789	885	824	914
57	56	54	37	59	71
423	294	271	281	240	247
4,920	2,186	750	1,160	2,760	1,100
6,120	n/a	n/a	n/a	13,645	11,316
4,541	4,600	4,544	4,659	4,751	4,821
756	681	657	665	676	699
816	764	789	820	794	799
\$2,118,637	\$2,004,839	\$1,970,435	\$1,962,036	\$1,969,733	\$1,902,741
\$15,676	\$20,887	\$22,313	\$33,012	\$33,847	\$15,535
\$7,387	\$15,611	\$18,655	\$25,927	\$27,446	\$10,794
47	72	62	56	54	52
12	13	20	14	17	15
186,237,267	184,332,295	184,237,441	173,904,240	182,875,992	175,222,056
\$5,133,386	\$5,054,718	\$5,099,308	\$4,857,109	\$5,101,058	\$4,962,406
7	7	7	7	7	7
562.37	564.50	589.20	599.20	622.80	684.90
9,403	8,948	8,246	7,174	6,804	7,220
11,449	10,571	11,346	10,979	10,139	11,256
2,181	2,047	2,257	2,163	2,187	2,293
n/a	n/a	n/a	n/a	n/a	n/a
1,540,000	1,500,000	1,614,000	1,641,100	1,706,300	1,876,400
2,722,000	2,722,000	2,722,000	2,722,000	2,722,000	2,722,000
1,132	1,267	922	945	871	829
3.10	3.50	2.60	2.60	2.39	2.27
8,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
3,285	2,693	2,288	n/a	n/a	n/a
4,129	4,120	3,953	3,917	3,750	3,345
889	889	982	950	887	851
1,466	1,444	1,473	1,524	1,488	1,496
4,200	3,100	2,400	3,400	2,700	3,200
194	190	153	192	100	124
197	203	176	170	56	158

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

Function/Program	2008	2007	2006	2005
Security of Persons and Property-Police				
Stations	1	1	1	1
Vehicles	8	8	7	9
Security of Persons and Property-Fire				
Stations	1	1	1	1
Fire Trucks	6	6	6	6
Trailer	1	1	1	1
Vehicles	2	2	2	2
Public Health				
Vehicles	3	3	3	3
Leisure Time Activities				
Vehicles	0	0	0	0
Transportation				
Streets (miles)	46.16	46.15	46.15	45.90
Vehicles	19	19	18	20
General Government				
Vehicles	1	1	1	1
Electric				
Electric Lines (miles)	106.37	106.37	106.37	106.37
Number of Substations	8	8	8	8
Vehicles	15	15	12	11
Water				
Water Lines (miles)	59.91	59.73	59.73	59.73
Number of Treatment Plants	1	1	1	1
Vehicles	4	4	5	4
Sewer				
Sanitary Sewer Lines (miles)	48.20	47.93	47.93	47.93
Storm Sewer Lines (miles)	27.93	27.80	27.80	27.80
Number of Treatment Plants	1	1	1	1
Vehicles	4	4	4	4
Refuse				
Vehicles	4	4	5	4
Recycling				
Vehicles	4	3	3	3
Engineering				
Vehicles	3	3	3	3

Source: City Records

2004	2003	2002	2001	2000	1999
1 8	1 8	1 8	1 7	1 7	1 7
1 6 1 2	1 6 1 2	1 6 1 2	1 6 1 3	1 6 1 2	1 6 1 3
3	3	2	2	2	2
1	0	1	1	0	0
45.90 19	45.00 20	45.00 19	46.00 17	46.00 18	46.00 15
1	1	1	1	1	1
102.15 8 11	98.72 8 11	98.72 8 11	98.22 7 12	96.18 7 11	89.52 7 9
59.73 1 4	58.72 1 4	58.52 1 3	58.52 1 3	58.27 1 3	58.27 1 5
47.93 27.80 1 4	47.05 26.27 1 4	47.05 25.83 1 3	47.05 25.50 1 4	47.05 25.40 1 4	47.05 25.40 1 4
6	6	6	5	6	6
3	3	3	3	3	3
3	3	3	4	4	4

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Mary Taylor, CPA
Auditor of State

CITY OF WAPAKONETA

AUGLAIZE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 13, 2009**