



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, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 11, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings that we consider a significant deficiency in internal control over financial reporting. We consider finding 2009-001 to be a significant deficiency. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### **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 matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 11, 2010.

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

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

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

June 11, 2010

**CITY OF WAPAKONETA  
AUGLAIZE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2009**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2009-001**

**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 provided that the bank-to-book reconciliations were not 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 addition, the Finance Committee and Council did not receive a detail revenue or expenditure report.

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

The City's December 31, 2009 bank-to-book reconciliation presented a \$42,807 unreconciled difference. The Auditor of State Local Government Services entered into a contract with the City to reconcile cash and identified the following reconciling items:

- A \$1,956 payment was issued to AFLAC twice during 2008,
- The \$24,675 November 2007 employer OPERS was not recorded on the City's records but was paid in December 2007, the August 29, 2008 pay period ending OPERS employee share of \$10,988 was paid twice (September & November), and a double payment was made for January 2009 OPERS in the amount of \$9,712.
- Check number 50144 in the amount of \$2,721 was debited by the bank twice during October 2007,
- Check number 69802, in the amount of \$9,362 for October 2008 OPERS was cleared in the City's accounting system, but never cleared the bank.
- There were various other insignificant errors such as errors in deposits and pay-ins and posting of transactions twice or not at all.

Failure to prepare and review/monitor the bank-to-book reconciliations in a timely manner had allowed for reconciling differences to remain undetected and for the presentation of misstated financial statements. 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 City should post financial activity to the accounting / finance system timely and close each month end in the following month. The City should prepare timely, complete and accurate bank-to-book month end reconciliations. 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. The review should include the determination whether the deposits and investments purchased or held by the City comply with the deposit and investment policy.

**FINDING NUMBER 2009-001  
(Continued)**

The Finance Committee and/or Council should give consideration as to replacement of the trial balance report with a system-defined 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 systems-defined 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.

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.

**Officials Response:**

The City Auditor and Treasurer are in the process of making these items more available and completed in a more timely fashion in a effort to be as current as possible.

**CITY OF WAPAKONETA  
AUGLAIZE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2009**

Finding Number	Finding Summary	Fully Corrected	Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2008-001	<b><i>Significant Deficiency</i></b> Bank/Book Reconciliations and Financial Reporting	No	Repeated as Finding 2009-001
2008-002	<b><i>Significant Deficiency</i></b> Pool and Concessions Sales Monitoring Controls and Records	Yes	

INTRODUCTORY  
SECTION

# **CITY OF WAPAKONETA, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For The Year Ended December 31, 2009

Prepared By:

City Auditor

**GAIL E. WALTER**

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**CITY OF WAPAKONETA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

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June 11, 2010

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, 2009. 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, 2009. 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.

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

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

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

## **LOCAL ECONOMY**

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

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

The City has a sizable Community Development Block Grant portfolio and currently have six loans which pay the City the original principal loaned and interest. Interest earned from these loans gives the City a wonderful opportunity for reinvestment in the City as well as an investment in keeping 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. In 2009, our required Cultural Resources Survey was completed and there are no historical or archeological issues with the property. The final item for completion is the installation of the rail sighting turnout switch which is scheduled to be completed in the second quarter of 2010. 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 22<sup>nd</sup> year and the growth award for the 11<sup>th</sup> 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 is an ongoing activity and the City takes the maintenance and planting of trees very seriously. The City is currently looking into software and equipment to manage and maintain all the trees in the City by keeping an inventory, a description, and the location of all the trees. It is believed that the tree lined streets are just another asset in the beautiful community.

During 2009, we had many major investments in our city.

The East Benton Street reconstruction project started in 2009 and consisted of the separation of a combination sewer line, as well as a new water and storm sewer line. The street was widened with new curbs and gutters, sidewalks, driveway approaches, alleyways, and new light poles. This has been a great improvement from our east corridor off of I-75 into our community. Total construction costs are approximately \$597,000.

The paving project consisted of seven streets which were paved with grant resources from the Ohio Public Works Commission. The Water and North Street intersections were also upgraded including stop bars, centerline, and crosswalks. Construction cost were approximately \$134,000.

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

The City issued one hundred ninety-four building permits during 2009, including eleven for new residences, twenty-five for garages and additions to current residences, and twelve commercial permits for upgrades or new facilities.

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

## **LONG-TERM FINANCIAL PLANNING**

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

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

City Council has always transferred monies from the General Fund to the Street and Sewer Improvement capital projects fund. In 2009, the available funds, while smaller than the City would like, were used for projects including repaving and maintenance of streets, curbs, and sidewalks.

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

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

## **MAJOR INITIATIVES**

Again in 2009, 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 2009:

- The 2009 sidewalk program included fifty-four property owners as part of the program.
- The Harrison Street Bridge was reconstructed by the county. For the City, work on this project for streets leading up to and away from the bridge included street widening with sidewalks on each side of the bridge, new sewer and storm sewer lines, curbs and gutters, driveway approaches, and alley upgrades.
- Catch basins have been replaced and repaired along with the concrete pads on Industrial Drive. Approximately 8400 square foot of 8" concrete roadway was replaced.
- New restrooms were constructed at the Veterans Park soccer fields. A portion of an existing shelter house was remodeled into a restroom facility to serve this portion of the park.
- The City began a Reclamite program in 2009. Reclamite is an asphalt rejuvenator which promotes and extends the life of the existing asphalt surface. This is an investment in prolonging our City streets.

## 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, 2008. This was the nineteenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,

Gail E. Walter  
City Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wapakoneta  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2008

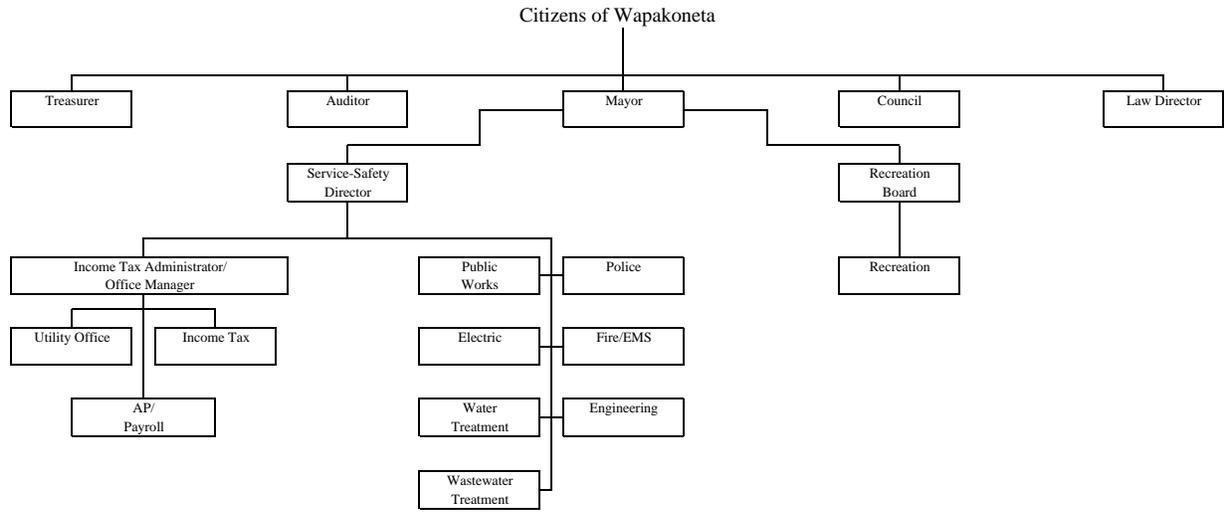
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

# City of Wapakoneta Organizational Chart



# CITY OF WAPAKONETA

## LIST OF PRINCIPAL OFFICIALS

Mayor	Rodney C. Metz
Director of Public Service and Safety	William Raines
Income Tax Administrator/Office Manager	Diana L. Blackburn
Police Chief	Russel Hunlock
Fire Chief/EMS Director	Kendall J. Krites
Recreation Director	Jack R. Hayzlett
Public Works Superintendent	Meril W. Simpson
Electric Superintendent	William E. Lambert
Water Superintendent	Brent J. Hamel
Wastewater Superintendent	Robert T. Burns
Auditor	Gail E. Walter
Treasurer	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
Civil Service Secretary	Peter Noyes

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, 2009, 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, 2009, and the respective changes in financial position, and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2010, 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.

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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 cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

June 11, 2010

**CITY OF WAPAKONETA**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2009  
(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, 2009. The intent of this discussion and analysis is to look at the City's financial performance as a whole.

**HIGHLIGHTS**

Highlights for 2009 are as follows:

In total, the City's net assets increased \$1,175,522, or less than 2 percent. Governmental activities had a decrease in net assets of \$582,555, or 2 percent, while the business-type activities increased \$1,758,077, or less than 5 percent.

The City continues to focus on the maintenance and repair of infrastructure. In 2009, the reconstruction of the Harrison Street Bridge was completed and ahead of schedule. The full reconstruction of East Benton Street was completed which included sewer line separation, a new water and storm sewer line, widening the street, curbs and gutters, sidewalks, and new lighting. The City continues to build sidewalks and crosswalks on various streets. Residents begin to see and feel like they should maintain and improve their properties when the City invests in the streets, sidewalks, and neighborhoods. This also helps people take pride in ownership, everyone's home looks nicer and the City as a whole looks nicer.

This was the second year for our new aquatic center. The first two years have been a success and revenues paid for operating costs. A new speed slide was installed which was the last major piece of the project. 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 2009 with the Ohio Department of Development on the Ohio Jobs Ready Sites Program, a grant program encouraging municipalities to develop "jobs ready sites" for economic development. The City's share is \$1.9 million of this \$60 million grant program. In 2009, the City completed the archaeological survey. Completing the connection of the rail spur in 2010 will be the last hurdle for completion. We still believe that our site will be the first certified in the State of Ohio.

A review of the enterprise funds reflects an operating income for four of the five funds, with the Sewer Fund being the exception. 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. The City has recently determined that an extra fee will be imposed on sewer users for the long-term control plan. In 2009, the City entered into a Long-Term Control Plan (LTCP) with the Ohio Environmental Protection Agency (OEPA) for the replacement of the south interceptor sewer. This will be a long and expensive project. However, the fee will be imposed on customers over a period of years which is specifically to pay the costs related to this project. When the project is completed, the fee will be removed.

**CITY OF WAPAKONETA**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2009  
(Unaudited)

**USING THIS ANNUAL REPORT**

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

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

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

**REPORTING THE CITY AS A WHOLE**

The statement of net assets and the statement of activities reflect how the City did financially during 2009. 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, 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.

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

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

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

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

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

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

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

**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, 2009  
(Unaudited)

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Table 1 provides a summary of the City's net assets for 2009 and 2008.

Table 1  
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<u>Assets</u>						
Current and Other Assets	\$9,556,241	\$10,416,196	\$20,914,570	\$21,051,940	\$30,470,811	\$31,468,136
Capital Assets, Net	20,896,865	20,590,275	36,440,166	29,095,330	57,337,031	49,685,605
Total Assets	<u>30,453,106</u>	<u>31,006,471</u>	<u>57,354,736</u>	<u>50,147,270</u>	<u>87,807,842</u>	<u>81,153,741</u>
<u>Liabilities</u>						
Current and Other Liabilities	865,116	876,250	2,187,220	2,311,979	3,052,336	3,188,229
Long-Term Liabilities	<u>1,878,337</u>	<u>1,838,013</u>	<u>17,347,904</u>	<u>11,773,756</u>	<u>19,226,241</u>	<u>13,611,769</u>
Total Liabilities	<u>2,743,453</u>	<u>2,714,263</u>	<u>19,535,124</u>	<u>14,085,735</u>	<u>22,278,577</u>	<u>16,799,998</u>
<u>Net Assets</u>						
Invested in Capital Assets, Net of Related Debt	19,716,391	19,192,324	21,792,361	18,991,836	41,508,752	38,184,160
Restricted	4,877,790	5,048,644	1,141,228	1,170,970	6,019,018	6,219,614
Unrestricted	<u>3,115,472</u>	<u>4,051,240</u>	<u>14,886,023</u>	<u>15,898,729</u>	<u>18,001,495</u>	<u>19,949,969</u>
Total Net Assets	<u>\$27,709,653</u>	<u>\$28,292,208</u>	<u>\$37,819,612</u>	<u>\$36,061,535</u>	<u>\$65,529,265</u>	<u>\$64,353,743</u>

The above table demonstrates that there were few changes of note for governmental activities and an overall increase in net assets of less than 2 percent. The only change warranting discussion is the decrease in current and other assets and the corresponding decrease in unrestricted net assets. Poor economic conditions resulted in some cash carryover spending in various funds with a resulting decrease in cash and cash equivalents. In addition, fewer receivables were outstanding in 2009 than in 2008 relative to the Ohio Jobs Ready Sites Program.

For business-type activities, there was a sizable increase in net capital assets as well as in long-term liabilities and invested in capital assets, all generally related to the continuing construction on the water treatment plant.

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Table 2 reflects the change in net assets for 2009 and 2008

Table 2  
Change in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<u>Revenues</u>						
Program Revenues						
Charges for Services	\$895,220	\$742,237	\$19,416,600	\$19,428,521	\$20,311,820	\$20,170,758
Operating Grants, Contributions, and Interest	608,906	863,897	0	0	608,906	863,897
Capital Grants, Contributions, and Interest	426,237	285,219	0	0	426,237	285,219
<b>Total Program Revenues</b>	<b>1,930,363</b>	<b>1,891,353</b>	<b>19,416,600</b>	<b>19,428,521</b>	<b>21,346,963</b>	<b>21,319,874</b>
General Revenues						
Property Taxes-General Purposes	365,898	376,258	0	0	365,898	376,258
Property Taxes-Recreation	92,532	100,267	0	0	92,532	100,267
Municipal Income Taxes	2,163,600	2,419,511	0	0	2,163,600	2,419,511
Other Local Taxes	604,597	666,801	0	0	604,597	666,801
Grants and Entitlements	571,917	736,776	0	0	571,917	736,776
Franchise Taxes	70,776	67,136	0	0	70,776	67,136
Interest	123,591	522,389	2	19,753	123,593	542,142
Gifts and Donations	9,671	59,095	0	0	9,671	59,095
Other	48,787	47,323	40,677	66,093	89,464	113,416
<b>Total General Revenues</b>	<b>4,051,369</b>	<b>4,995,556</b>	<b>40,679</b>	<b>85,846</b>	<b>4,092,048</b>	<b>5,081,402</b>
<b>Total Revenues</b>	<b>5,981,732</b>	<b>6,886,909</b>	<b>19,457,279</b>	<b>19,514,367</b>	<b>25,439,011</b>	<b>26,401,276</b>
<u>Program Expenses</u>						
Security of Persons and Property						
Police	1,468,762	1,353,354	0	0	1,468,762	1,353,354
Fire	1,617,800	1,287,195	0	0	1,617,800	1,287,195
Other	15,744	27,849	0	0	15,744	27,849
Public Health	194,857	231,505	0	0	194,857	231,505
Leisure Time Activities	412,328	304,089	0	0	412,328	304,089
Community Environment	137,689	109,785	0	0	137,689	109,785
Transportation	1,366,920	1,312,919	0	0	1,366,920	1,312,919
General Government	705,023	496,979	0	0	705,023	496,979
Interest and Fiscal Charges	87,500	70,941	0	0	87,500	70,941
Electric	0	0	13,411,381	14,456,015	13,411,381	14,456,015
Water	0	0	827,854	1,084,075	827,854	1,084,075
Sewer	0	0	2,927,271	2,231,009	2,927,271	2,231,009
Storm Sewer	0	0	85,127	83,831	85,127	83,831
Refuse	0	0	1,005,233	1,022,632	1,005,233	1,022,632
<b>Total Expenses</b>	<b>6,006,623</b>	<b>5,194,616</b>	<b>18,256,866</b>	<b>18,877,562</b>	<b>24,263,489</b>	<b>24,072,178</b>
Increase (Decrease) in Net Assets Before Transfers	(24,891)	1,692,293	1,200,413	636,805	1,175,522	2,329,098
Transfers	(557,664)	(546,051)	557,664	546,051	0	0
Increase (Decrease) in Net Assets	(582,555)	1,146,242	1,758,077	1,182,856	1,175,522	2,329,098
Net Assets Beginning of Year	28,292,208	27,145,966	36,061,535	34,878,679	64,353,743	62,024,645
<b>Net Assets End of Year</b>	<b>\$27,709,653</b>	<b>\$28,292,208</b>	<b>\$37,819,612</b>	<b>\$36,061,535</b>	<b>\$65,529,265</b>	<b>\$64,353,743</b>

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While the overall change in program revenues for governmental activities did not change significantly (2 percent increase), all three categories of program revenues reflect substantial changes. The increase in charges for services is primarily the combination of an increase in permissive tax monies, ambulance changes, and pool revenues. In 2008, the City received donations for the swimming pool which were reflected as part of operating grants, contributions, and interest. Capital grants, contributions, and interest increased in 2009 due to grant resources received for projects such as the Harrison Street construction project as well as others.

General revenues reflect a 19 percent decrease, primarily in municipal income taxes and interest revenues, a reflection of the poor economic conditions. Grants and entitlements were also affected by the poor economy as the reduction in available State resources resulted in a reduction in the distribution of local government monies (State shared resources).

Governmental activities expenses increased over 15 percent overall with most programs reflecting an increase. A portion of these increases can be attributed to salary increases along with increased fringe benefits costs. For the security of persons and property program, there was also a change in the Director of Public Service and Safety, so these costs reflect separation costs as well as the new contract obligation for the new Director. The leisure time activities program reflects the first full year of operation of the new pool. The general government program reflects the costs an overall inventory update and a comprehensive review of the City's zoning ordinances.

For business-type activities, program revenues in the form of charges for services, continue to fund the operation of the City's utilities. Total revenues remained very comparable to the prior year. For the Electric Fund, modest decreases occurred in overall personnel related costs and there was a reduction in contracted services as well as for materials and supplies. This combination led to a 7 percent decrease in expenses. Fewer contracted services and a reduction in materials and supplies also resulted in a reduction in expenses for the Water Fund. Expenses, however, increased substantially for the Sewer Fund. In the prior year, there were a substantial amount of capitalized acquisitions whereas in 2009, more items were expensed.

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	
	2009	2008	2009	2008
Security of Persons and Property				
Police	\$1,468,762	\$1,353,354	\$1,445,614	\$1,323,058
Fire	1,617,800	1,287,195	1,565,745	1,245,395
Other	15,744	27,849	15,744	27,849
Public Health	194,857	231,505	(186,657)	(75,572)
Leisure Time Activities	412,328	304,089	159,042	(320,717)
Community Environment	137,689	109,785	84,752	44,060
Transportation	1,366,920	1,312,919	239,466	535,288
General Government	705,023	496,979	665,054	452,961
Interest and Fiscal Charges	87,500	70,941	87,500	70,941
Total Expenses	<u>\$6,006,623</u>	<u>\$5,194,616</u>	<u>\$4,076,260</u>	<u>\$3,303,263</u>

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While a substantial percentage of the revenues to provide governmental activities services are derived from the City's general revenues (primarily municipal income taxes, other local taxes, and State shared revenues), note that several of the City's programs were able to offset costs through program revenues including public health, leisure time activities, community environment, and transportation programs.

Public health expenses are primarily funded by EMS and ambulance charges received during the year. The leisure time activities program is funded from gifts and donations as well as usage fees for the swimming pool. The 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 monies in the form of State Levied Motor vehicle and gas taxes.

**GOVERNMENTAL FUNDS FINANCIAL ANALYSIS**

The City's major governmental funds are the General Fund and the Street and Sewer Improvement capital projects fund. The General Fund reflects a 19 percent decrease in fund balance. Revenues were down in 2009 by almost 17 percent. Economic conditions resulted in a reduction in municipal income taxes, State shared revenues, and interest revenue. In addition, expenditures increased, almost 20 percent, for reasons described previously (salary and fringe benefit increases, separation costs for the departing service and safety director as well costs associated with hiring a new director, the inventory update, and zoning ordinances review).

The Street and Sewer Improvement capital projects fund reflects a 73 percent increase in fund balance. The City did far fewer projects in 2009, almost a 63 percent reduction in project costs.

**BUSINESS-TYPE ACTIVITIES FINANCIAL ANALYSIS**

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

The Electric Fund had a 9 percent increase in net assets from the prior year. As expressed earlier, revenues were very similar to 2008; however, there was a 7 percent reduction in expenses (modest decreases occurred on overall personnel related costs and there was a reduction in contracted services as well as for materials and supplies).

The Water Fund had an 11 percent increase in net assets. Revenues for the Water Fund were also similar to the prior year but this fund also had fewer contracted services and a reduction in materials and supplies. 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 began 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 and 2009. 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.

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The Sewer Fund realized a 14 percent decrease in net assets in 2009. While revenues changed little from the prior year, expenses increased substantially. In the prior year, there were a substantial amount of capitalized acquisitions whereas in 2009, more items were expensed. 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. The Ohio EPA has also mandated a complete reconstruction of the City's south interceptor. Because of this and other increased costs for maintenance, City Council is currently reading legislation to add a fee to every sewer customer to pay for the major reconstruction of this interceptor. In January 2009, the City increased sewer rates by 1.5 percent to provide funds for operations and debt retirement. Rates are scheduled to increase another 3 percent in July 2010 and to increase 3 percent every January thereafter. 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 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 2009 and a slight increase in net assets overall. Rate changes for storm sewer are not being considered at this time.

The City's Refuse Fund continued to reflect deficit net assets as of year end, although there was an operating income for 2009 and an increase in net assets.

**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, there was no change from the original budget to the final budget; however, actual expenditures were substantially less than amounts budgeted (27 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 2009 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, 2009, was \$19,716,391 and \$21,792,361, respectively (net of accumulated depreciation and related debt). Additions to governmental activities capital assets during the year consisted primarily of a new heating/cooling system, vehicles, and street reconstruction/resurfacing. In the business-type activities, the most significant additions were construction of the water treatment plant, a new boiler, and vehicles. For further information regarding the City's capital assets, refer to Note 10 to the basic financial statements.

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(Unaudited)

Debt - At December 31, 2009, the City had \$300,000 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 \$1,071,228 in general obligation bonds (net of unamortized loss on advance refunding). The business-type activities obligations included \$45,900 in general obligation bonds, \$9,315,000 in mortgage revenue bonds, and \$1,622,901 in landfill postclosure costs. In addition to the debt outlined above, the City's long-term obligations also include a loan for energy efficiency improvements, compensated absences, a loan due to Auglaize County, OWDA loans, and capital loans. For further information regarding the City's debt, refer to Notes 17, 18, and 19 to the basic financial statements.

**CURRENT ISSUES**

The City has obtained a small cities grant for construction of Bellefontaine Street from Wagner Street to East Auglaize Street. There has been much planning, design, and surveying in preparation of this project which will be bid and commence construction in 2010. The project will separate the combination sewers, upgrade the water line, install new sidewalk, approaches, alleyways, curbs and gutters, install new light poles, and resurface the roadway. The project is expected to take six to eight months at an estimated construction cost of \$2.7 million. This will enhance the entrance into the City.

The City's electric infrastructure is being updated with the replacement of three substations. The upgrade will change our distribution voltage from 5kv to 15kv. This will increase the capacity of our system to allow for growth in all areas of the City for the next twenty years. The estimated cost of the project is \$13 million. The substation transformers, three in total, have been ordered and the City experienced \$1 million in savings by purchasing all three at the same time. While the upgrade of our electric distribution is expensive, the upgrade will also make the system much more efficient. The electric losses in our existing substations with 1960 technology are much greater than with the new technology and equipment being installed. The Middle Street substation is the first substation for reconstruction and this project will take place in 2010. Construction will also start at the Harrison Street substation in 2010. This will be the largest substation that the City has and the work will also include the relocation and burying of the electric lines behind the businesses on the north side of Auglaize Street in the downtown area.

To fully understand the costs associated for each power group in our electric rate structure, the City will be having a cost of service study completed. The information from the study will show where our electric rates should be for our different rate category users. The City needs to ensure that all of our rate groups are paying their associated costs.

**REQUEST FOR INFORMATION**

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

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City of Wapakoneta  
Statement of Net Assets  
December 31, 2009

	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$6,634,542	\$15,139,505	\$21,774,047
Cash and Cash Equivalents with Fiscal Agents	0	1,128,392	1,128,392
Accounts Receivable	194,833	2,636,081	2,830,914
Due from Other Governments	978,328	24,386	1,002,714
Municipal Income Taxes Receivable	662,202	0	662,202
Other Local Taxes Receivable	6,151	52,129	58,280
Internal Balances	29,551	(29,551)	0
Prepaid Items	30,393	79,792	110,185
Materials and Supplies Inventory	37,161	1,589,975	1,627,136
Accrued Interest Receivable	10,658	0	10,658
Property Taxes Receivable	447,285	0	447,285
Notes Receivable	306,708	0	306,708
Special Assessments Receivable	218,429	0	218,429
Unamortized Bond Issuance Costs	0	293,861	293,861
Nondepreciable Capital Assets	1,683,747	7,945,801	9,629,548
Depreciable Capital Assets, Net	19,213,118	28,494,365	47,707,483
<b>Total Assets</b>	<b>30,453,106</b>	<b>57,354,736</b>	<b>87,807,842</b>
<u>Liabilities</u>			
Accrued Wages Payable	33,153	27,061	60,214
Accounts Payable	112,776	505,041	617,817
Contracts Payable	66,006	1,085,631	1,151,637
Due to Other Governments	211,571	106,778	318,349
Accrued Interest Payable	6,123	47,075	53,198
Notes Payable	0	300,000	300,000
Deferred Revenue	435,487	0	435,487
Refundable Deposits	0	115,634	115,634
Long-Term Liabilities			
Due Within One Year	474,792	693,514	1,168,306
Due in More Than One Year	1,403,545	16,654,390	18,057,935
<b>Total Liabilities</b>	<b>2,743,453</b>	<b>19,535,124</b>	<b>22,278,577</b>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	19,716,391	21,792,361	41,508,752
Restricted for			
Debt Service	533,350	0	533,350
Capital Projects	2,684,217	0	2,684,217
Other Purposes	1,660,223	0	1,660,223
Revenue Bond Replacement	0	46,829	46,829
Future Debt Service	0	1,094,399	1,094,399
Unrestricted	3,115,472	14,886,023	18,001,495
<b>Total Net Assets</b>	<b>\$27,709,653</b>	<b>\$37,819,612</b>	<b>\$65,529,265</b>

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta  
Statement of Activities  
For the Year Ended December 31, 2009

	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	\$1,468,762	\$9,456	\$13,692	\$0
Fire	1,617,800	43,616	8,439	0
Other	15,744	0	0	0
Public Health	194,857	380,940	574	0
Leisure Time Activities	412,328	197,945	53,454	1,887
Community Environment	137,689	0	52,937	0
Transportation	1,366,920	223,294	479,810	424,350
General Government	705,023	39,969	0	0
Interest and Fiscal Charges	87,500	0	0	0
<b>Total Governmental Activities</b>	<b>6,006,623</b>	<b>895,220</b>	<b>608,906</b>	<b>426,237</b>
<u>Business-Type Activities</u>				
Electric	13,411,381	14,731,146	0	0
Water	827,854	1,651,348	0	0
Sewer	2,927,271	1,789,863	0	0
Storm Sewer	85,127	158,771	0	0
Refuse	1,005,233	1,085,472	0	0
<b>Total Business-Type Activities</b>	<b>18,256,866</b>	<b>19,416,600</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>\$24,263,489</b>	<b>\$20,311,820</b>	<b>\$608,906</b>	<b>\$426,237</b>

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
(\$1,445,614)	\$0	(\$1,445,614)
(1,565,745)	0	(1,565,745)
(15,744)	0	(15,744)
186,657	0	186,657
(159,042)	0	(159,042)
(84,752)	0	(84,752)
(239,466)	0	(239,466)
(665,054)	0	(665,054)
(87,500)	0	(87,500)
<u>(4,076,260)</u>	<u>0</u>	<u>(4,076,260)</u>
0	1,319,765	1,319,765
0	823,494	823,494
0	(1,137,408)	(1,137,408)
0	73,644	73,644
<u>0</u>	<u>80,239</u>	<u>80,239</u>
<u>0</u>	<u>1,159,734</u>	<u>1,159,734</u>
<u>(4,076,260)</u>	<u>1,159,734</u>	<u>(2,916,526)</u>
365,898	0	365,898
92,532	0	92,532
2,163,600	0	2,163,600
604,597	0	604,597
571,917	0	571,917
70,776	0	70,776
123,591	2	123,593
9,671	0	9,671
<u>48,787</u>	<u>40,677</u>	<u>89,464</u>
4,051,369	40,679	4,092,048
<u>(557,664)</u>	<u>557,664</u>	<u>0</u>
<u>3,493,705</u>	<u>598,343</u>	<u>4,092,048</u>
(582,555)	1,758,077	1,175,522
<u>28,292,208</u>	<u>36,061,535</u>	<u>64,353,743</u>
<u>\$27,709,653</u>	<u>\$37,819,612</u>	<u>\$65,529,265</u>

City of Wapakoneta  
Balance Sheet  
Governmental Funds  
December 31, 2009

	General	Street and Sewer Improvement	Other Governmental	Total Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,576,205	\$1,431,221	\$2,569,821	\$6,577,247
Accounts Receivable	189,247	0	5,586	194,833
Due from Other Governments	341,141	365,665	271,457	978,263
Municipal Income Taxes Receivable	662,202	0	0	662,202
Other Local Taxes Receivable	604	0	5,547	6,151
Interfund Receivable	47,884	0	0	47,884
Prepaid Items	19,564	0	9,327	28,891
Materials and Supplies Inventory	9,388	0	25,718	35,106
Accrued Interest Receivable	2,597	8,061	0	10,658
Restricted Assets				
Equity in Pooled Cash and Cash Equivalents	5,263	0	0	5,263
Property Taxes Receivable	354,499	0	92,786	447,285
Notes Receivable	0	0	306,708	306,708
Special Assessments Receivable	0	218,429	0	218,429
<b>Total Assets</b>	<b>\$4,208,594</b>	<b>\$2,023,376</b>	<b>\$3,286,950</b>	<b>\$9,518,920</b>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$28,317	\$0	\$3,074	\$31,391
Accounts Payable	98,134	0	13,764	111,898
Contracts Payable	0	62,258	3,748	66,006
Due to Other Governments	183,538	4,427	16,139	204,104
Interfund Payable	2,439	0	998	3,437
Deferred Revenue	1,210,988	592,155	300,430	2,103,573
<b>Total Liabilities</b>	<b>1,523,416</b>	<b>658,840</b>	<b>338,153</b>	<b>2,520,409</b>
<u>Fund Balance</u>				
Reserved for Unclaimed Monies	5,263	0	0	5,263
Reserved for Notes Receivable	0	0	187,710	187,710
Reserved for Encumbrances	133,434	118,869	24,132	276,435
Unreserved, Reported in				
General Fund	2,546,481	0	0	2,546,481
Special Revenue Funds	0	0	1,265,764	1,265,764
Debt Service Funds	0	0	539,473	539,473
Capital Projects Funds	0	1,245,667	931,718	2,177,385
<b>Total Fund Balance</b>	<b>2,685,178</b>	<b>1,364,536</b>	<b>2,948,797</b>	<b>6,998,511</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$4,208,594</b>	<b>\$2,023,376</b>	<b>\$3,286,950</b>	<b>\$9,518,920</b>

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, 2009

Total Governmental Fund Balance		\$6,998,511
<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	20,896,865	
Internal Service Fund	<u>(34,797)</u>	20,862,068
<p>Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:</p>		
Accounts Receivable	172,981	
Due from Other Governments	792,617	
Municipal Income Taxes Receivable	464,200	
Property Taxes Receivable	11,798	
Special Assessments Receivable	<u>226,490</u>	1,668,086
<p>An accounting loss on refunded debt is amortized over the life of the debt on the statement of activities.</p>		
		32,872
<p>An internal balance is recorded in governmental activities to reflect overpayments to the internal service fund by the business-type activities.</p>		
		(14,633)
<p>Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:</p>		
Accrued Interest Payable	(6,123)	
General Obligations Bonds Payable	(1,104,100)	
Loans Payable	(348,316)	
Compensated Absences Payable	(458,793)	
Compensated Absences Payable-Internal Service Fund	<u>6,918</u>	(1,910,414)
<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>73,163</u>
Net Assets of Governmental Activities		<u><u>\$27,709,653</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, 2009

	General	Street and Sewer Improvement	Other Governmental	Total Governmental Funds
<u>Revenues</u>				
Property Taxes	\$362,969	\$0	\$91,730	\$454,699
Municipal Income Taxes	2,138,100	0	0	2,138,100
Other Local Taxes	604,597	0	139,481	744,078
Special Assessments	0	79,745	0	79,745
Charges for Services	400,396	0	223,700	624,096
Fees, Licenses, and Permits	98,226	0	0	98,226
Fines and Forfeitures	18,058	0	3,437	21,495
Intergovernmental	637,637	503,120	844,688	1,985,445
Interest	123,591	8,145	35,961	167,697
Gifts and Donations	9,671	0	42,085	51,756
Other	38,876	479	9,202	48,557
<b>Total Revenues</b>	<b>4,432,121</b>	<b>591,489</b>	<b>1,390,284</b>	<b>6,413,894</b>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,487,979	0	10,419	1,498,398
Fire	1,642,841	0	128,433	1,771,274
Other	14,842	0	0	14,842
Public Health	171,546	0	0	171,546
Leisure Time Activities	0	0	425,862	425,862
Community Environment	78,287	0	58,434	136,721
Transportation	0	484,843	1,166,685	1,651,528
General Government	679,793	0	0	679,793
Debt Service:				
Principal Retirement	20,346	143,555	194,445	358,346
Interest and Fiscal Charges	25,998	21,866	26,245	74,109
<b>Total Expenditures</b>	<b>4,121,632</b>	<b>650,264</b>	<b>2,010,523</b>	<b>6,782,419</b>
Excess of Revenues Over (Under) Expenditures	310,489	(58,775)	(620,239)	(368,525)
<u>Other Financing Sources (Uses)</u>				
Loan Proceeds	368,662	0	0	368,662
Sale of Capital Assets	1,531	0	0	1,531
Transfers In	0	632,759	275,000	907,759
Transfers Out	(1,325,000)	0	0	(1,325,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(954,807)</b>	<b>632,759</b>	<b>275,000</b>	<b>(47,048)</b>
Change in Fund Balance	(644,318)	573,984	(345,239)	(415,573)
Fund Balance Beginning of Year	3,329,496	790,552	3,294,036	7,414,084
Fund Balance End of Year	<u>\$2,685,178</u>	<u>\$1,364,536</u>	<u>\$2,948,797</u>	<u>\$6,998,511</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, 2009

Change in Fund Balance - Total Governmental Funds (\$415,573)

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

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

Capital Outlay	1,153,666	
Depreciation	(722,169)	
Depreciation - Internal Service Fund	1,469	
		432,966

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

Proceeds from Sale of Capital Assets	(1,531)	
Loss on Disposal of Capital Assets	(123,376)	
		(124,907)

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

Property Taxes	3,731	
Municipal Income Taxes	25,500	
Special Assessments	(27,273)	
Charges for Services	31,946	
Fees, Licenses, and Permits	(1,720)	
Intergovernmental	(464,492)	
Interest	(84)	
Other	230	
		(432,162)

Loan proceeds are other financing sources in governmental funds but the repayment reduces long-term liabilities on the statement of net assets (368,662)

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

General Obligation Bonds Payable	338,000	
Loans Payable	20,346	
		358,346

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	(2,114)	
Amortization of Accounting Loss	(11,277)	
		(13,391)

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	(18,731)	
Compensated Absences Payable-Internal Service Fund	2,324	
		(16,407)

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.

(2,765)

Change in Net Assets of Governmental Activities (\$582,555)

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, 2009

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final		Final Budget Over (Under)
<u>Revenues</u>				
Property Taxes	\$365,735	\$377,735	\$362,969	(\$14,766)
Municipal Income Taxes	2,161,100	2,161,100	2,130,975	(30,125)
Other Local Taxes	551,000	651,150	605,772	(45,378)
Charges for Services	364,700	402,200	401,877	(323)
Fees, Licenses, and Permits	72,500	98,850	98,226	(624)
Fines and Forfeitures	20,500	20,500	18,686	(1,814)
Intergovernmental	635,165	743,665	729,025	(14,640)
Interest	300,000	125,250	125,666	416
Gifts and Donations	14,900	17,400	9,671	(7,729)
Other	17,540	33,210	32,942	(268)
<b>Total Revenues</b>	<b>4,503,140</b>	<b>4,631,060</b>	<b>4,515,809</b>	<b>(115,251)</b>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,530,457	1,621,007	1,554,395	66,612
Fire	1,408,251	1,408,251	1,719,144	(310,893)
Other	15,500	15,000	15,000	0
Public Health	287,470	288,670	188,397	100,273
Community Environment	128,025	128,025	78,287	49,738
General Government	2,576,316	2,439,066	720,118	1,718,948
Debt Service:				
Principal Retirement	0	20,346	20,346	0
Interest and Fiscal Charges	0	25,654	25,998	(344)
<b>Total Expenditures</b>	<b>5,946,019</b>	<b>5,946,019</b>	<b>4,321,685</b>	<b>1,624,334</b>
Excess of Revenues Over (Under) Expenditures	(1,442,879)	(1,314,959)	194,124	1,509,083
<u>Other Financing Sources (Uses)</u>				
Loan Proceeds	0	0	368,662	368,662
Sale of Capital Assets	960	1,440	1,531	91
Transfers Out	(1,659,000)	(1,659,000)	(1,325,000)	334,000
<b>Total Other Financing Sources (Uses)</b>	<b>(1,658,040)</b>	<b>(1,657,560)</b>	<b>(954,807)</b>	<b>702,753</b>
Change in Fund Balance	(3,100,919)	(2,972,519)	(760,683)	2,211,836
Fund Balance Beginning of Year	2,954,972	2,954,972	2,954,972	0
Prior Year Encumbrances Appropriated	194,819	194,819	194,819	0
<b>Fund Balance End of Year</b>	<b>\$48,872</b>	<b>\$177,272</b>	<b>\$2,389,108</b>	<b>\$2,211,836</b>

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta  
Statement of Fund Net Assets  
Proprietary Funds  
December 31, 2009

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
<u>Assets</u>					
<u>Current Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$11,704,607	\$1,860,395	\$582,382	\$497,536	\$332,122
Accounts Receivable	2,023,552	211,892	223,875	13,590	163,172
Due from Other Governments	6,334	114	244	0	17,694
Other Local Taxes Receivable	52,129	0	0	0	0
Interfund Receivable	27,743	1,002	123	88	375
Prepaid Items	43,324	13,130	15,758	0	7,580
Materials and Supplies Inventory	1,426,909	134,329	28,733	0	4
<b>Total Current Assets</b>	<b>15,284,598</b>	<b>2,220,862</b>	<b>851,115</b>	<b>511,214</b>	<b>520,947</b>
<u>Non-Current Assets</u>					
<u>Restricted Assets</u>					
Equity in Pooled Cash and Cash Equivalents	115,634	0	46,829	0	0
Cash and Cash Equivalents with Fiscal Agents	0	0	1,128,392	0	0
Unamortized Bond Issuance Costs	0	0	293,861	0	0
Nondepreciable Capital Assets	1,926,413	5,571,800	55,944	63,543	328,101
Depreciable Capital Assets, Net	7,089,757	5,299,952	14,099,410	1,365,858	639,388
<b>Total Non-Current Assets</b>	<b>9,131,804</b>	<b>10,871,752</b>	<b>15,624,436</b>	<b>1,429,401</b>	<b>967,489</b>
<b>Total Assets</b>	<b>24,416,402</b>	<b>13,092,614</b>	<b>16,475,551</b>	<b>1,940,615</b>	<b>1,488,436</b>
<u>Liabilities</u>					
<u>Current Liabilities</u>					
Accrued Wages Payable	9,784	4,750	7,760	0	4,767
Accounts Payable	433,554	20,207	25,238	0	26,042
Contracts Payable	1,069,109	12,998	0	3,524	0
Due to Other Governments	39,147	15,249	36,836	0	15,546
Interfund Payable	48,085	11,737	13,234	0	459
Accrued Interest Payable	0	620	43,009	0	3,446
Notes Payable	0	300,000	0	0	0
General Obligation Bonds Payable	0	0	0	0	22,600
Mortgage Revenue Bonds Payable	0	0	375,000	0	0
Due to Auglaize County	0	0	2,500	0	0
Capital Loans Payable	0	2,984	15,014	0	50,659
Loans Payable	0	0	83,545	0	0
Compensated Absences Payable	24,264	15,660	21,630	0	12,384
Landfill Postclosure Costs Payable	0	0	0	0	67,274
<b>Total Current Liabilities</b>	<b>1,623,943</b>	<b>384,205</b>	<b>623,766</b>	<b>3,524</b>	<b>203,177</b>
<u>Non-Current Liabilities</u>					
Refundable Deposits	115,634	0	0	0	0
General Obligation Bonds Payable	0	0	0	0	23,300
Mortgage Revenue Bonds Payable (net of unamortized loss on advance refunding)	0	0	8,940,000	0	0
Due to Auglaize County	0	0	6,250	0	0
OWDA Loans Payable	0	4,851,455	0	1,608	0
Capital Loans Payable	0	3,148	65,886	0	142,877
Loans Payable	0	0	799,824	0	0
Compensated Absences Payable	92,869	53,732	90,387	0	27,427
Landfill Postclosure Costs Payable	0	0	0	0	1,555,627
<b>Total Non-Current Liabilities</b>	<b>208,503</b>	<b>4,908,335</b>	<b>9,902,347</b>	<b>1,608</b>	<b>1,749,231</b>
<b>Total Liabilities</b>	<b>1,832,446</b>	<b>5,292,540</b>	<b>10,526,113</b>	<b>5,132</b>	<b>1,952,408</b>
<u>Net Assets</u>					
Invested in Capital Assets, Net of Related Debt Restricted for	9,016,170	5,714,165	4,906,180	1,427,793	728,053
Revenue Bond Replacement	0	0	46,829	0	0
Future Debt Service	0	0	1,094,399	0	0
Unrestricted (Deficit)	13,567,786	2,085,909	(97,970)	507,690	(1,192,025)
<b>Total Net Assets (Deficit)</b>	<b>\$22,583,956</b>	<b>\$7,800,074</b>	<b>\$5,949,438</b>	<b>\$1,935,483</b>	<b>(\$463,972)</b>

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
\$14,977,042	\$52,032
2,636,081	0
24,386	65
52,129	0
29,331	0
79,792	1,502
<u>1,589,975</u>	<u>2,055</u>
<u>19,388,736</u>	<u>55,654</u>
162,463	0
1,128,392	0
293,861	0
7,945,801	0
<u>28,494,365</u>	<u>34,797</u>
<u>38,024,882</u>	<u>34,797</u>
<u>57,413,618</u>	<u>90,451</u>
27,061	1,762
505,041	878
1,085,631	0
106,778	7,467
73,515	263
47,075	0
300,000	0
22,600	0
375,000	0
2,500	0
68,657	0
83,545	0
73,938	5,002
<u>67,274</u>	<u>0</u>
<u>2,838,615</u>	<u>15,372</u>
115,634	0
23,300	0
8,940,000	0
6,250	0
4,853,063	0
211,911	0
799,824	0
264,415	1,916
<u>1,555,627</u>	<u>0</u>
<u>16,770,024</u>	<u>1,916</u>
<u>19,608,639</u>	<u>17,288</u>
21,792,361	34,797
46,829	0
1,094,399	0
<u>14,871,390</u>	<u>38,366</u>
<u>37,804,979</u>	<u>\$73,163</u>
14,633	
<u>\$37,819,612</u>	

City of Wapakoneta  
Statement of Revenues, Expenses,  
and Change in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2009

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
<u>Operating Revenues</u>					
Charges for Services	\$14,676,878	\$1,651,348	\$0	\$158,771	\$1,085,472
Charges for Services Pledged as Security on Mortgage Revenue Bonds	0	0	1,789,863	0	0
Licenses and Permits	0	0	0	0	0
Other	17,607	2,246	0	0	1,583
Other Pledged as Security on Mortgage Revenue Bonds	0	0	13,241	0	0
<b>Total Operating Revenues</b>	<b>14,694,485</b>	<b>1,653,594</b>	<b>1,803,104</b>	<b>158,771</b>	<b>1,087,055</b>
<u>Operating Expenses</u>					
Personal Services	713,357	380,109	616,428	0	390,946
Contractual Services	12,173,711	81,236	363,659	9,645	494,272
Materials and Supplies	193,735	153,782	945,223	22,289	71,480
Depreciation	273,898	187,341	466,717	53,134	39,961
Other	56,645	0	11,499	0	0
<b>Total Operating Expenses</b>	<b>13,411,346</b>	<b>802,468</b>	<b>2,403,526</b>	<b>85,068</b>	<b>996,659</b>
<b>Operating Income (Loss)</b>	<b>1,283,139</b>	<b>851,126</b>	<b>(600,422)</b>	<b>73,703</b>	<b>90,396</b>
<u>Non-Operating Revenues (Expenses)</u>					
Other Local Taxes	54,268	0	0	0	0
Gain on Disposal of Capital Assets	6,000	0	0	0	0
Loss on Disposal of Capital Assets	0	(6,703)	(5,050)	0	0
Interest Revenue	0	0	2	0	0
Interest Expense	0	(18,144)	(518,640)	(11)	(8,560)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>60,268</b>	<b>(24,847)</b>	<b>(523,688)</b>	<b>(11)</b>	<b>(8,560)</b>
<b>Income (Loss) before Contributions and Transfers</b>	<b>1,343,407</b>	<b>826,279</b>	<b>(1,124,110)</b>	<b>73,692</b>	<b>81,836</b>
Capital Contributions	0	0	85,080	55,343	0
Transfers In	550,000	0	81,382	0	0
Transfers Out	(33,190)	(33,190)	(33,190)	(81,382)	(33,189)
<b>Change in Net Assets</b>	<b>1,860,217</b>	<b>793,089</b>	<b>(990,838)</b>	<b>47,653</b>	<b>48,647</b>
<b>Net Assets (Deficit) Beginning of Year</b>	<b>20,723,739</b>	<b>7,006,985</b>	<b>6,940,276</b>	<b>1,887,830</b>	<b>(512,619)</b>
<b>Net Assets (Deficit) End of Year</b>	<b>\$22,583,956</b>	<b>\$7,800,074</b>	<b>\$5,949,438</b>	<b>\$1,935,483</b>	<b>(\$463,972)</b>

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>
\$17,572,469	\$196,610
1,789,863	0
0	13,262
21,436	1,444
13,241	0
<u>19,397,009</u>	<u>211,316</u>
2,100,840	185,388
13,122,523	15,899
1,386,509	12,016
1,021,051	1,469
68,144	0
<u>17,699,067</u>	<u>214,772</u>
<u>1,697,942</u>	<u>(3,456)</u>
54,268	0
6,000	
(11,753)	
2	0
(545,355)	0
<u>(496,838)</u>	<u>0</u>
1,201,104	(3,456)
140,423	0
631,382	0
(214,141)	0
1,758,768	(3,456)
	<u>76,619</u>
	<u>\$73,163</u>
(691)	
<u>\$1,758,077</u>	

City of Wapakoneta  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2009

	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	\$14,705,914	\$1,630,840	\$1,781,613	\$158,766	\$1,047,850	\$19,324,983
Cash Received from Transactions with Other Funds	0	0	0	0	0	0
Cash Received from Utility Deposits	12,864	0	0	0	0	12,864
Cash Received from Other Revenues	17,273	2,132	12,997	0	1,429	33,831
Cash Payments for Personal Services	(712,798)	(355,214)	(633,168)	0	(386,250)	(2,087,430)
Cash Payments for Contractual Services	(12,260,447)	(82,463)	(386,723)	(9,782)	(572,693)	(13,312,108)
Cash Payments to Vendors	(153,294)	(157,805)	(940,481)	(21,917)	(70,807)	(1,344,304)
Cash Payments for Transactions with Other Funds	(35)	(539)	(55)	(48)	(14)	(691)
Cash Payments for Utility Refunds	(11,003)	0	0	0	0	(11,003)
Cash Payments for Other Expenses	(56,645)	0	(11,120)	0	0	(67,765)
Net Cash Provided by (Used for) Operating Activities	1,541,829	1,036,951	(176,937)	127,019	19,515	2,548,377
<u>Cash Flows from Noncapital Financing Activities</u>						
Cash Received from Other Local Taxes	54,268	0	0	0	0	54,268
Transfers In	550,000	0	0	0	0	550,000
Transfers Out	(33,190)	(33,190)	(33,190)	(81,382)	(33,189)	(214,141)
Net Cash Provided by (Used for) Noncapital Financing Activities	571,078	(33,190)	(33,190)	(81,382)	(33,189)	390,127
<u>Cash Flows from Capital and Related Financing Activities</u>						
Principal Paid on Bond Anticipation Notes	0	(600,000)	0	0	0	(600,000)
Principal Paid on General Obligation Bonds	0	0	0	0	(22,000)	(22,000)
Principal Paid on Mortgage Revenue Bonds	0	0	(355,000)	0	0	(355,000)
Principal Paid on Due to Auglaize County	0	0	(2,500)	0	0	(2,500)
Principal Paid on Capital Loans	0	(2,829)	0	0	(22,759)	(25,588)
Principal Paid on Loans	0	0	(51,599)	0	0	(51,599)
Interest Paid on Bond Anticipation Notes	0	(18,000)	0	0	0	(18,000)
Interest Paid on General Obligation Bonds	0	0	0	0	(2,155)	(2,155)
Interest Paid on Mortgage Revenue Bonds	0	0	(423,123)	0	0	(423,123)
Interest Paid on Capital Loans	0	(491)	0	0	(3,657)	(4,148)
Interest Paid on Loans	0	0	(65,936)	0	0	(65,936)
Interest Paid on OWDA Loans	0	(578)	0	(11)	0	(589)
Bond Anticipation Notes Issued	0	300,000	0	0	0	300,000
Capital Loan Proceeds	0	0	80,900	0	145,000	225,900
Loan Proceeds	0	0	934,968	0	0	934,968
OWDA Loan Proceeds	0	4,850,448	0	1,608	0	4,852,056
Acquisition of Capital Assets	(2,319,093)	(5,198,113)	(277,090)	(211,753)	(143,786)	(8,149,835)
Net Cash Used for Capital and Related Financing Activities	(2,319,093)	(669,563)	(159,380)	(210,156)	(49,357)	(3,407,549)
<u>Cash Flows from Investing Activities</u>						
Interest	0	0	2	0	0	2
Net Increase (Decrease) in Cash and Cash Equivalents	(206,186)	334,198	(369,505)	(164,519)	(63,031)	(469,043)
Cash and Cash Equivalents Beginning of Year	12,026,427	1,526,197	2,127,108	662,055	395,153	16,736,940
Cash and Cash Equivalents End of Year	\$11,820,241	\$1,860,395	\$1,757,603	\$497,536	\$332,122	\$16,267,897



City of Wapakoneta  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2009  
(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)	\$1,283,139	\$851,126	(\$600,422)	\$73,703	\$90,396	\$1,697,942
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>						
Depreciation	273,898	187,341	466,717	53,134	39,961	1,021,051
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	29,746	(20,398)	(8,261)	(5)	(30,496)	(29,414)
Increase in Due from Other Governments	(6,334)	(114)	(244)	0	(7,232)	(13,924)
Decrease in Other Local Taxes Receivable	1,357	0	0	0	0	1,357
(Increase) Decrease in Interfund Receivable	(710)	(110)	11	0	(48)	(857)
(Increase) Decrease in Prepaid Items	(3,239)	1,275	(1,263)	0	(446)	(3,673)
Increase (Decrease) in Materials and Supplies Inventory	(284,400)	(7,531)	(592)	0	0	(292,523)
Decrease in Accrued Wages Payable	(22,338)	(6,216)	(15,430)	0	(7,377)	(51,361)
Increase (Decrease) in Accounts Payable	317,097	(5,033)	(16,141)	(3,152)	(26,799)	265,972
Increase (Decrease) in Contracts Payable	(70,154)	4,589	0	3,524	0	(62,041)
Increase (Decrease) in Due to Other Governments	3,293	4,405	2,197	(185)	1,504	11,214
Increase (Decrease) in Interfund Payable	(1,079)	972	(243)	0	16	(334)
Increase in Refundable Deposits	1,861	0	0	0	0	1,861
Increase (Decrease) in Compensated Absences Payable	19,692	26,645	(3,266)	0	10,315	53,386
Decrease in Landfill Postclosure Costs	0	0	0	0	(50,279)	(50,279)
Net Cash Provided by (Used for) Operating Activities	<u>\$1,541,829</u>	<u>\$1,036,951</u>	<u>(\$176,937)</u>	<u>\$127,019</u>	<u>\$19,515</u>	<u>\$2,548,377</u>

Non-Cash Capital Transactions

In 2009, the Street and Sewer Improvement capital projects fund constructed sewer lines and donated them to the Sewer enterprise fund, in the amount of \$85,080.

In 2009, the Street and Sewer Improvement capital projects fund constructed storm sewer lines and donated them to the Storm Sewer enterprise fund, in the amount of \$55,343.

In 2009, the Storm Sewer enterprise fund purchased capital assets and donated them to the Sewer enterprise fund, in the amount of \$81,382.

See Accompanying Notes to the Basic Financial Statements

Governmental  
Activity

---

Internal  
Service

---

(\$3,456)

1,469

0

(65)

0

0

(142)

788

(4,212)

(318)

0

1,268

23

0

2,324

0

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(\$2,321)

City of Wapakoneta  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
December 31, 2009

<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$22,712</u>
 <u>Liabilities</u>	
Deposits Held and Due to Others	\$2,417
Undistributed Assets	<u>20,295</u>
 Total Liabilities	 <u>\$22,712</u>

See Accompanying Notes to the Basic Financial Statements

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

**A. The City**

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

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

**B. Reporting Entity**

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. There were no component units of the City of Wapakoneta in 2009.

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.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Basis of Presentation**

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

**Government-Wide Financial Statements**

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

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

**Fund Financial Statements**

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**B. Fund Accounting**

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

**Governmental Funds**

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

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

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

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

**Proprietary Funds**

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

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

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

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

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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

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

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

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications; pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are not available to support the City's own programs. The City did not have any trust funds in 2009. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for funds deducted from employee's payroll for dependent, copayment, and COBRA insurance coverage and to account for monies belonging to the police auxiliary, an organization that is not part of the City of Wapakoneta.

C. Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

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

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

Deferred Revenues

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

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Property taxes for which there was an enforceable legal claim at December 31, 2009, but were levied to finance 2010 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 final amended certificate of estimated resources requested by the City prior to year end.

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

F. Cash and Investments

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

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

During 2009, 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, 2009.

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 2009 was \$123,591, which includes \$102,447 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, 2009, 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, 2009

**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	10-100 years	10-100 years
Equipment	5-30 years	5-30 years
Vehicles	10-38 years	6-20 years
Streets	15-60 years	N/A
Electric, Water, Sewer, and Storm Sewer Lines	N/A	20-100 years

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

L. Interfund Assets/Liabilities

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

M. Compensated Absences

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

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

N. Accrued Liabilities and Long-Term Obligations

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

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

O. Unamortized Loss on Advance Refunding

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**P. Net Assets**

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

**Q. Fund Balance Reserves**

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

**R. Operating Revenues and Expenses**

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

**S. Interfund Transactions**

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

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

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

T. Capital Contributions

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

U. Estimates

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

**NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES**

For fiscal year 2009, the City of Wapakoneta has implemented Governmental Accounting Standards Board (GASB) Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", Statement No. 56, "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards", Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans", and Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. It requires governments to measure derivative instruments, with the exception of synthetic guaranteed investment contracts that are fully benefit-responsive, at fair value in the economic resources measurement focus financial statements. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB authoritative literature. The GAAP hierarchy consists of the sources of accounting principles used in the preparation of financial statements and the framework for selecting those principles. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 56 incorporates accounting and financial reporting guidance previously only contained in the American Institute of Certified Public Accountants' (AICPA) auditing literature into the GASB's accounting and financial reporting literature. This guidance addresses related party transactions, going concern considerations, and subsequent events from the AICPA literature. The implementation of this statement did not result in any changes to the financial statements.

**NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES** (continued)

GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers). The requirements in this statement will allow more agent employers to use the alternative measurement method to produce actuarially based information for financial reporting and clarify that OPEB measures reported by agent multiple-employer OPEB plans and the participating employers should be determined at the same minimum frequency and as of a common date to improve the consistency of reporting with regard to funded status and funding progress information. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements in this statement will provide more consistent recognition, measurement, display, and disclosure guidance for governments that file for Chapter 9 bankruptcy. 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 \$463,972, is the result of recording landfill postclosure costs. Refuse rates were increased in 2009 to help offset rising costs.

B. Compliance

For the year ended December 31, 2009, the General Fund, Security of Persons and Property, Fire Department, other account and Debt Service, interest and fiscal charges had expenditures in excess of appropriations, in the amount of \$368,662 and \$344 respectively.

For the year ended December 31, 2009, the Sewer enterprise fund had expenditures in excess of appropriations for capital outlay, in the amount of \$902,923.

For the year ended December 31, 2009, the Storm Sewer enterprise fund had expenditures in excess of appropriations for interest expense, in the amount of \$11.

For the year ended December 31, 2009, the Community Block Grant special revenue fund had final appropriations in excess of estimated resources plus available balances, in the amount of \$27,371.

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.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

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**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	(\$644,318)
<u>Increases (Decreases) Due To</u>	
Revenue Accruals:	
Accrued 2008, Received in Cash 2009	468,881
Accrued 2009, Not Yet Received in Cash	(387,186)
Expenditure Accruals:	
Accrued 2008, Paid in Cash 2009	(316,701)
Accrued 2009, Not Yet Paid in Cash	312,428
Cash Accruals:	
Unrecorded Activity 2008	(2,902)
Unrecorded Activity 2009	4,538
Prepaid Items	1,627
Materials and Supplies Inventory	(152)
Encumbrances Outstanding at Year End (Budget Basis)	<u>(196,898)</u>
Budget Basis	<u><u>(\$760,683)</u></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;
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

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

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**NOTE 6 - DEPOSITS AND INVESTMENTS** (continued)

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, \$3,787,460 of the City's bank balance of \$8,325,967 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

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

Investments

At December 31, 2009, the City had \$1,128,392 invested in mutual funds with an average maturity of 55 days and \$13,955,792 invested in STAR Ohio with an average maturity of 61.2 days.

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

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

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**NOTE 7 - RECEIVABLES**

Receivables at December 31, 2009, 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 \$187,710, will not be received within one year. Special assessments receivable, in the amount of \$150,395, will not be received within one year. At December 31, 2009, the amount of delinquent special assessments was \$2,113.

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 4.5 percent to 6.25 percent and are to be repaid over periods ranging from seven to ten years.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Homestead and Rollback	\$24,989
Local Government	188,680
Tangible Personal Property Reimbursement	7,687
Cigarette Taxes	167
Estate Taxes	111,987
Liquor and Beer Permits	352
Auglaize County	672
Bureau of Workers' Compensation	1,007
Ohio Department of Commerce	600
Ohio Public Safety	5,000
Total General Fund	341,141
Street and Sewer Improvement	
Ohio Department of Development	365,665
Total Major Funds	706,806

(continued)

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**NOTE 7 - RECEIVABLES** (continued)

	Amount
Governmental Activities (continued)	
Nonmajor Funds	
Street Maintenance	
Gasoline Tax	\$113,397
Highway Distribution	51,815
Motor Vehicle License Tax	48,777
Ohio Department of Public Safety	1,031
Bureau of Workers' Compensation	116
Total Street Maintenance	215,136
State Highway	
Gasoline Tax	9,516
Highway Distribution	3,777
Motor Vehicle License Tax	3,842
Ohio Department of Public Safety	84
Total State Highway	17,219
Community Block Grant	
Auglaize County	30,600
Recreation	
Homestead and Rollback	5,467
Tangible Personal Property Reimbursement	2,875
Bureau of Workers' Compensation	32
Total Recreation	8,374
Swimming Pool	
Bureau of Workers' Compensation	26
Enforcement and Education	
Auglaize County	2
Drug Law Enforcement	
Auglaize County	100
Total Nonmajor Funds	271,457
	(continued)

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**NOTE 7 - RECEIVABLES** (continued)

	Amount
Business-Type Activities	
Electric	
Bureau of Workers' Compensation	\$334
Village of Arcadia	6,000
Total Electric	6,334
Water	
Bureau of Workers' Compensation	114
Sewer	
Bureau of Workers' Compensation	244
Refuse	
Auglaize County	17,540
Bureau of Workers' Compensation	154
Total Refuse	17,694
Total Business-Type Activities	\$24,386
Internal Service	
Bureau of Workers' Compensation	\$65

**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 2009 represent the collection of 2008 taxes. Real property taxes received in 2009 were levied after October 1, 2008, on the assessed values as of January 1, 2008, 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, 2009

**NOTE 9 - PROPERTY TAXES** (continued)

Public utility property tax revenues received in 2009 represent the collection of 2008 taxes. Public utility real and tangible personal property taxes received in 2009 became a lien on December 31, 2007, were levied after October 1, 2008, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

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

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

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2009, 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 2009 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, 2009, was \$3.75 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2009 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate	
Agricultural/Residential	\$108,578,130
Commercial/Industrial	47,073,300
Public Utility Real	87,780
Public Utility Personal	577,790
Tangible Personal	868,780
Total	\$157,185,780

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**NOTE 10 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2009, was as follows:

	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009
<b>Governmental Activities:</b>				
<b>Nondepreciable Capital Assets</b>				
Land	\$1,269,026	\$0	\$0	\$1,269,026
Construction in Progress	391,038	23,683	0	414,721
<b>Total Nondepreciable Capital Assets</b>	<b>1,660,064</b>	<b>23,683</b>	<b>0</b>	<b>1,683,747</b>
<b>Depreciable Capital Assets</b>				
Land Improvements	2,345,316	41,985	0	2,387,301
Buildings	3,425,136	174,811	0	3,599,947
Equipment	594,531	13,321	0	607,852
Vehicles	2,355,199	170,793	(37,599)	2,488,393
Streets	23,585,148	729,073	(223,555)	24,090,666
<b>Total Depreciable Capital Assets</b>	<b>32,305,330</b>	<b>1,129,983</b>	<b>(261,154)</b>	<b>33,174,159</b>
<b>Less Accumulated Depreciation for</b>				
Land Improvements	(173,112)	(59,559)	0	(232,671)
Buildings	(554,885)	(51,721)	0	(606,606)
Equipment	(309,847)	(34,457)	0	(344,304)
Vehicles	(1,704,237)	(80,775)	28,195	(1,756,817)
Streets	(10,633,038)	(495,657)	108,052	(11,020,643)
<b>Total Accumulated Depreciation</b>	<b>(13,375,119)</b>	<b>(722,169)</b>	<b>136,247</b>	<b>(13,961,041)</b>
<b>Total Depreciable Capital Assets, Net</b>	<b>18,930,211</b>	<b>407,814</b>	<b>(124,907)</b>	<b>19,213,118</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$20,590,275</b>	<b>\$431,497</b>	<b>(\$124,907)</b>	<b>\$20,896,865</b>
	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009
<b>Business-Type Activities:</b>				
<b>Nondepreciable Capital Assets</b>				
Land	\$926,720	\$0	\$0	\$926,720
Construction in Progress	216,846	6,858,136	(55,901)	7,019,081
<b>Total Nondepreciable Capital Assets</b>	<b>1,143,566</b>	<b>6,858,136</b>	<b>(55,901)</b>	<b>7,945,801</b>

(continued)

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**NOTE 10 - CAPITAL ASSETS** (continued)

	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009
Business-Type Activities (continued):				
Depreciable Capital Assets				
Buildings	\$10,406,923	\$110,846	\$0	\$10,517,769
Equipment	735,498	198,734	0	934,232
Vehicles	2,460,858	168,786	(44,956)	2,584,688
Electric, Water, Sewer, and Storm Sewer Lines	30,432,492	1,097,039	(27,984)	31,501,547
Total Depreciable Capital Assets	44,035,771	1,575,405	(72,940)	45,538,236
Less Accumulated Depreciation for				
Buildings	(1,099,808)	(167,257)	0	(1,267,065)
Equipment	(477,795)	(31,814)	0	(509,609)
Vehicles	(1,171,477)	(139,072)	44,956	(1,265,593)
Electric, Water, Sewer, and Storm Sewer Lines	(13,334,927)	(682,908)	16,231	(14,001,604)
Total Accumulated Depreciation	(16,084,007)	(1,021,051)	61,187	(17,043,871)
Total Depreciable Capital Assets, Net	27,951,764	554,354	(11,753)	28,494,365
Business-Type Activities Capital Assets, Net	\$29,095,330	\$7,412,490	(\$67,654)	\$36,440,166

During 2009, the City accepted contributions of depreciable capital assets for business-type activities with a value of \$140,423 from the Street and Sewer Improvement capital projects fund.

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Security of Persons and Property - Police	\$27,650
Security of Persons and Property - Fire	59,888
Public Health	20,114
Leisure Time Activities	73,601
Transportation	517,883
General Government	23,033
Total Depreciation Expense - Governmental Activities	<u>\$722,169</u>

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

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**NOTE 11 - INTERFUND BALANCES**

Interfund balances at December 31, 2009, consisted of the following individual fund receivables and payables:

Due to General Fund from:

Electric	<u>\$47,884</u>
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Due to Electric Fund from:

General	\$2,331
Other Governmental	818
Water	11,709
Sewer	12,234
Refuse	437
Internal Service	214
Total Electric Fund	<u>\$27,743</u>

Due to Water Fund from:

General	\$17
Other Governmental	30
Electric	41
Sewer	898
Refuse	8
Internal Service	8
Total Water Fund	<u>\$1,002</u>

Due to Sewer Fund from:

General	\$20
Other Governmental	37
Electric	46
Refuse	10
Internal Service	10
Total Sewer Fund	<u>\$123</u>

(continued)

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**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	\$67
Other Governmental	95
Electric	100
Water	28
Sewer	58
Internal Service	27
Total Refuse Fund	\$375

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 2009, 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

(continued)

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**NOTE 12 - RISK MANAGEMENT** (continued)

Type of Coverage	Coverage	Deductible
Fire Vehicles	\$2,451,980	\$250
Law Enforcement Liability		
Each Occurrence	7,000,000	5,000
Aggregate	9,000,000	5,000
Automobile Liability	7,000,000	250 - 500
Inland Marine	1,586,396	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 2009, 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, 2009:

Vendor	Contract Amount	Amount Paid as of 12/31/09	Outstanding Balance
Fire Safety Services, Inc.	\$29,156	\$0	\$29,156
City of St. Mary's	34,376	0	34,376
Amp Ohio	2,200,000	1,131,711	1,068,289
Power Line Supply	22,516	0	22,516
Kirk Brothers	6,582,337	4,475,945	2,106,392

(continued)

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**NOTE 13 - SIGNIFICANT CONTRACTUAL COMMITMENTS** (continued)

Vendor	Contract Amount	Amount Paid as of 12/31/09	Outstanding Balance
Power Line Supply	\$22,668	0	22,668
Power Line Supply	24,735	0	24,735
Power Line Supply	22,572	0	22,572
GE Industrial Services	250,000	37,500	212,500
GE Industrial Services	350,000	71,997	278,003
GE Industrial Services	700,516	347,434	353,082
GE Industrial Services	233,813	0	233,813
GE Industrial Services	372,875	0	372,875
GE Industrial Services	153,491	63,183	90,308
PEPCO	114,473	0	114,473
Gexpro	252,570	0	252,570
Gexpro	246,616	0	246,616
Gexpro	319,203	0	319,203
Kuhlman Electric	1,127,930	350,836	777,094
Kuhlman Electric	417,500	375,750	41,750
Sowards Electric	295,895	0	295,895
Cargill, Inc.	185,000	100,487	84,513

**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.

**NOTE 14 - DEFINED BENEFIT PENSION PLANS** (continued)

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2009, 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 2009 was 14 percent of covered payroll. For 2009, a portion of the City's contribution equal to 7 percent of covered payroll was allocated to fund the postemployment health care plan from January 1 through March 31 and 5.5 percent was allocated from April 1 through December 31. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the City of 14 percent.

The City's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2009, 2008, and 2007 was \$210,361, \$172,627, and \$170,191, respectively; 87 percent has been contributed for 2009 and 100 percent for 2008 and 2007. There were no contributions to the member-directed plan for 2009 made by the City or made by plan members.

**B. Ohio Police and Fire Pension Fund**

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a 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 2009, 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, 2009, was \$114,389 and \$151,278, for the year ended December 31, 2008, was \$109,448 and 145,936, and for the year ended December 31, 2007, was \$108,732 and \$142,371. For 2009, 75 percent has been contributed for police and 72 percent has been contributed for firefighters. The full amount has been contributed for 2008 and 2007.

**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.

**NOTE 15 - POSTEMPLOYMENT BENEFITS** (continued)

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.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2009, 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 of covered payroll from January 1 through March 31, 2009, and 5.5 percent of covered payroll for the remainder of the year.

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, 2009, 2008, and 2007 was \$152,108, \$172,627, and \$112,101, respectively; 87 percent has been contributed for 2009 and 100 percent for 2008 and 2007.

**B. Police and Fire Pension Fund**

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored healthcare program, a cost-sharing, multiple-employer defined benefit 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.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

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**NOTE 15 - POSTEMPLOYMENT BENEFITS** (continued)

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 IRS Code Section 115 trust for health care benefits and an Internal Revenue Code 401(h) account for Medicare Part B reimbursements, both 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.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the 115 trust and 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2009, 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 sections 115 and 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, 2009, was \$60,559 and \$59,196, for the year ended December 31, 2008, was \$57,943 and \$57,105, and for the year ended December 31, 2007, was \$57,564 and \$55,711. For 2009, 75 percent has been contributed for police and 72 percent has been contributed for firefighters. The full amount has been contributed for 2008 and 2007.

**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.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**NOTE 16 - COMPENSATED ABSENCES** (continued)

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

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

**NOTE 17 - NOTES PAYABLE**

The City's note transactions for the year ended December 31, 2009, were as follows:

	Interest Rate	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009
<u>Business-Type Activities</u>					
<u>General Obligation Bond Anticipation Notes</u>					
Water					
2008 Bond Anticipation Note	3.00%	\$600,000	0	600,000	\$0
2009 Bond Anticipation Note	2.13	0	300,000	0	300,000
Total Business-Type Activities		\$600,000	\$300,000	\$600,000	\$300,000

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 \$300,000, were issued to partially retire notes previously issued, in the amount of \$600,000, for improvements to the water system, including a water tower and the installation of water lines.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**NOTE 18 - LONG-TERM OBLIGATIONS**

The City's long-term obligations activity for the year ended December 31, 2009, was as follows:

	Interest Rate	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009	Due Within One Year
<u>Governmental Activities</u>						
General Obligation Bonds						
2003 Various Purpose	1.75 - 3.80%	\$1,442,100	\$0	\$338,000	\$1,104,100	\$332,400
Accounting Loss	3.30 - 4.25	(44,149)	11,277	0	(32,872)	0
Total General Obligation Bonds		1,397,951	11,277	338,000	1,071,228	332,400
Other Long-Term Obligations						
Loans Payable		0	368,662	20,346	348,316	32,942
Compensated Absences Payable		440,062	123,867	105,136	458,793	109,450
Total Governmental Activities		\$1,838,013	\$503,806	\$463,482	\$1,878,337	\$474,792
<u>Business-Type Activities</u>						
General Obligation Bonds						
2003 Various Purpose	1.75 - 3.80%	\$67,900	\$0	\$22,000	\$45,900	\$22,600
Mortgage Revenue Bonds						
1998 Sewer System Bonds	3.30 - 4.95	2,545,000	0	205,000	2,340,000	210,000
Accounting Loss		(14,804)	14,804	0	0	0
2006 Sewer System Bonds	4 - 4.25	7,125,000	0	150,000	6,975,000	165,000
Total Mortgage Revenue Bonds		9,655,196	14,804	355,000	9,315,000	375,000
Other Long-Term Obligations						
Due to Auglaize County		11,250	0	2,500	8,750	2,500
OWDA Loans						
Water		1,007	4,850,448	0	4,851,455	0
Storm Sewer		0	1,608	0	1,608	0
Capital Loans Payable		80,256	225,900	25,588	280,568	68,657
Loans Payable		0	934,968	51,599	883,369	83,545
Compensated Absences Payable		284,967	89,053	35,667	338,353	73,938
Landfill Postclosure Costs		1,673,180	0	50,279	1,622,901	67,274
Total Other Long-Term Obligations		2,050,660	6,101,977	165,633	7,987,004	295,914
Total Business-Type Activities		\$11,773,756	\$6,116,781	\$542,633	\$17,347,904	\$693,514

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

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**NOTE 18 - LONG-TERM OBLIGATIONS** (continued)

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

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

Loans Payable

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

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 were issued for a twenty year period, with final maturity during 2018. The bonds will be paid from the Sewer enterprise fund.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

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**NOTE 18 - LONG-TERM OBLIGATIONS** (continued)

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

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

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

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, 2009, were \$357,514.

The sewer system bonds defeased, in-substance, \$1,345,000 in sewer system bonds. The defeased bonds were fully retired in 2009.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

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**NOTE 18 - LONG-TERM OBLIGATIONS** (continued)

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, 2009, were \$770,878.

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

OWDA Loans

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

The OWDA loans will be paid from the gross revenues of the Water and Storm Sewer enterprise funds after provisions for reasonable operating and maintenance expenses. Annual principal and interest payment on the loans are expected to require less than 100 percent of these net revenues in future years. Interest paid on the loans from the Water and Storm Sewer enterprise funds during 2009 was \$578 and \$11, respectively. Total net revenues for the Water and Storm Sewer enterprise funds were \$1,038,467 and \$126,837 respectively.

The City's legal debt margin was \$15,591,564 at December 31, 2009.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2009

**NOTE 18 - LONG-TERM OBLIGATIONS** (continued)

Principal and interest requirements to retire governmental activities long-term obligations outstanding at December 31, 2009, were as follows:

Year	General Obligation Bonds		Loans Payable	
	Principal	Interest	Principal	Interest
2010	\$332,400	\$38,644	\$32,942	\$13,402
2011	331,700	28,007	34,253	12,092
2012	215,000	16,397	35,615	10,729
2013	225,000	8,550	37,033	9,312
2014	0	0	38,506	7,838
2015-2018	0	0	169,967	15,410
	<u>\$1,104,100</u>	<u>\$91,598</u>	<u>\$348,316</u>	<u>\$68,783</u>

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2009, from the enterprise funds were as follows:

Year	General Obligation Bonds		Mortgage Revenue Bonds	
	Principal	Interest	Principal	Interest
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			455,000	334,813
2015 to 2019	0	0	2,585,000	1,346,875
2020 to 2024	0	0	3,190,000	731,850
2025 to 2026	0	0	1,475,000	94,775
Total	<u>\$45,900</u>	<u>\$2,355</u>	<u>\$9,315,000</u>	<u>\$4,034,040</u>

Year	Due to Auglaize County		Loans Payable		Capital Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$2,500	\$0	\$83,545	\$33,990	\$68,657	\$10,906
2011	2,500	0	86,869	30,666	71,425	8,138
2012	2,500	0	90,325	27,209	45,119	5,257
2013	1,250	0	93,919	23,616	46,808	3,569
2014	0	0	97,656	19,878	48,559	0
2015-2018	0	0	431,055	39,082	0	0
	<u>\$8,750</u>	<u>\$0</u>	<u>\$883,369</u>	<u>\$174,441</u>	<u>\$280,568</u>	<u>\$27,870</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 \$1,622,901, reported as landfill postclosure costs at December 31, 2009, represents the costs of maintenance and monitoring through 2028. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. A fee of \$3 and \$1.50 per month was imposed on residential and commercial refuse users, respectively, to finance the postclosure costs, which generates approximately \$159,500 annually.

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

**NOTE 20 - INTERFUND TRANSFERS**

During 2009, the General Fund made transfers to the Street and Sewer Improvement capital projects fund, in the amount of \$500,000, as debt payments came due. The General Fund also made transfers to other governmental funds, in the amount of \$275,000; \$150,000 as debt payments came due and \$125,000 to subsidize activities in other funds. In addition, the General Fund transferred \$550,000 to the Electric enterprise fund to subsidize operations.

The Electric enterprise fund transferred \$33,190 to the Street and Sewer improvement capital projects fund as debt payments came due.

The Water enterprise fund transferred \$33,190 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Sewer enterprise fund transferred \$33,190 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Refuse enterprise fund transferred \$33,189 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Storm Sewer enterprise fund transferred capital assets to the Sewer enterprise fund, in the amount of \$81,382.

**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.

**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, 2009, to December 31, 2009, the City received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowances, if any, would be immaterial.

**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

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### **Nonmajor Special Revenue Funds**

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

#### Street Maintenance Fund

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

#### State Highway Fund

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

#### Motor Vehicle Permissive Tax Fund

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

#### Community Block Grant Fund

To account for 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 restricted for law enforcement activities.

#### Enforcement and Education Fund

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

#### Drug Law Enforcement Fund

To account for the sale of confiscated property 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)

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**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.)

Swimming Pool Construction Fund

To account for the construction of the swimming pool.

Issue II

To account for grant monies received from the Ohio Public Works Commission and used for infrastructure improvements.

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, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,098,630	\$539,473	\$931,718	\$2,569,821
Accounts Receivable	5,586	0	0	5,586
Due from Other Governments	271,457	0	0	271,457
Other Local Taxes Receivable	5,547	0	0	5,547
Prepaid Items	9,327	0	0	9,327
Materials and Supplies Inventory	25,718	0	0	25,718
Property Taxes Receivable	92,786	0	0	92,786
Notes Receivable	306,708	0	0	306,708
<b>Total Assets</b>	<b>\$1,815,759</b>	<b>\$539,473</b>	<b>\$931,718</b>	<b>\$3,286,950</b>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$3,074	\$0	\$0	\$3,074
Accounts Payable	13,764	0	0	13,764
Contracts Payable	3,748	0	0	3,748
Due to Other Governments	16,139	0	0	16,139
Interfund Payable	998	0	0	998
Deferred Revenue	300,430	0	0	300,430
<b>Total Liabilities</b>	<b>338,153</b>	<b>0</b>	<b>0</b>	<b>338,153</b>
<u>Fund Balance</u>				
Reserved for Notes Receivable	187,710	0	0	187,710
Reserved for Encumbrances	24,132	0	0	24,132
Unreserved, Reported in				
Special Revenue Funds	1,265,764	0	0	1,265,764
Debt Service Funds	0	539,473	0	539,473
Capital Projects Funds	0	0	931,718	931,718
<b>Total Fund Balance</b>	<b>1,477,606</b>	<b>539,473</b>	<b>931,718</b>	<b>2,948,797</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$1,815,759</b>	<b>\$539,473</b>	<b>\$931,718</b>	<b>\$3,286,950</b>

City of Wapakoneta  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2009

	Street Maintenance	State Highway	Motor Vehicle Permissive Tax	Community Block Grant
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$142,284	\$170,329	\$277,427	\$372,561
Accounts Receivable	5,586	0	0	0
Due from Other Governments	215,136	17,219	0	30,600
Other Local Taxes Receivable	0	0	5,547	0
Prepaid Items	5,352	0	0	0
Materials and Supplies Inventory	24,062	0	0	0
Property Taxes Receivable	0	0	0	0
Notes Receivable	0	0	0	306,708
Total Assets	<u>\$392,420</u>	<u>\$187,548</u>	<u>\$282,974</u>	<u>\$709,869</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$2,716	\$0	\$0	\$0
Accounts Payable	7,139	0	0	0
Contracts Payable	0	3,748	0	0
Due to Other Governments	10,946	0	0	0
Interfund Payable	756	0	0	0
Deferred Revenue	184,972	14,330	0	0
Total Liabilities	<u>206,529</u>	<u>18,078</u>	<u>0</u>	<u>0</u>
<u>Fund Balance</u>				
Reserved for Notes Receivable	0	0	0	187,710
Reserved for Encumbrances	9,595	0	0	0
Unreserved	176,296	169,470	282,974	522,159
Total Fund Balance	<u>185,891</u>	<u>169,470</u>	<u>282,974</u>	<u>709,869</u>
Total Liabilities and Fund Balance	<u>\$392,420</u>	<u>\$187,548</u>	<u>\$282,974</u>	<u>\$709,869</u>

Recreation	Swimming Pool	Law Enforcement	Enforcement and Education	Drug Law Enforcement	Recreation Trust
\$101,584	\$8,157	\$283	\$2,774	\$765	\$21,600
0	0	0	0	0	0
8,374	26	0	2	100	0
0	0	0	0	0	0
501	3,474	0	0	0	0
1,656	0	0	0	0	0
92,786	0	0	0	0	0
0	0	0	0	0	0
<u>\$204,901</u>	<u>\$11,657</u>	<u>\$283</u>	<u>\$2,776</u>	<u>\$865</u>	<u>\$21,600</u>
\$277	\$81	\$0	\$0	\$0	\$0
6,046	579	0	0	0	0
0	0	0	0	0	0
2,238	2,955	0	0	0	0
154	88	0	0	0	0
101,128	0	0	0	0	0
<u>109,843</u>	<u>3,703</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
10,818	3,719	0	0	0	0
84,240	4,235	283	2,776	865	21,600
<u>95,058</u>	<u>7,954</u>	<u>283</u>	<u>2,776</u>	<u>865</u>	<u>21,600</u>
<u>\$204,901</u>	<u>\$11,657</u>	<u>\$283</u>	<u>\$2,776</u>	<u>\$865</u>	<u>\$21,600</u>

(continued)

City of Wapakoneta  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2009  
(continued)

	Rudd Park Trust	Total
<u>Assets</u>		
Equity in Pooled Cash and Cash Equivalents	\$866	\$1,098,630
Accounts Receivable	0	5,586
Due from Other Governments	0	271,457
Other Local Taxes Receivable	0	5,547
Prepaid Items	0	9,327
Materials and Supplies Inventory	0	25,718
Property Taxes Receivable	0	92,786
Notes Receivable	0	306,708
	\$866	\$1,815,759
Total Assets	\$866	\$1,815,759
<u>Liabilities and Fund Balance</u>		
<u>Liabilities</u>		
Accrued Wages Payable	\$0	\$3,074
Accounts Payable	0	13,764
Contracts Payable	0	3,748
Due to Other Governments	0	16,139
Interfund Payable	0	998
Deferred Revenue	0	300,430
	0	338,153
Total Liabilities	0	338,153
<u>Fund Balance</u>		
Reserved for Notes Receivable	0	187,710
Reserved for Encumbrances	0	24,132
Unreserved	866	1,265,764
	866	1,477,606
Total Fund Balance	866	1,477,606
Total Liabilities and Fund Balance	\$866	\$1,815,759

City of Wapakoneta  
Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2009

	Debt Service	Downtown Debt	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,160	\$538,313	\$539,473
 <u>Fund Balance</u>			
Unreserved	1,160	538,313	539,473

City of Wapakoneta  
 Combining Balance Sheet  
 Nonmajor Capital Projects Funds  
 December 31, 2009

	Swimming Pool Construction	Capital Fire Truck	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$727,526	\$204,192	\$931,718
 <u>Fund Balance</u>			
Unreserved	\$727,526	\$204,192	\$931,718

City of Wapakoneta  
Combining Statement of Revenues, Expenditures,  
and Change in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Property Taxes	\$91,730	\$0	\$0	\$91,730
Other Local Taxes	139,481	0	0	139,481
Charges for Services	223,700	0	0	223,700
Fines and Forfeitures	3,437	0	0	3,437
Intergovernmental	520,338	0	324,350	844,688
Interest	33,640	434	1,887	35,961
Gifts and Donations	42,085	0	0	42,085
Other	4,002	0	5,200	9,202
<b>Total Revenues</b>	<b>1,058,413</b>	<b>434</b>	<b>331,437</b>	<b>1,390,284</b>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	10,419	0	0	10,419
Fire	0	0	128,433	128,433
Leisure Time Activities	425,862	0	0	425,862
Community Environment	58,434	0	0	58,434
Transportation	842,335	0	324,350	1,166,685
Debt Service:				
Principal Retirement	0	194,445	0	194,445
Interest and Fiscal Charges	0	26,245	0	26,245
<b>Total Expenditures</b>	<b>1,337,050</b>	<b>220,690</b>	<b>452,783</b>	<b>2,010,523</b>
Excess of Revenues Under Expenditures	(278,637)	(220,256)	(121,346)	(620,239)
<u>Other Financing Sources</u>				
Transfers In	0	150,000	125,000	275,000
Change in Fund Balance	(278,637)	(70,256)	3,654	(345,239)
Fund Balance Beginning of Year	1,756,243	609,729	928,064	3,294,036
Fund Balance End of Year	<u>\$1,477,606</u>	<u>\$539,473</u>	<u>\$931,718</u>	<u>\$2,948,797</u>

City of Wapakoneta  
Combining Statement of Revenues, Expenditures,  
and Change in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2009

	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	139,481	0
Charges for Services	25,755	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	425,341	33,459	0	30,600
Interest	2,476	2,203	6,154	22,337
Gifts and Donations	0	0	0	0
Other	3,886	0	0	0
Total Revenues	<u>457,458</u>	<u>35,662</u>	<u>145,635</u>	<u>52,937</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	58,434
Transportation	488,091	3,748	350,496	0
Total Expenditures	<u>488,091</u>	<u>3,748</u>	<u>350,496</u>	<u>58,434</u>
Excess of Revenues Over (Under) Expenditures	<u>(30,633)</u>	<u>31,914</u>	<u>(204,861)</u>	<u>(5,497)</u>
Change in Fund Balance	(30,633)	31,914	(204,861)	(5,497)
Fund Balance Beginning of Year	<u>216,524</u>	<u>137,556</u>	<u>487,835</u>	<u>715,366</u>
Fund Balance End of Year	<u><u>\$185,891</u></u>	<u><u>\$169,470</u></u>	<u><u>\$282,974</u></u>	<u><u>\$709,869</u></u>

Recreation	Swimming Pool	Law Enforcement	Enforcement and Education	Drug Law Enforcement	Recreation Trust
\$91,730	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	197,945	0	0	0	0
0	0	340	2,466	631	0
30,938	0	0	0	0	0
470	0	0	0	0	0
18,629	23,410	0	0	0	0
32	84	0	0	0	0
<u>141,799</u>	<u>221,439</u>	<u>340</u>	<u>2,466</u>	<u>631</u>	<u>0</u>
0	0	1,595	5,124	3,700	0
177,746	248,116	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>177,746</u>	<u>248,116</u>	<u>1,595</u>	<u>5,124</u>	<u>3,700</u>	<u>0</u>
<u>(35,947)</u>	<u>(26,677)</u>	<u>(1,255)</u>	<u>(2,658)</u>	<u>(3,069)</u>	<u>0</u>
(35,947)	(26,677)	(1,255)	(2,658)	(3,069)	0
<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>\$95,058</u>	<u>\$7,954</u>	<u>\$283</u>	<u>\$2,776</u>	<u>\$865</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, 2009  
(continued)

	Rudd Park Trust	Total
<u>Revenues</u>		
Property Taxes	\$0	\$91,730
Other Local Taxes	0	139,481
Charges for Services	0	223,700
Fines and Forfeitures	0	3,437
Intergovernmental	0	520,338
Interest	0	33,640
Gifts and Donations	46	42,085
Other	0	4,002
	46	1,058,413
<u>Expenditures</u>		
Current:		
Security of Persons and Property		
Police	0	10,419
Leisure Time Activities	0	425,862
Community Environment	0	58,434
Transportation	0	842,335
	0	1,337,050
Total Expenditures	0	1,337,050
Excess of Revenues Over (Under) Expenditures	46	(278,637)
Change in Fund Balance	46	(278,637)
Fund Balance Beginning of Year	820	1,756,243
Fund Balance End of Year	\$866	\$1,477,606

City of Wapakoneta  
Combining Statement of Revenues, Expenditures,  
and Change in Fund Balance  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2009

	Debt Service	Downtown Debt	Total
<u>Revenues</u>			
Interest	\$434	\$0	\$434
<u>Expenditures</u>			
Debt Service:			
Principal Retirement	0	194,445	194,445
Interest and Fiscal Charges	0	26,245	26,245
Total Expenditures	0	220,690	220,690
Excess of Revenues Over (Under) Expenditures	434	(220,690)	(220,256)
<u>Other Financing Sources</u>			
Transfers In	0	150,000	150,000
Change in Fund Balance	434	(70,690)	(70,256)
Fund Balance Beginning of Year	726	609,003	609,729
Fund Balance End of Year	<u>\$1,160</u>	<u>\$538,313</u>	<u>\$539,473</u>

City of Wapakoneta  
Combining Statement of Revenues, Expenditures,  
and Change in Fund Balance  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2009

	Swimming Pool Construction	Issue II	Capital Fire Truck	Total
<u>Revenues</u>				
Intergovernmental	\$0	\$324,350	\$0	\$324,350
Interest	1,887	0	0	1,887
Other	0	0	5,200	5,200
<b>Total Revenues</b>	<b>1,887</b>	<b>324,350</b>	<b>5,200</b>	<b>331,437</b>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Fire	0	0	128,433	128,433
Transportation	0	324,350	0	324,350
<b>Total Expenditures</b>	<b>0</b>	<b>324,350</b>	<b>128,433</b>	<b>452,783</b>
Excess of Revenues Over (Under) Expenditures	1,887	0	(123,233)	(121,346)
<u>Other Financing Sources</u>				
Transfers In	0	0	125,000	125,000
<b>Change in Fund Balance</b>	<b>1,887</b>	<b>0</b>	<b>1,767</b>	<b>3,654</b>
Fund Balance Beginning of Year	725,639	0	202,425	928,064
<b>Fund Balance End of Year</b>	<b>\$727,526</b>	<b>\$0</b>	<b>\$204,192</b>	<b>\$931,718</b>

City of Wapakoneta  
Combining Statements - Fiduciary Funds

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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, 2009

	Dependent Coverage	Police Auxiliary	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$2,417	\$20,295	\$22,712
<u>Liabilities</u>			
Deposits Held and Due to Others	\$2,417	\$0	\$2,417
Undistributed Assets	0	20,295	20,295
Total Liabilities	\$2,417	\$20,295	\$22,712

City of Wapakoneta  
Combining Statement of Change in Assets and Liabilities  
Agency Funds  
For the Year Ended December 31, 2009

	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009
<u>Dependent Coverage</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,585	\$106,673	\$105,841	\$2,417
<u>Liabilities</u>				
Deposits Held and Due to Others	\$1,585	\$106,673	\$105,841	\$2,417
<u>Police Auxiliary</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$22,146	\$15,196	\$17,047	\$20,295
<u>Liabilities</u>				
Undistributed Assets	\$22,146	\$15,196	\$17,047	\$20,295
<u>Total - All Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$23,731	\$121,869	\$122,888	\$22,712
<u>Liabilities</u>				
Deposits Held and Due to Others	\$1,585	\$106,673	\$105,841	\$2,417
Undistributed Assets	22,146	15,196	17,047	20,295
Total Liabilities	\$23,731	\$121,869	\$122,888	\$22,712

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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, 2009

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$365,735	\$377,735	\$362,969	(\$14,766)
Municipal Income Taxes	2,161,100	2,161,100	2,130,975	(30,125)
Other Local Taxes	551,000	651,150	605,772	(45,378)
Charges for Services	364,700	402,200	401,877	(323)
Fees, Licenses, and Permits	72,500	98,850	98,226	(624)
Fines and Forfeitures	20,500	20,500	18,686	(1,814)
Intergovernmental	635,165	743,665	729,025	(14,640)
Interest	300,000	125,250	125,666	416
Gifts and Donations	14,900	17,400	9,671	(7,729)
Other	17,540	33,210	32,942	(268)
<b>Total Revenues</b>	<b>4,503,140</b>	<b>4,631,060</b>	<b>4,515,809</b>	<b>(115,251)</b>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police Department				
Personal Services	1,238,895	1,323,895	1,301,795	22,100
Contractual Services	170,910	176,610	148,467	28,143
Materials and Supplies	35,057	34,907	27,392	7,515
Capital Outlay	85,595	85,595	76,741	8,854
<b>Total Police Department</b>	<b>1,530,457</b>	<b>1,621,007</b>	<b>1,554,395</b>	<b>66,612</b>
Fire Department				
Personal Services	1,196,441	1,196,441	1,161,456	34,985
Contractual Services	89,313	94,174	75,935	18,239
Materials and Supplies	29,399	24,289	19,837	4,452
Capital Outlay	93,098	93,347	93,254	93
Other	0	0	368,662	(368,662)
<b>Total Fire Department</b>	<b>1,408,251</b>	<b>1,408,251</b>	<b>1,719,144</b>	<b>(310,893)</b>
Safety Director				
Personal Services	5,000	5,000	5,000	0
Contractual Services	10,000	10,000	10,000	0
Materials and Supplies	500	0	0	0
<b>Total Safety Director</b>	<b>15,500</b>	<b>15,000</b>	<b>15,000</b>	<b>0</b>
<b>Total Security of Persons and Property</b>	<b>2,954,208</b>	<b>3,044,258</b>	<b>3,288,539</b>	<b>(244,281)</b>

(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, 2009  
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<b>Public Health</b>				
<b>Emergency Medical</b>				
Personal Services	\$154,480	\$154,480	\$107,376	\$47,104
Contractual Services	81,044	84,644	60,873	23,771
Materials and Supplies	13,828	10,228	7,532	2,696
Capital Outlay	11,318	11,318	9,408	1,910
Other	300	1,500	0	1,500
<b>Total Emergency Medical</b>	<b>260,970</b>	<b>262,170</b>	<b>185,189</b>	<b>76,981</b>
<b>Miscellaneous</b>				
Contractual Services	3,000	5,500	615	4,885
Capital Outlay	23,500	21,000	2,593	18,407
<b>Total Miscellaneous</b>	<b>26,500</b>	<b>26,500</b>	<b>3,208</b>	<b>23,292</b>
<b>Total Public Health</b>	<b>287,470</b>	<b>288,670</b>	<b>188,397</b>	<b>100,273</b>
<b>Community Environment</b>				
<b>Boards and Commissions</b>				
Contractual Services	67,800	67,800	49,427	18,373
Materials and Supplies	20,225	20,225	11,500	8,725
Capital Outlay	40,000	40,000	17,360	22,640
<b>Total Community Environment</b>	<b>128,025</b>	<b>128,025</b>	<b>78,287</b>	<b>49,738</b>
<b>General Government</b>				
<b>Council</b>				
Personal Services	37,000	37,000	36,900	100
Materials and Supplies	8,000	8,000	5,859	2,141
<b>Total Council</b>	<b>45,000</b>	<b>45,000</b>	<b>42,759</b>	<b>2,241</b>
<b>Clerk of Council</b>				
Personal Services	3,200	3,200	3,200	0
Contractual Services	4,652	4,652	4,305	347
Materials and Supplies	100	100	0	100
<b>Total Clerk of Council</b>	<b>7,952</b>	<b>7,952</b>	<b>7,505</b>	<b>447</b>
<b>Administrative</b>				
Personal Services	71,100	88,100	80,202	7,898
Contractual Services	87,210	148,210	123,003	25,207
Materials and Supplies	61,214	73,214	63,101	10,113
Capital Outlay	70,760	70,760	70,278	482
<b>Total Administrative</b>	<b>290,284</b>	<b>380,284</b>	<b>336,584</b>	<b>43,700</b>

(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, 2009  
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<b>Finance</b>				
Personal Services	\$32,500	\$27,500	\$27,000	\$500
Contractual Services	62,900	67,330	67,316	14
Materials and Supplies	2,112	2,682	1,095	1,587
<b>Total Finance</b>	<b>97,512</b>	<b>97,512</b>	<b>95,411</b>	<b>2,101</b>
<b>Income Tax</b>				
Personal Services	52,600	55,600	52,937	2,663
Contractual Services	9,591	9,891	6,921	2,970
Materials and Supplies	22,150	21,850	14,181	7,669
Capital Outlay	1,500	1,500	750	750
Other	1,984,550	1,754,300	107,104	1,647,196
<b>Total Income Tax</b>	<b>2,070,391</b>	<b>1,843,141</b>	<b>181,893</b>	<b>1,661,248</b>
<b>Law Director</b>				
Personal Services	20,000	20,000	20,000	0
Contractual Services	1,000	1,000	0	1,000
Materials and Supplies	500	500	456	44
<b>Total Law Director</b>	<b>21,500</b>	<b>21,500</b>	<b>20,456</b>	<b>1,044</b>
<b>Civil Service</b>				
Personal Services	1,200	1,200	1,000	200
Materials and Supplies	1,200	1,375	1,342	33
<b>Total Civil Service</b>	<b>2,400</b>	<b>2,575</b>	<b>2,342</b>	<b>233</b>
<b>Elections</b>				
Contractual Services	6,050	6,050	6,037	13
<b>Auglaize County</b>				
Contractual Services	29,527	29,352	27,131	2,221
<b>Administrative Support</b>				
Other	5,700	5,700	0	5,700
<b>Total General Government</b>	<b>2,576,316</b>	<b>2,439,066</b>	<b>720,118</b>	<b>1,718,948</b>
<b>Debt Service:</b>				
Principal Retirement	0	20,346	20,346	0
Interest and Fiscal Charges	0	25,654	25,998	(344)
<b>Total Debt Service</b>	<b>0</b>	<b>46,000</b>	<b>46,344</b>	<b>(344)</b>
<b>Total Expenditures</b>	<b>5,946,019</b>	<b>5,946,019</b>	<b>4,321,685</b>	<b>1,624,334</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(1,442,879)</b>	<b>(1,314,959)</b>	<b>194,124</b>	<b>1,509,083</b>

(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, 2009  
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Other Financing Sources (Uses)</u>				
Loan Proceeds	\$0	\$0	\$368,662	\$368,662
Sale of Capital Assets	960	1,440	1,531	91
Transfers Out	(1,659,000)	(1,659,000)	(1,325,000)	334,000
Total Other Financing Sources (Uses)	<u>(1,658,040)</u>	<u>(1,657,560)</u>	<u>(954,807)</u>	<u>702,753</u>
Change in Fund Balance	(3,100,919)	(2,972,519)	(760,683)	2,211,836
Fund Balance Beginning of Year	2,954,972	2,954,972	2,954,972	0
Prior Year Encumbrances Appropriated	<u>194,819</u>	<u>194,819</u>	<u>194,819</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$48,872</u></u>	<u><u>\$177,272</u></u>	<u><u>\$2,389,108</u></u>	<u><u>\$2,211,836</u></u>

City of Wapakoneta  
Street and Sewer Improvement Capital Projects Fund

Schedule of Revenues, Expenditures,  
and Change in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Special Assessments	\$78,855	\$79,745	\$890
Intergovernmental	1,199,500	503,120	(696,380)
Interest	8,145	8,145	0
Other	0	479	479
<b>Total Revenues</b>	<b>1,286,500</b>	<b>591,489</b>	<b>(695,011)</b>
<u>Expenditures</u>			
Current:			
Transportation			
Street and Sewer Improvement			
Contractual Services	420,585	201,426	219,159
Materials and Supplies	4,500	4,273	227
Capital Outlay	1,330,539	438,294	892,245
Other	251,000	0	251,000
<b>Total Transportation</b>	<b>2,006,624</b>	<b>643,993</b>	<b>1,362,631</b>
Debt Service:			
Principal Retirement	35,000	31,100	3,900
Interest and Fiscal Charges	2,000	1,562	438
<b>Total Debt Service</b>	<b>37,000</b>	<b>32,662</b>	<b>4,338</b>
<b>Total Expenditures</b>	<b>2,043,624</b>	<b>676,655</b>	<b>1,366,969</b>
Excess of Revenues			
Under Expenditures	(757,124)	(85,166)	671,958
<u>Other Financing Sources</u>			
Transfers In	500,000	500,000	0
<b>Change in Fund Balance</b>	<b>(257,124)</b>	<b>414,834</b>	<b>671,958</b>
Fund Balance Beginning of Year	693,636	693,636	0
Prior Year Encumbrances Appropriated	141,624	141,624	0
<b>Fund Balance End of Year</b>	<b>\$578,136</b>	<b>\$1,250,094</b>	<b>\$671,958</b>

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, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$14,658,900	\$14,706,052	\$47,152
Other Local Taxes	11,600	54,268	42,668
Utility Deposits	10,000	12,864	2,864
Other	22,500	17,273	(5,227)
<b>Total Revenues</b>	<b>14,703,000</b>	<b>14,790,457</b>	<b>87,457</b>
<u>Expenses</u>			
Personal Services	971,900	885,945	85,955
Contractual Services	15,162,206	14,022,900	1,139,306
Materials and Supplies	1,076,365	1,036,939	39,426
Capital Outlay	5,341,825	4,358,322	983,503
Utility Refunds	15,000	11,003	3,997
Other	4,141,700	56,645	4,085,055
Debt Service:			
Principal Retirement	28,200	28,114	86
Interest Expense	5,300	5,076	224
<b>Total Expenses</b>	<b>26,742,496</b>	<b>20,404,944</b>	<b>6,337,552</b>
Excess of Revenues Under Expenses	(12,039,496)	(5,614,487)	6,425,009
<u>Other Financing Sources</u>			
Transfers In	550,000	550,000	0
<b>Change in Fund Balance</b>	<b>(11,489,496)</b>	<b>(5,064,487)</b>	<b>6,425,009</b>
Fund Balance Beginning of Year	9,845,775	9,845,775	0
Prior Year Encumbrances Appropriated	2,187,296	2,187,296	0
<b>Fund Balance End of Year</b>	<b>\$543,575</b>	<b>\$6,968,584</b>	<b>\$6,425,009</b>

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, 2009

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$1,639,050	\$1,630,840	(\$8,210)
Bond Anticipation Notes Issued	383,950	300,000	(83,950)
OWDA Loan Proceeds	9,500,000	4,850,448	(4,649,552)
Other	3,200	2,132	(1,068)
Total Revenues	<u>11,526,200</u>	<u>6,783,420</u>	<u>(4,742,780)</u>
<u>Expenses</u>			
Personal Services	396,600	354,800	41,800
Contractual Services	613,751	464,046	149,705
Materials and Supplies	404,872	380,110	24,762
Capital Outlay	9,617,845	4,661,482	4,956,363
Other	493,000	0	493,000
Debt Service:			
Principal Retirement	1,276,713	630,943	645,770
Interest Expense	204,827	84,225	120,602
Total Expenses	<u>13,007,608</u>	<u>6,575,606</u>	<u>6,432,002</u>
Change in Fund Balance	(1,481,408)	207,814	1,689,222
Fund Balance Beginning of Year	1,339,146	1,339,146	0
Prior Year Encumbrances Appropriated	<u>191,208</u>	<u>191,208</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$48,946</u></u>	<u><u>\$1,738,168</u></u>	<u><u>\$1,689,222</u></u>

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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$1,959,200	\$1,781,613	(\$177,587)
Capital Loan Proceeds	80,900	80,900	0
Loan Proceeds	0	934,968	934,968
Interest	10,000	2	(9,998)
Other	89,900	12,997	(76,903)
<b>Total Revenues</b>	<b><u>2,140,000</u></b>	<b><u>2,810,480</u></b>	<b><u>670,480</u></b>
<u>Expenses</u>			
Personal Services	655,142	633,711	21,431
Contractual Services	480,835	410,106	70,729
Materials and Supplies	232,664	201,150	31,514
Capital Outlay	139,218	1,042,141	(902,923)
Other	476,792	17,291	459,501
Debt Service:			
Principal Retirement	437,999	437,213	786
Interest Expense	517,601	494,135	23,466
<b>Total Expenses</b>	<b><u>2,940,251</u></b>	<b><u>3,235,747</u></b>	<b><u>(295,496)</u></b>
Change in Fund Balance	(800,251)	(425,267)	374,984
Fund Balance Beginning of Year	2,051,128	2,051,128	0
Prior Year Encumbrances Appropriated	80,952	80,952	0
<b>Fund Balance End of Year</b>	<b><u><u>\$1,331,829</u></u></b>	<b><u><u>\$1,706,813</u></u></b>	<b><u><u>\$374,984</u></u></b>

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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$152,500	\$158,766	\$6,266
OWDA Loan Proceeds	0	1,608	1,608
	<u>152,500</u>	<u>160,374</u>	<u>7,874</u>
<u>Expenses</u>			
Contractual Services	40,185	13,169	27,016
Materials and Supplies	23,438	17,014	6,424
Capital Outlay	742,771	311,562	431,209
Debt Service:			
Interest Expense	0	11	(11)
	<u>806,394</u>	<u>341,756</u>	<u>464,638</u>
Total Expenses	<u>806,394</u>	<u>341,756</u>	<u>464,638</u>
Change in Fund Balance	(653,894)	(181,382)	472,512
Fund Balance Beginning of Year	658,161	658,161	0
Prior Year Encumbrances Appropriated	<u>3,894</u>	<u>3,894</u>	<u>0</u>
Fund Balance End of Year	<u>\$8,161</u>	<u>\$480,673</u>	<u>\$472,512</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, 2009

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$1,082,100	\$1,047,850	(\$34,250)
Capital Loan Proceeds	145,000	145,000	0
Other	148,000	1,429	(146,571)
	<u>1,375,100</u>	<u>1,194,279</u>	<u>(180,821)</u>
<u>Expenses</u>			
Personal Services	462,700	386,038	76,662
Contractual Services	710,558	600,998	109,560
Materials and Supplies	86,722	69,973	16,749
Capital Outlay	305,300	150,938	154,362
Other	115,800	0	115,800
Debt Service:			
Principal Retirement	73,906	72,872	1,034
Interest Expense	15,594	15,377	217
	<u>1,770,580</u>	<u>1,296,196</u>	<u>474,384</u>
Change in Fund Balance	(395,480)	(101,917)	293,563
Fund Balance Beginning of Year	333,855	333,855	0
Prior Year Encumbrances Appropriated	63,980	63,980	0
Fund Balance End of Year	<u>\$2,355</u>	<u>\$295,918</u>	<u>\$293,563</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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	16,500	26,382	\$9,882
Intergovernmental	412,000	426,398	14,398
Interest	3,000	2,476	(524)
Other	8,000	4,730	(3,270)
<b>Total Revenues</b>	<b>439,500</b>	<b>459,986</b>	<b>20,486</b>
<u>Expenditures</u>			
Current:			
Transportation			
Street Maintenance			
Personal Services	313,700	300,555	13,145
Contractual Services	120,943	97,595	23,348
Materials and Supplies	123,523	96,238	27,285
Capital Outlay	40,932	30,333	10,599
Other	5,300	0	5,300
<b>Total Expenditures</b>	<b>604,398</b>	<b>524,721</b>	<b>79,677</b>
Change in Fund Balance	(164,898)	(64,735)	100,163
Fund Balance Beginning of Year	176,813	176,813	0
Prior Year Encumbrances Appropriated	14,898	14,898	0
<b>Fund Balance End of Year</b>	<b>\$26,813</b>	<b>\$126,976</b>	<b>\$100,163</b>

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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$30,900	\$33,545	\$2,645
Interest	1,500	2,203	703
Total Revenues	<u>32,400</u>	<u>35,748</u>	<u>3,348</u>
<u>Expenditures</u>			
Current:			
Transportation			
State Highway			
Contractual Services	10,000	0	10,000
Capital Outlay	147,400	3,748	143,652
Total Expenditures	<u>157,400</u>	<u>3,748</u>	<u>153,652</u>
Change in Fund Balance	(125,000)	32,000	157,000
Fund Balance Beginning of Year	<u>134,581</u>	<u>134,581</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$9,581</u></u>	<u><u>\$166,581</u></u>	<u><u>\$157,000</u></u>

City of Wapakoneta  
Motor Vehicle Permissive Tax Special Revenue Fund

Schedule of Revenues, Expenditures,  
and Change in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Other Local Taxes	\$140,000	\$139,506	(\$494)
Intergovernmental	36,500	0	(36,500)
Interest	7,000	6,154	(846)
	<u>183,500</u>	<u>145,660</u>	<u>(37,840)</u>
<u>Expenditures</u>			
Current:			
Transportation			
Motor Vehicle Permissive Tax			
Contractual Services	20,000	0	20,000
Capital Outlay	428,002	350,496	77,506
Other	138,500	0	138,500
	<u>586,502</u>	<u>350,496</u>	<u>236,006</u>
Total Expenditures	<u>586,502</u>	<u>350,496</u>	<u>236,006</u>
Change in Fund Balance	(403,002)	(204,836)	198,166
Fund Balance Beginning of Year	454,261	454,261	0
Prior Year Encumbrances Appropriated	28,002	28,002	0
Fund Balance End of Year	<u><u>\$79,261</u></u>	<u><u>\$277,427</u></u>	<u><u>\$198,166</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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$28,500	\$0	(\$28,500)
Interest	5,850	6,186	336
Revolving Loan Payments	100,650	100,680	30
Total Revenues	<u>135,000</u>	<u>106,866</u>	<u>(28,134)</u>
<u>Expenditures</u>			
Current:			
Community Environment			
Community Block Grant			
Contractual Services	485,500	58,434	427,066
Materials and Supplies	1,000	0	1,000
Total Expenditures	<u>486,500</u>	<u>58,434</u>	<u>428,066</u>
Change in Fund Balance	(351,500)	48,432	399,932
Fund Balance Beginning of Year	274,129	274,129	0
Prior Year Encumbrances Appropriated	50,000	50,000	0
Fund Balance End of Year	<u>(\$27,371)</u>	<u>\$372,561</u>	<u>\$399,932</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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Property Taxes	\$111,691	\$91,730	(\$19,961)
Intergovernmental	30,109	30,938	829
Interest	5,000	470	(4,530)
Gifts and Donations	17,200	18,629	1,429
Total Revenues	<u>164,000</u>	<u>141,767</u>	<u>(22,233)</u>
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Recreation			
Personal Services	69,600	62,584	7,016
Contractual Services	39,803	32,899	6,904
Materials and Supplies	28,785	19,445	9,340
Capital Outlay	112,300	77,024	35,276
Total Expenditures	<u>250,488</u>	<u>191,952</u>	<u>58,536</u>
Excess of Revenues Under Expenditures	<u>(86,488)</u>	<u>(50,185)</u>	<u>36,303</u>
<u>Other Financing Uses</u>			
Transfers Out	<u>(25,000)</u>	<u>0</u>	<u>25,000</u>
Change in Fund Balance	(111,488)	(50,185)	61,303
Fund Balance Beginning of Year	128,781	128,781	0
Prior Year Encumbrances Appropriated	<u>6,288</u>	<u>6,288</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$23,581</u></u>	<u><u>\$84,884</u></u>	<u><u>\$61,303</u></u>

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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$198,355	\$198,045	(\$310)
Gifts and Donations	40,535	23,410	(17,125)
Other	60	58	(2)
	<u>238,950</u>	<u>221,513</u>	<u>(17,437)</u>
Total Revenues			
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Recreation			
Personal Services	102,300	101,926	374
Contractual Services	32,496	32,439	57
Materials and Supplies	67,617	67,508	109
Capital Outlay	69,900	48,807	21,093
	<u>272,313</u>	<u>250,680</u>	<u>21,633</u>
Total Expenditures			
Change in Fund Balance	(33,363)	(29,167)	4,196
Fund Balance Beginning of Year	31,175	31,175	0
Prior Year Encumbrances Appropriated	<u>2,313</u>	<u>2,313</u>	<u>0</u>
Fund Balance End of Year	<u>\$125</u>	<u>\$4,321</u>	<u>\$4,196</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, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$200	\$340	\$140
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Law Enforcement			
Materials and Supplies	1,600	1,595	5
Change in Fund Balance	(1,400)	(1,255)	145
Fund Balance Beginning of Year	1,538	1,538	0
Fund Balance End of Year	\$138	\$283	\$145

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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$1,700	\$2,774	\$1,074
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Enforcement and Education			
Materials and Supplies	1700	1124	576
Capital Outlay	4000	4000	0
Total Expenditures	<u>5,700</u>	<u>5,124</u>	<u>576</u>
Change in Fund Balance	(4,000)	(2,350)	1,650
Fund Balance Beginning of Year	<u>5,124</u>	<u>5,124</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1,124</u></u>	<u><u>\$2,774</u></u>	<u><u>\$1,650</u></u>

City of Wapakoneta  
Drug Law Enforcement Special Revenue Fund

Schedule of Revenues, Expenditures,  
and Change in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$500	\$531	\$31
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Drug Law Enforcement			
Materials and Supplies	<u>3,700</u>	<u>3,700</u>	<u>0</u>
Change in Fund Balance	(3,200)	(3,169)	31
Fund Balance Beginning of Year	<u>3,934</u>	<u>3,934</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$734</u></u>	<u><u>\$765</u></u>	<u><u>\$31</u></u>

City of Wapakoneta  
Recreation Trust Special Revenue Fund

Schedule of Revenues, Expenditures,  
and Change in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Other	\$16,000	\$0	(\$16,000)
<u>Expenditures</u>	0	0	0
Change in Fund Balance	16,000	0	(16,000)
Fund Balance Beginning of Year	21,600	21,600	0
Fund Balance End of Year	\$37,600	\$21,600	(\$16,000)

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, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Gifts and Donations	\$500	\$46	(\$454)
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Rudd Park			
Materials and Supplies	1,300	0	1,300
Change in Fund Balance	(800)	46	846
Fund Balance Beginning of Year	820	820	0
Fund Balance End of Year	\$20	\$866	\$846

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, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$400	\$434	\$34
<u>Expenditures</u>	0	0	0
Change in Fund Balance	400	434	34
Fund Balance Beginning of Year	726	726	0
Fund Balance End of Year	\$1,126	\$1,160	\$34

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, 2009

	<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	195,000	194,445	555
Interest and Fiscal Charges	<u>35,000</u>	<u>26,245</u>	<u>8,755</u>
Total Expenditures	<u>230,000</u>	<u>220,690</u>	<u>9,310</u>
Excess of Revenues Under Expenditures	(230,000)	(220,690)	9,310
<u>Other Financing Sources</u>			
Transfers In	<u>150,000</u>	<u>150,000</u>	<u>0</u>
Change in Fund Balance	(80,000)	(70,690)	9,310
Fund Balance Beginning of Year	<u>609,003</u>	<u>609,003</u>	<u>0</u>
Fund Balance End of Year	<u>\$529,003</u>	<u>\$538,313</u>	<u>\$9,310</u>

City of Wapakoneta  
Swimming Pool Construction Capital Projects Fund

Schedule of Revenues, Expenditures,  
and Change in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$0	\$1,887	\$1,887
<u>Expenditures</u>			
	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	0	1,887	1,887
<u>Other Financing Uses</u>			
Transfers Out	<u>(708,000)</u>	<u>0</u>	<u>708,000</u>
Change in Fund Balance	(708,000)	1,887	709,887
Fund Balance (Deficit) Beginning of Year	<u>725,639</u>	<u>725,639</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u><u>\$17,639</u></u>	<u><u>\$727,526</u></u>	<u><u>\$709,887</u></u>

City of Wapakoneta  
Issue II 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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$362,000	\$324,350	(\$37,650)
<u>Expenditures</u>			
Capital Outlay	<u>360,000</u>	<u>324,350</u>	<u>35,650</u>
Change in Fund Balance	2,000	0	(2,000)
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$2,000</u></u>	<u><u>\$0</u></u>	<u><u>(\$2,000)</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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Other	\$0	\$5,200	\$5,200
<u>Expenditures</u>			
Capital Outlay	<u>130,000</u>	<u>128,433</u>	<u>1,567</u>
Excess of Revenues Under Expenditures	(130,000)	(123,233)	6,767
<u>Other Financing Sources</u>			
Transfers In	<u>75,000</u>	<u>125,000</u>	<u>50,000</u>
Change in Fund Balance	(55,000)	1,767	56,767
Fund Balance Beginning of Year	<u>202,425</u>	<u>202,425</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$147,425</u></u>	<u><u>\$204,192</u></u>	<u><u>\$56,767</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, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$170,000	\$196,610	\$26,610
Fees, Licenses, and Permits	8,800	13,262	4,462
Other	400	1,379	979
Total Revenues	<u>179,200</u>	<u>211,251</u>	<u>32,051</u>
<u>Expenses</u>			
Personal Services	187,701	186,246	1,455
Contractual Services	20,715	17,080	3,635
Materials and Supplies	14,582	11,587	2,995
Capital Outlay	1,000	900	100
Other	1,200	0	1,200
Total Expenses	<u>225,198</u>	<u>215,813</u>	<u>9,385</u>
Change in Fund Balance	(45,998)	(4,562)	41,436
Fund Balance Beginning of Year	54,217	54,217	0
Prior Year Encumbrances Appropriated	1,798	1,798	0
Fund Balance End of Year	<u><u>\$10,017</u></u>	<u><u>\$51,453</u></u>	<u><u>\$41,436</u></u>

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STATISTICAL  
SECTION

City of Wapakoneta  
Statistical Section

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

**Contents** **Page**

Financial Trends.....S-2

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

Revenue Capacity.....S-12

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

Debt Capacity.....S-32

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

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

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

Operating Information.....S-42

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

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

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

	2009	2008	2007	2006	2005
<b>Governmental Activities</b>					
Invested in Capital Assets, Net of Related Debt	\$19,716,391	\$19,192,324	\$16,550,369	\$15,550,482	\$14,957,082
Restricted for					
Debt Service	533,350	609,944	534,616	440,193	344,370
Capital Projects	2,684,217	2,534,599	4,691,427	1,020,043	842,208
Other Purposes	1,660,223	1,904,101	1,651,443	3,001,698	2,557,353
Unrestricted	3,115,472	4,051,240	3,718,111	3,002,012	2,471,796
<b>Total Governmental Activities Net Assets</b>	<b>27,709,653</b>	<b>28,292,208</b>	<b>27,145,966</b>	<b>23,014,428</b>	<b>21,172,809</b>
<b>Business-Type Activities</b>					
Invested in Capital Assets, Net of Related Debt	21,792,361	18,991,836	18,277,471	18,054,990	18,859,104
Restricted	1,141,228	1,170,970	1,236,810	1,164,741	355,195
Unrestricted	14,886,023	15,898,729	15,364,398	15,117,904	16,125,101
<b>Total Business-Type Activities Net Assets</b>	<b>37,819,612</b>	<b>36,061,535</b>	<b>34,878,679</b>	<b>34,337,635</b>	<b>35,339,400</b>
<b>Primary Government</b>					
Invested in Capital Assets, Net of Related Debt	41,508,752	38,184,160	34,827,840	33,605,472	33,816,186
Restricted	6,019,018	6,219,614	8,114,296	5,626,675	4,099,126
Unrestricted	18,001,495	19,949,969	19,082,509	18,119,916	18,596,897
<b>Total Primary Government Net Assets</b>	<b>\$65,529,265</b>	<b>\$64,353,743</b>	<b>\$62,024,645</b>	<b>\$57,352,063</b>	<b>\$56,512,209</b>

<u>2004</u>	<u>2003</u>
\$14,695,619	\$14,325,984
550,261	555,349
816,352	1,469,441
2,352,316	2,002,016
<u>1,874,180</u>	<u>1,184,646</u>
<u>20,288,728</u>	<u>19,537,436</u>
18,380,759	18,897,701
396,777	413,447
<u>14,648,742</u>	<u>12,696,857</u>
<u>33,426,278</u>	<u>32,008,005</u>
33,076,378	33,223,685
4,115,706	4,440,253
<u>16,522,922</u>	<u>13,881,503</u>
<u>\$53,715,006</u>	<u>\$51,545,441</u>

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

	2009	2008	2007	2006	2005
<u>Expenses</u>					
Governmental Activities					
Security of Persons and Property					
Police	\$1,468,762	\$1,353,354	\$1,283,549	\$1,266,253	\$1,221,018
Fire	1,617,800	1,287,195	1,189,033	1,153,285	1,182,460
Other	15,744	27,849	14,584	11,066	119,623
Public Health	194,857	231,505	231,311	215,334	212,986
Leisure Time Activities	412,328	304,089	217,175	196,271	223,249
Community Environment	137,689	109,785	87,005	98,537	120,691
Transportation	1,366,920	1,312,919	1,212,316	1,029,441	1,439,048
General Government	705,023	496,979	568,638	550,479	434,292
Interest and Fiscal Charges	87,500	70,941	82,806	93,647	103,670
Total Governmental Activities Expenses	<u>6,006,623</u>	<u>5,194,616</u>	<u>4,886,417</u>	<u>4,614,313</u>	<u>5,057,037</u>
Business-Type Activities					
Electric	13,411,381	14,456,015	15,018,241	14,306,107	7,035,506
Water	827,854	1,084,075	1,022,962	1,013,762	813,587
Sewer	2,927,271	2,231,009	2,095,884	2,077,733	1,736,226
Storm Sewer	85,127	83,831	71,239	120,408	102,578
Refuse	1,005,233	1,022,632	1,413,105	1,033,454	872,598
Total Business-Type Activities Expenses	<u>18,256,866</u>	<u>18,877,562</u>	<u>19,621,431</u>	<u>18,551,464</u>	<u>10,560,495</u>
Total Primary Government Expenses	<u>24,263,489</u>	<u>24,072,178</u>	<u>24,507,848</u>	<u>23,165,777</u>	<u>15,617,532</u>
<u>Program Revenues</u>					
Governmental Activities					
Charges for Services					
Security of Persons and Property					
Police	9,456	8,911	10,723	9,996	7,352
Fire	43,616	41,361	42,190	49,611	38,084
Public Health	380,940	302,651	371,603	296,934	295,465
Leisure Time Activities	197,945	121,592	0	0	350
Community Environment	0	0	250	0	0
Transportation	223,294	231,173	156,627	207,116	322,510
General Government	39,969	36,549	33,621	26,362	26,651
Total Charges for Services	<u>895,220</u>	<u>742,237</u>	<u>615,014</u>	<u>590,019</u>	<u>690,412</u>
Operating Grants, Contributions, and Interest	608,906	863,897	739,172	871,074	1,263,577
Capital Grants, Contributions, and Interest	426,237	285,219	2,150,030	161,197	29,847
Total Governmental Activities Program Revenues	<u>1,930,363</u>	<u>1,891,353</u>	<u>3,504,216</u>	<u>1,622,290</u>	<u>1,983,836</u>
Business-Type Activities					
Charges for Services					
Electric	14,731,146	14,705,519	14,907,663	12,848,899	7,785,644
Water	1,651,348	1,609,240	1,544,797	1,404,361	1,312,634
Sewer	1,789,863	1,845,275	1,888,360	1,856,922	1,827,371
Storm Sewer	158,771	156,374	155,588	156,184	154,160
Refuse	1,085,472	1,112,113	1,085,587	921,989	924,455
Total Charges for Services	<u>19,416,600</u>	<u>19,428,521</u>	<u>19,581,995</u>	<u>17,188,355</u>	<u>12,004,264</u>
Operating Grants, Contributions, and Interest	0	0	0	13,000	0
Total Business-Type Activities Program Revenues	<u>19,416,600</u>	<u>19,428,521</u>	<u>19,581,995</u>	<u>17,201,355</u>	<u>12,004,264</u>
Total Primary Government Program Revenues	<u>21,346,963</u>	<u>21,319,874</u>	<u>23,086,211</u>	<u>18,823,645</u>	<u>13,988,100</u>
<u>Net (Expense) Revenue</u>					
Governmental Activities					
	(4,076,260)	(3,303,263)	(1,382,201)	(2,992,023)	(3,073,201)
Business-Type Activities					
	1,159,734	550,959	(39,436)	(1,350,109)	1,443,769
Total Primary Government Net Expense	<u>(2,916,526)</u>	<u>(2,752,304)</u>	<u>(1,421,637)</u>	<u>(4,342,132)</u>	<u>(1,629,432)</u>

<u>2004</u>	<u>2003</u>
\$1,145,709	\$1,142,760
1,166,485	1,011,846
20,226	56,884
226,206	222,529
165,540	161,832
62,593	99,744
1,596,994	937,128
390,067	441,101
120,857	203,770
4,894,677	4,277,594
6,772,154	6,718,403
1,196,319	1,072,455
1,540,649	1,426,900
147,612	71,095
766,336	857,056
10,423,070	10,145,909
15,317,747	14,423,503
9,314	6,203
37,657	41,073
181,748	180,201
1,130	0
0	0
241,842	170,253
35,148	30,855
506,839	428,585
778,158	604,227
512,480	384,169
1,797,477	1,416,981
7,250,248	7,250,893
1,210,189	1,155,879
1,799,788	1,677,186
151,128	149,247
890,986	902,553
11,302,339	11,135,758
155,203	50,000
11,457,542	11,185,758
13,255,019	12,602,739
(3,097,200)	(2,860,613)
1,034,472	1,039,849
(2,062,728)	(1,820,764)

(continued)

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

	2009	2008	2007	2006	2005
<u>General Revenues and Other Changes in Net Assets</u>					
Governmental Activities					
Property Taxes Levied for General Purposes	\$365,898	\$376,258	\$382,346	\$390,020	\$356,201
Property Taxes Levied for Recreation	92,532	100,267	103,445	106,334	105,934
Municipal Income Taxes	2,163,600	2,419,511	2,286,433	2,290,400	2,136,920
Other Local Taxes	604,597	666,801	702,847	678,614	656,921
Grants and Entitlements not Restricted to Specific Programs	571,917	736,776	699,524	530,856	483,500
Franchise Taxes	70,776	67,136	50,369	45,289	39,650
Interest	123,591	522,389	919,480	892,006	546,259
Gifts and Donations	9,671	59,095	8,352	13,142	7,791
Other	48,787	47,323	30,384	153,570	9,090
Gain on Sale of Investment	0	0	758,441	0	0
Transfers	(557,664)	(546,051)	(427,882)	(266,589)	(384,984)
Total Governmental Activities	<u>3,493,705</u>	<u>4,449,505</u>	<u>5,513,739</u>	<u>4,833,642</u>	<u>3,957,282</u>
Business-Type Activities					
Interest	2	19,753	59,555	36,694	10,904
Other	40,677	66,093	93,043	45,061	73,465
Transfers	557,664	546,051	427,882	266,589	384,984
Total Business-Type Activities	<u>598,343</u>	<u>631,897</u>	<u>580,480</u>	<u>348,344</u>	<u>469,353</u>
Total Primary Government	<u>4,092,048</u>	<u>5,081,402</u>	<u>6,094,219</u>	<u>5,181,986</u>	<u>4,426,635</u>
<u>Change in Net Assets</u>					
Governmental Activities	(582,555)	1,146,242	4,131,538	1,841,619	884,081
Business-Type Activities	1,758,077	1,182,856	541,044	(1,001,765)	1,913,122
Total Primary Government Change in Net Assets	<u>\$1,175,522</u>	<u>\$2,329,098</u>	<u>\$4,672,582</u>	<u>\$839,854</u>	<u>\$2,797,203</u>

<u>2004</u>	<u>2003</u>
\$343,628	\$349,783
102,350	104,731
2,118,637	2,004,839
639,180	641,975
653,985	515,817
37,741	57,486
236,441	260,864
17,348	22,090
24,438	32,297
0	0
<u>(325,256)</u>	<u>(554,880)</u>
<u>3,848,492</u>	<u>3,435,002</u>
30,482	2,001
28,063	39,259
<u>325,256</u>	<u>554,880</u>
<u>383,801</u>	<u>596,140</u>
<u>4,232,293</u>	<u>4,031,142</u>
751,292	574,389
<u>1,418,273</u>	<u>1,635,989</u>
<u><u>\$2,169,565</u></u>	<u><u>\$2,210,378</u></u>

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund					
Reserved	\$138,697	\$159,606	\$204,428	\$82,397	\$40,641
Unreserved	<u>2,546,481</u>	<u>3,169,890</u>	<u>2,838,888</u>	<u>2,303,358</u>	<u>1,731,727</u>
Total General Fund	<u>2,685,178</u>	<u>3,329,496</u>	<u>3,043,316</u>	<u>2,385,755</u>	<u>1,772,368</u>
All Other Governmental Funds					
Reserved	330,711	465,171	1,859,426	485,067	841,079
Unreserved, Reported in					
Special Revenue Funds	1,265,764	1,392,222	1,078,936	2,444,533	1,894,745
Debt Service Funds	539,473	609,729	520,071	413,201	301,980
Capital Projects Funds	<u>2,177,385</u>	<u>1,617,466</u>	<u>1,384,703</u>	<u>688,783</u>	<u>478,067</u>
Total All Other Governmental Funds	<u>4,313,333</u>	<u>4,084,588</u>	<u>4,843,136</u>	<u>4,031,584</u>	<u>3,515,871</u>
Total Governmental Funds	<u>\$6,998,511</u>	<u>\$7,414,084</u>	<u>\$7,886,452</u>	<u>\$6,417,339</u>	<u>\$5,288,239</u>

Information prior to 2003 not available.

<u>2004</u>	<u>2003</u>
\$38,253	\$59,165
<u>899,035</u>	<u>690,012</u>
<u>937,288</u>	<u>749,177</u>
298,187	142,587
2,175,390	1,805,603
229,925	161,129
<u>831,123</u>	<u>1,364,097</u>
<u>3,534,625</u>	<u>3,473,416</u>
<u>\$4,471,913</u>	<u>\$4,222,593</u>

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

	2009	2008	2007	2006	2005
<u>Revenues</u>					
Property Taxes	\$454,699	\$475,488	\$485,855	\$494,322	\$463,550
Municipal Income Taxes	2,138,100	2,343,504	2,330,159	2,186,885	2,155,844
Other Local Taxes	744,078	739,543	775,349	750,786	729,535
Special Assessments	79,745	113,600	99,838	127,830	141,800
Charges for Services	624,096	534,173	383,477	394,449	314,313
Fees, Licenses, and Permits	98,226	84,803	58,235	49,667	53,014
Fines and Forfeitures	21,495	26,414	28,153	26,397	19,469
Intergovernmental	1,985,445	2,352,860	1,429,731	1,112,975	1,932,243
Interest	167,697	638,987	1,385,496	1,123,113	622,515
Gifts and Donations	51,756	306,596	29,040	39,358	33,081
Other	48,557	47,323	29,805	153,570	9,443
<b>Total Revenues</b>	<b>6,413,894</b>	<b>7,663,291</b>	<b>7,035,138</b>	<b>6,459,352</b>	<b>6,474,807</b>
<u>Expenditures</u>					
Current:					
Security of Persons and Property					
Police	1,498,398	1,335,039	1,275,070	1,261,097	1,184,347
Fire	1,771,274	1,228,768	1,157,457	1,468,411	1,201,714
Other	14,842	27,847	14,333	13,040	119,204
Public Health	171,546	270,897	218,356	191,798	188,684
Leisure Time Activities	425,862	1,874,381	283,512	209,160	284,270
Community Environment	136,721	105,721	75,643	113,779	121,393
Transportation	1,651,528	1,790,505	1,128,899	741,257	1,203,088
General Government	679,793	474,176	1,129,757	533,235	416,606
Debt Service:					
Principal Retirement	358,346	449,624	454,074	448,553	448,060
Interest and Fiscal Charges	74,109	61,042	73,146	84,149	94,174
<b>Total Expenditures</b>	<b>6,782,419</b>	<b>7,618,000</b>	<b>5,810,247</b>	<b>5,064,479</b>	<b>5,261,540</b>
Excess of Revenues Over (Under) Expenditures	(368,525)	45,291	1,224,891	1,394,873	1,213,267
<u>Other Financing Sources (Uses)</u>					
Loan Proceeds	368,662	0	0	0	0
Sale of Capital Assets	1,531	0	4,201	816	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	0	758,441	0	0
Transfers In	907,759	1,147,341	1,751,741	967,411	500,059
Transfers Out	(1,325,000)	(1,665,000)	(2,270,161)	(1,234,000)	(897,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(47,048)</b>	<b>(517,659)</b>	<b>244,222</b>	<b>(265,773)</b>	<b>(396,941)</b>
<b>Change in Fund Balance</b>	<b>(\$415,573)</b>	<b>(\$472,368)</b>	<b>\$1,469,113</b>	<b>\$1,129,100</b>	<b>\$816,326</b>
Debt Service as a Percentage of Noncapital Expenditures	7.68%	10.18%	11.15%	12.11%	11.61%

Information prior to 2003 not available.

2004	2003
\$450,912	\$449,601
2,064,190	2,031,494
712,250	714,371
110,523	122,025
282,566	272,376
54,022	44,452
28,312	25,471
1,319,319	1,202,606
497,487	304,393
35,090	105,535
24,085	30,794
<u>5,578,756</u>	<u>5,303,118</u>

1,115,067	1,175,836
1,127,628	995,116
20,343	56,880
204,721	315,559
140,660	249,335
133,654	134,590
1,395,155	995,578
374,390	426,549
431,989	3,020,000
118,485	306,967
<u>5,062,092</u>	<u>7,676,410</u>

<u>516,664</u>	<u>(2,373,292)</u>
----------------	--------------------

0	0
0	1,510
0	288,400
0	2,836,000
0	145,000
0	0
876,428	1,225,000
(1,143,772)	(1,758,500)
<u>(267,344)</u>	<u>2,737,410</u>
<u>\$249,320</u>	<u>\$364,118</u>

11.90%	48.13%
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City of Wapakoneta  
Assessed and Estimated Actual Value of Taxable Property  
Last Ten Years

Year	Real Property				Public Utility Personal Property		
	Assessed Value			Total Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial	Public Utility				
2009	\$108,578,130	\$47,073,300	\$87,780	\$155,739,210	\$444,969,171	\$577,790	\$656,580
2008	99,932,540	43,264,780	46,920	143,244,240	409,269,257	584,380	664,068
2007	98,356,360	41,575,210	43,590	139,975,160	399,929,029	3,300,180	3,750,205
2006	96,797,980	39,755,360	77,760	136,631,100	390,374,571	3,745,680	4,256,455
2005	85,608,830	33,803,110	76,420	119,488,360	341,395,314	3,715,910	4,222,625
2004	84,027,250	33,452,810	75,780	117,555,840	335,873,829	3,816,660	4,337,114
2003	82,548,700	33,025,070	74,390	115,648,160	330,423,314	3,954,800	4,494,091
2002	76,609,370	32,569,640	71,520	109,250,530	312,144,371	4,045,290	4,596,920
2001	74,844,900	33,066,020	73,910	107,984,830	308,528,086	4,711,420	5,353,886
2000	72,754,680	32,587,890	87,770	105,430,340	301,229,543	3,802,580	4,321,114

Source: Auglaize County Auditor

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

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

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

Tangible Personal Property		Total		Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$868,780	\$868,780	\$157,185,780	\$446,494,531	\$3.43
4,227,152	67,634,432	148,055,772	477,567,757	3.45
8,454,304	67,634,432	151,729,644	471,313,666	3.47
10,846,559	57,848,315	151,223,339	452,479,341	3.48
14,938,545	59,754,180	138,142,815	405,372,119	3.55
21,012,884	84,051,536	142,385,384	424,262,479	3.56
22,326,522	89,306,088	141,929,482	424,223,493	3.56
22,437,024	89,748,096	135,732,844	406,489,387	3.59
25,315,900	101,263,600	138,012,150	415,145,572	3.59
22,119,150	88,476,600	131,352,070	394,027,257	3.59

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

Collection Year	2009	2008	2007	2006	2005
<b>Voted Millage</b>					
2002 Recreation - 5 Years					
Effective Millage Rates					
Residential/Agriculture	\$0.5989	\$0.5989	\$0.6299	\$0.6316	\$0.7014
Commercial/Industrial	0.8441	0.8693	0.8607	0.8528	0.9316
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000	1.0000
<b>Unvoted Millage</b>					
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
<b>Total Unvoted Millage</b>	<b>2.7500</b>	<b>2.7500</b>	<b>2.7500</b>	<b>2.7500</b>	<b>2.7500</b>
<b>Total Millage</b>					
Total Effective Millage by Type of Property					
Residential/Agriculture	3.3489	3.3489	3.3799	3.3816	3.4514
Commercial/Industrial	3.5941	3.6193	3.6107	3.6028	3.6816
Tangible/Public Utility Personal	3.7500	3.7500	3.7500	3.7500	3.7500
Auglaize County	11.7500	11.7500	11.7500	11.2500	11.2500
Wapakoneta City School District	31.3000	31.3000	31.3000	29.6000	29.6000
Apollo Career Center	2.2000	2.2000	2.2000	2.2000	2.2000
Duchouquet Township	0.0000	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>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$0.7028	\$0.7035	\$0.7451	\$0.7477	\$0.7509
0.9314	0.9301	0.9256	0.8999	0.8985
<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>
3.4528	3.4535	3.4951	3.4977	3.5009
3.6814	3.6801	3.6756	3.6499	3.6485
<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>
11.2500	9.3700	9.4000	9.4000	9.4000
29.6000	29.8000	30.7000	30.7000	30.7000
2.2000	2.2000	2.2000	2.2000	2.2000
0.2000	0.2000	0.2000	0.2000	0.2000

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City of Wapakoneta  
Property Tax Levies and Collections  
Last Ten Years

Year	Current Tax Levy (1)	Current Tax Collections	Percent Collected	Total Outstanding Delinquent Taxes	Percent Delinquent
2009	\$567,693	\$460,924	81.19%	\$11,798	2.08%
2008	579,024	565,256	97.62	8,248	1.42
2007	545,199	598,187	109.72	14,151	2.60
2006	553,228	606,765	109.68	12,849	2.32
2005	548,783	583,413	106.31	7,559	1.38
2004	508,913	491,031	96.49	13,257	2.60
2003	502,468	486,704	96.86	20,341	4.05
2002	494,903	469,867	94.94	12,646	2.56
2001	481,194	471,669	98.02	8,475	1.76
2000	461,863	456,994	98.95	8,545	1.85

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	2009		
		Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Wal-Mart Stores East LP	Retail Business	\$3,355,230	1	2.15%
GAMCO Components Group LLC	Automotive Suspension Manufacturing	1,980,650	2	1.28
Schlenker Enterprises	Land Developments and Apartments	1,823,480	3	1.17
Lowes Home Centers, Inc.	Retail Business	1,629,310	4	1.05
Ametek, Inc.	Plastic Compounds	1,164,360	5	0.75
DW 28 Wapakoneta LLC	Retail Business	1,097,780	6	0.70
Koneta, Inc.	Rubber Truck Accessories Manufacturing	1,081,660	7	0.69
Quaker Run Farms	Warehousing and Distribution	987,150	8	0.64
Normandy Ridge Limited	Residential Apartments	858,600	9	0.55
Miller's Textile Services, Inc.	Uniform Rentals	844,160	10	0.54
LRV Acquisition	Hotel Properties			
L&G Truckers	Truck Stop			
Auglaize Investment Company	Big Bear Department Store			
Quaker Run	Residential Apartments			
WBW LLC	Hotel Properties			
JB Tool and Machine Company	Metal Stamping and Turning			
	Total	14,822,380		9.52
	All Other Taxpayers	140,916,830		90.48
	Total Assessed Valuation	<u>\$155,739,210</u>		<u>100.00%</u>

Source: Auglaize County Auditor

2000		
<u>Real Property Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
\$2,011,870	1	1.91%
1,328,890	2	1.26
943,650	5	0.90
1,202,280	3	1.14
975,080	4	0.93
875,810	6	0.83
801,830	7	0.76
795,420	8	0.75
656,020	9	0.62
<u>600,700</u>	10	<u>0.57</u>
10,191,550		9.67
<u>95,238,790</u>		<u>90.33</u>
<u>\$105,430,340</u>		<u>100.00%</u>

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City of Wapakoneta  
Income Tax Revenue Base and Collections  
Last Six 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
2009	1.00%	\$2,163,600	\$1,706,006	78.85%	\$119,471	5.52%	\$338,123	15.63%
2008	1.00	2,419,511	1,843,971	76.21	228,064	9.43	347,476	14.36
2007	1.00	2,286,433	1,794,095	78.47	169,089	7.40	323,249	14.13
2006	1.00	2,290,400	1,689,748	73.78	309,030	13.49	291,622	12.73
2005	1.00	2,136,920	1,726,299	80.78	139,636	6.53	270,985	12.68
2004	1.00	2,118,637	1,648,114	77.79	157,669	7.44	312,854	14.77

Source: City Records

Note: Tax years prior to 2004 not available.

City of Wapakoneta  
Electric Utility Statistics  
Last Ten Years

	2009	2008	2007	2006	2005
<b>Kilowatt Hours Purchased from:</b>					
American Electric Power	0	0	197,661,771	187,474,222	187,080,998
AMP-Ohio	170,099,880	191,475,666	4,149,000	4,122,000	4,096,736
<b>Total Kilowatt Hours Purchased</b>	<b>170,099,880</b>	<b>191,475,666</b>	<b>201,810,771</b>	<b>191,596,222</b>	<b>191,177,734</b>
<b>Payments for Purchased Power to:</b>					
American Electric Power	\$0	\$11,197	\$13,344,311	\$12,570,995	\$5,252,736
AMP-Ohio	11,750,318	12,608,416	146,348	136,101	165,854
<b>Total Payments for Purchased Power</b>	<b>\$11,750,318</b>	<b>\$12,619,613</b>	<b>\$13,490,659</b>	<b>\$12,707,096</b>	<b>\$5,418,590</b>
<b>Kilowatt Hours Sold to Users</b>					
Residential	48,207,823	49,579,753	50,710,462	48,981,563	51,072,037
Commercial	51,504,966	54,894,606	59,434,626	62,709,278	61,528,576
Industrial	60,748,180	73,796,880	78,444,120	70,704,980	63,297,900
<b>Total Kilowatt Hours Sold to Users</b>	<b>160,460,969</b>	<b>178,271,239</b>	<b>188,589,208</b>	<b>182,395,821</b>	<b>175,898,513</b>
<b>Charges for Kilowatt Hours Sold to Users</b>					
Residential	\$4,619,968	\$4,420,838	\$4,324,976	\$3,691,525	\$2,568,233
Commercial	5,364,868	5,355,024	5,510,541	4,938,547	3,158,202
Industrial	5,013,166	5,503,887	5,511,166	4,587,937	2,604,184
<b>Total Dollar Amount of Kilowatt Hours Sold to Users</b>	<b>\$14,998,002</b>	<b>\$15,279,749</b>	<b>\$15,346,683</b>	<b>\$13,218,009</b>	<b>\$8,330,619</b>

**Rate**

<b>Residential</b>		
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
<b>Commercial</b>		
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
<b>Industrial (Large Power)</b>		
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.

2004	2003	2002	2001	2000
182,064,625	179,583,038	179,215,817	169,197,813	177,338,340
4,172,642	4,749,257	5,021,624	4,706,427	5,537,652
<u>186,237,267</u>	<u>184,332,295</u>	<u>184,237,441</u>	<u>173,904,240</u>	<u>182,875,992</u>
\$5,035,490	\$4,939,067	\$4,977,901	\$4,744,500	\$5,000,663
97,896	115,651	121,407	112,609	100,395
<u>\$5,133,386</u>	<u>\$5,054,718</u>	<u>\$5,099,308</u>	<u>\$4,857,109</u>	<u>\$5,101,058</u>
48,335,392	47,658,779	49,167,864	45,955,454	43,937,445
56,617,209	55,814,108	56,865,233	57,127,766	58,086,396
65,596,500	68,457,100	69,255,300	62,258,000	70,867,400
<u>170,549,101</u>	<u>171,929,987</u>	<u>175,288,397</u>	<u>165,341,220</u>	<u>172,891,241</u>
\$2,404,143	\$2,364,694	\$2,442,441	\$2,309,352	\$2,202,581
2,862,108	2,817,770	2,867,954	2,896,209	2,946,545
2,548,999	2,601,531	2,646,084	2,466,596	2,679,322
<u>\$7,815,250</u>	<u>\$7,783,995</u>	<u>\$7,956,479</u>	<u>\$7,672,157</u>	<u>\$7,828,448</u>

City of Wapakoneta  
Water Utility Statistics  
Last Ten Years

Type of Customer	2009	2008	2007	2006	2005
Residential	\$1,048,899	\$977,828	\$931,953	\$845,137	\$803,042
Industrial	274,435	312,965	310,036	263,913	209,814
Commercial	280,266	270,467	271,697	264,331	256,465
<b>Total Billed</b>	<b>\$1,603,600</b>	<b>\$1,561,260</b>	<b>\$1,513,686</b>	<b>\$1,373,381</b>	<b>\$1,269,321</b>
<b>Billed in Cubic Feet</b>					
<b>Rate in Cubic Feet:</b>					
<b>All Customers</b>					
0 - 200	\$7.72	\$7.14	\$6.61	\$6.12	\$5.67
201 - 1,300	3.25	3.01	2.79	2.58	2.39
1,301 - 6,100	2.71	2.51	2.32	2.15	1.99
6,101 - 22,800	2.20	2.04	1.89	1.75	1.62
22,801 and up	1.99	1.84	1.70	1.57	1.45
<b>Multi Residential</b>					
0 - 200	\$7.72	\$7.14	\$6.61	\$6.12	\$5.67
Each Additional 100	3.15	2.91	2.69	2.49	2.31

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.

2004	2003	2002	2001	2000
\$709,519	\$707,773	\$754,799	\$743,662	\$609,917
207,575	167,426	156,204	159,939	118,322
204,331	227,810	246,097	228,353	198,081
<u>\$1,121,425</u>	<u>\$1,103,009</u>	<u>\$1,157,100</u>	<u>\$1,131,954</u>	<u>\$926,320</u>

\$5.25	\$5.25	\$5.25	\$5.25	\$4.50
2.21	2.21	2.21	2.21	1.81
1.84	1.84	1.84	1.84	1.44
1.50	1.50	1.50	1.50	1.10
1.34	1.34	1.34	1.34	0.94
\$5.25	\$5.25	\$5.25	\$5.25	\$4.50
2.14	2.14	2.14	2.14	1.74

City of Wapakoneta  
Sewer Utility Statistics  
Last Ten Years

Type of Customer	2009	2008	2007	2006	2005
Residential	\$1,051,463	\$1,035,296	\$1,045,093	\$1,013,454	\$1,016,743
Commercial	291,326	300,312	318,508	348,872	365,911
Industrial	400,621	473,693	512,977	471,939	414,251
<b>Total Billed</b>	<b>\$1,743,410</b>	<b>\$1,809,301</b>	<b>\$1,876,578</b>	<b>\$1,834,265</b>	<b>\$1,796,905</b>

Billed in Cubic Feet

Base Rate for First 200 Cubic Feet:

Residential	\$10.20	\$10.05	\$9.90	\$9.75	\$9.60
Commercial	10.20	10.05	9.90	9.75	9.60
Industrial	10.20	10.05	9.90	9.75	9.60

Additional per 100 Cubic Feet:

Residential	\$2.98	\$2.93	\$2.89	\$2.85	\$2.81
Commercial	3.21	3.16	3.11	3.06	3.01
Industrial	2.98	2.93	2.89	2.85	2.81

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.

2004	2003	2002	2001	2000
\$994,203	\$974,159	\$854,661	\$667,021	\$641,624
304,829	342,570	318,176	231,829	273,393
425,951	337,538	285,997	233,445	236,919
<u>\$1,724,983</u>	<u>\$1,654,267</u>	<u>\$1,458,834</u>	<u>\$1,132,295</u>	<u>\$1,151,936</u>

\$9.46	\$9.32	\$7.76	\$6.21	\$6.03
9.46	9.32	7.76	6.21	6.03
9.46	9.32	7.76	6.21	6.03

\$2.77	\$2.73	\$2.28	\$1.82	\$1.76
2.97	2.93	2.44	1.95	1.89
2.77	2.73	2.28	1.82	1.76

City of Wapakoneta  
Storm Sewer Utility Statistics  
Last Ten Years

Type of Customer	2009	2008	2007	2006	2005
Residential	\$87,722	\$87,772	\$87,348	\$86,742	\$85,832
Commercial/Industrial	68,133	66,802	67,425	67,411	66,755
<b>Total Billed</b>	<b>\$155,855</b>	<b>\$154,574</b>	<b>\$154,773</b>	<b>\$154,153</b>	<b>\$152,587</b>

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>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$84,732	\$83,888	\$82,568	\$82,146	\$81,802
<u>64,812</u>	<u>63,852</u>	<u>63,684</u>	<u>62,757</u>	<u>62,799</u>
<u>149,544</u>	<u>\$147,740</u>	<u>\$146,252</u>	<u>\$144,903</u>	<u>\$144,601</u>

City of Wapakoneta  
Refuse Utility Statistics  
Last Ten Years

Type of Customer	2009	2008	2007	2006	2005
Residential	\$386,024	\$366,097	\$342,334	\$294,849	\$291,252
Commercial/Industrial	194,305	207,471	203,805	136,612	141,192
Bag Sales (all customers)	254,313	287,938	267,579	236,150	241,800
<b>Total</b>	<b>\$834,642</b>	<b>\$861,506</b>	<b>\$813,718</b>	<b>\$667,611</b>	<b>\$674,244</b>
Amount Paid by City to Waste Management	\$206,999	\$215,993	\$220,755	\$219,332	\$180,182
Amount per Ton Paid to Waste Management	\$59.15	\$55.09	\$53.55	\$51.00	\$41.60
<b>Monthly Base Rate:</b>					
Residential Inside	\$8	\$7	\$7	\$6	\$6
Residential Outside	\$12	\$11	\$11	\$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.

2004	2003	2002	2001	2000
\$290,097	\$289,368	\$288,412	\$289,659	\$287,472
128,449	128,209	124,606	125,568	116,691
195,500	188,450	209,700	225,200	200,000
<u>\$614,046</u>	<u>\$606,027</u>	<u>\$622,718</u>	<u>\$640,427</u>	<u>\$604,163</u>
<u>\$161,692</u>	<u>\$160,854</u>	<u>\$146,767</u>	<u>\$144,449</u>	<u>\$112,203</u>
\$39.30	\$37.30	\$37.30	\$36.50	\$36.50
\$6	\$6	\$6	\$6	\$6
\$10	\$10	\$10	\$10	\$10

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

Year	Governmental Activities				Business-Type Activities		
	General Obligation Bonds	Special Assessment Bonds	Capital Loans	Loans Payable	General Obligation Bonds	Mortgage Revenue Bonds	Due to Auglaize County
2009	\$1,071,228	\$0	\$0	\$348,316	\$45,900	\$9,315,000	\$8,750
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

Source: City Records

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

OWDA Loans	Capital Loans	Loans Payable	Landfill Closure	Total Debt	Per Capita (1)	Percentage of Personal Income (1)
\$4,853,063	\$280,568	\$883,369	\$1,622,901	\$18,429,095	\$1,953	10.29%
1,007	80,256	0	1,673,180	12,886,740	1,366	7.20
0	126,906	0	1,711,318	13,764,329	1,437	7.57
0	57,749	0	1,274,332	14,046,873	1,463	7.71
0	105,765	0	1,294,710	7,318,821	768	4.05
0	151,762	0	1,315,484	8,008,862	841	4.43
0	195,789	0	1,342,111	8,677,294	916	4.83
0	115,913	0	1,380,609	8,463,949	893	4.71
943,414	53,977	0	1,404,221	9,895,362	1,044	5.50
943,414	56,370	0	1,436,123	10,407,216	1,099	5.79

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
2009	9,438	\$446,494,531	\$1,117,128	0.25%	\$118.36
2008	9,432	\$477,567,757	\$1,465,851	0.31	155.41
2007	9,579	471,313,666	1,894,881	0.40	197.82
2006	9,602	452,479,341	2,329,212	0.51	242.58
2005	9,531	405,372,119	2,758,802	0.68	289.46
2004	9,518	424,262,479	3,188,472	0.75	334.99
2003	9,474	424,223,493	3,603,364	0.85	380.34
2002	9,474	406,489,387	3,425,000	0.84	361.52
2001	9,474	415,145,572	3,705,000	0.89	391.07
2000	9,474	394,027,257	3,982,541	1.01	420.37

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

City of Wapakoneta  
 Computation of Direct and Overlapping Debt for Governmental Activities  
 December 31, 2009

Jurisdiction	Outstanding Debt	Percentage Applicable to City of Wapakoneta (1)	Amount Applicable to City of Wapakoneta
City of Wapakoneta			
2003 Various Purpose	\$1,071,228	100.00%	\$1,071,228
Loans Payable	348,316		348,316
Wapakoneta City School District	26,385,000	47.51	12,535,514
Auglaize County	55,202	17.31	9,555
Total	<u>\$27,859,746</u>		<u>\$13,964,613</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

	2009	2008	2007	2006
Total Assessed Valuation	<u>\$157,185,780</u>	<u>\$148,055,772</u>	<u>\$151,729,644</u>	<u>\$151,223,339</u>
Overall Debt Limitation - 10.5 Percent of Assessed Valuation	16,504,507	15,545,856	15,931,613	15,878,451
Gross Indebtedness	17,130,316	11,861,263	13,112,930	14,313,847
Less Debt Outside Limitation				
Bond Anticipation Notes	300,000	600,000	990,000	1,450,000
General Obligation Bonds	45,900	67,900	89,300	110,300
Special Assessment Bonds	0	0	0	0
Mortgage Revenue Bonds	9,315,000	9,670,000	10,015,000	10,350,000
OWDA Loans	4,853,063	1,007	0	0
Capital Loans	280,568	80,256	157,930	118,847
Loans Payable	<u>883,369</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness	1,452,416	1,442,100	1,860,700	2,284,700
Less Fund Balance in Debt Service Fund	<u>539,473</u>	<u>609,729</u>	<u>520,071</u>	<u>413,201</u>
Net Debt Within 10.5 Percent Limitation	<u>912,943</u>	<u>832,371</u>	<u>1,340,629</u>	<u>1,871,499</u>
Legal Debt Margin Within 10.5 Percent Limitation	<u>\$15,591,564</u>	<u>\$14,713,485</u>	<u>\$14,590,984</u>	<u>\$14,006,952</u>
Legal Debt Margin as a Percentage of the Overall Debt Limitation	94.47%	94.65%	91.59%	88.21%
Unvoted Debt Limitation - 5.5 Percent of Assessed Valuation	\$8,645,218	\$8,143,067	\$8,345,130	\$8,317,284
Gross Indebtedness	17,130,316	11,861,263	13,112,930	14,313,847
Less Debt Outside Limitation				
Bond Anticipation Notes	300,000	600,000	990,000	1,450,000
General Obligation Bonds	45,900	67,900	89,300	110,300
Special Assessment Bonds	0	0	0	0
Mortgage Revenue Bonds	9,315,000	9,670,000	10,015,000	10,350,000
OWDA Loans	4,853,063	1,007	0	0
Capital Loans	280,568	80,256	157,930	118,847
Loans Payable	<u>883,369</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness	1,452,416	1,442,100	1,860,700	2,284,700
Less Fund Balance in Debt Service Fund	<u>539,473</u>	<u>609,729</u>	<u>520,071</u>	<u>413,201</u>
Net Debt Within 5.5 Percent Limitation	<u>912,943</u>	<u>832,371</u>	<u>1,340,629</u>	<u>1,871,499</u>
Legal Debt Margin Within 5.5 Percent Limitation	<u>\$7,732,275</u>	<u>\$7,310,696</u>	<u>\$7,004,501</u>	<u>\$6,445,785</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	89.44%	89.78%	83.94%	77.50%

Source: City Records

2005	2004	2003	2002	2001	2000
<u>\$138,142,815</u>	<u>\$142,385,384</u>	<u>\$141,929,482</u>	<u>\$135,732,844</u>	<u>\$138,012,150</u>	<u>\$131,352,070</u>
14,504,996	14,950,465	14,902,596	14,251,949	14,491,276	13,791,967
14,724,416	15,082,873	14,762,589	9,958,036	13,323,554	12,869,843
8,588,400	8,257,600	7,276,800	2,547,941	4,730,977	3,835,860
130,900	151,100	170,600	0	0	0
0	0	0	0	0	17,459
3,105,000	3,280,000	3,445,000	3,605,000	3,760,000	3,910,000
0	0	0	1,123	943,414	943,414
196,016	270,273	340,789	115,913	53,977	86,429
0	0	0	0	0	0
2,704,100	3,123,900	3,529,400	3,688,059	3,835,186	4,076,681
<u>301,980</u>	<u>229,925</u>	<u>161,129</u>	<u>118,215</u>	<u>60,695</u>	<u>64,024</u>
<u>2,402,120</u>	<u>2,893,975</u>	<u>3,368,271</u>	<u>3,569,844</u>	<u>3,774,491</u>	<u>4,012,657</u>
<u>\$12,102,876</u>	<u>\$12,056,490</u>	<u>\$11,534,325</u>	<u>\$10,682,105</u>	<u>\$10,716,785</u>	<u>\$9,779,310</u>
83.44%	80.64%	77.40%	74.95%	73.95%	70.91%
\$7,597,855	\$7,831,196	\$7,806,122	\$7,465,306	\$7,590,668	\$7,224,364
14,724,416	15,082,873	14,762,589	9,958,036	13,323,554	12,869,843
8,588,400	8,257,600	7,276,800	2,547,941	4,730,977	3,835,860
130,900	151,100	170,600	0	0	0
0	0	0	0	0	17,459
3,105,000	3,280,000	3,445,000	3,605,000	3,760,000	3,910,000
0	0	0	1,123	943,414	943,414
196,016	270,273	340,789	115,913	53,977	86,429
0	0	0	0	0	0
2,704,100	3,123,900	3,529,400	3,688,059	3,835,186	4,076,681
<u>301,980</u>	<u>229,925</u>	<u>161,129</u>	<u>118,215</u>	<u>60,695</u>	<u>64,024</u>
<u>2,402,120</u>	<u>2,893,975</u>	<u>3,368,271</u>	<u>3,569,844</u>	<u>3,774,491</u>	<u>4,012,657</u>
<u>\$5,195,735</u>	<u>\$4,937,221</u>	<u>\$4,437,851</u>	<u>\$3,895,462</u>	<u>\$3,816,177</u>	<u>\$3,211,707</u>
68.38%	63.05%	56.85%	52.18%	50.27%	44.46%

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	
2009	\$1,803,106	\$1,936,809	(\$133,703)	\$355,000	\$423,123	\$778,123	(0.17)
2008	1,879,320	1,324,362	554,958	345,000	437,210	782,210	0.71
2007	1,961,301	1,176,047	785,254	335,000	450,788	785,788	1.00
2006	1,901,842	1,192,376	709,466	180,000	291,933	471,933	1.50
2005	1,864,785	963,590	901,195	175,000	155,092	330,092	2.73
2004	1,832,802	896,473	936,329	165,000	161,610	326,610	2.87
2003	1,693,997	860,093	833,904	160,000	167,770	327,770	2.54
2002	1,495,944	829,276	666,668	155,000	173,583	328,583	2.03
2001	1,217,966	659,164	558,802	150,000	179,058	329,058	1.70
2000	1,311,695	865,523	446,172	145,000	186,348	331,348	1.35

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)
2009	9,438	\$179,095,488	\$18,976	3,025	10.60%
2008	9,432	\$178,981,632	\$18,976	3,025	6.80%
2007	9,579	181,771,104	18,976	3,043	4.70
2006	9,602	182,207,552	18,976	3,023	4.20
2005	9,531	180,860,256	18,976	3,163	4.20
2004	9,518	180,613,568	18,976	3,119	3.30
2003	9,474	179,778,624	18,976	3,069	5.50
2002	9,474	179,778,624	18,976	3,269	5.30
2001	9,474	179,778,624	18,976	3,285	4.60
2000	9,474	179,778,624	18,976	3,334	2.80

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 Six Years Ago

Employer	Type of Business	2009		
		Number of Employees	Rank	Percentage of Total Employment
Auglaize County	Government	490	1	10.34%
Wapakoneta City School District	Government	299	2	6.31
Wal-Mart Stores East LP	Retail Business	280	3	5.91
American Trim Limited	Liability Company	232	4	4.90
Miller's Textile Services, Inc.	Uniform Rentals	170	5	3.59
Advanced Agri Solutions	Agricultural Commodities Supplier	156	6	3.28
Koneta, Inc.	Rubber Truck Accessories Manufacturing	136	7	2.87
General Aluminum Manufacturing Company	Aluminum Manufacturing	132	8	2.79
GA Wintzer & Son Company	Manufacturing	103	9	2.17
City of Wapakoneta	Government	85	10	1.79
Ametek, Inc	Plastic Compounds			
Superior Metal Products, Inc.	Metal Stamping			
LRV Acquisition	Hotel Properties			
Penn Traffic Company	Retail Grocery and Department Store			
HCF, Inc.	Nursing Home			
Amcast Industrial Corporation	Automotive Parts			
Total		2,083		43.95%
Total Employment Within the City		4,739		

Source: City Records

Note: Information prior to 2003 not available.

Total employment based on 2000 census

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

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

Function/Program	2009	2008	2007
<b>General Government</b>			
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
<b>Security of Persons and Property</b>			
Police	14.00	14.00	13.00
Police - Dispatchers	5.00	5.00	5.00
Police - Auxiliary	14.00	15.00	14.00
Fire	15.00	15.00	14.00
Fire - Auxiliary	13.00	11.00	11.00
Safety Director	1.00	1.00	1.00
<b>Public Health</b>			
Emergency Medical Services	7.00	9.00	14.00
<b>Leisure Time Activities</b>			
Recreation Director	1.00	1.00	0.50
<b>Transportation</b>			
Public Works	10.00	10.00	10.00
<b>Basic Utility Services</b>			
Engineering	3.00	3.00	2.00
Utility Clerks	2.00	2.00	2.00
Electric	11.00	12.00	13.00
Water	6.00	4.00	4.00
Sewer	5.00	6.00	6.00
Refuse	7.00	6.00	6.00
<b>Total</b>	<b>129.50</b>	<b>129.50</b>	<b>131.00</b>

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

Source: City Payroll Records

Note: Information prior to 2004 not available.

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

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

Function/Program	2009	2008	2007	2006
<b>Security of Persons and Property-Police</b>				
Vehicle Mileage	104,347	100,909	105,005	102,691
Number of Traffic Citations and Arrests	1,008	1,239	1,316	1,070
Number of Parking Tickets Issued	478	474	457	429
Dollar Amount Collected for Tickets	\$4,390	\$4,650	\$4,410	\$3,870
<b>Security of Persons and Property-Fire</b>				
Number of EMS Calls	928	1,009	966	995
Number of Fire Calls	41	41	34	40
Miscellaneous Calls	201	246	186	198
<b>Transportation</b>				
Number of Gallons of R-S-2 Used to Fill Potholes	5,250	5,320	2,750	2,760
Number of Pounds of Crack Sealer Used	4,000	4,730	4,928	8,928
<b>General Government</b>				
<b>Income Tax</b>				
Number of Individual Accounts	4,837	4,805	4,697	4,709
Number of Business Accounts	820	805	790	823
Number of Business Withholding Accounts	907	856	854	817
Total Receipts Collected	\$2,163,600	\$2,419,511	\$2,286,433	\$2,290,400
Amount of Interest and Penalties Charged	\$22,951	\$19,780	\$6,119	\$4,901
Amount of Interest and Penalties Collected	\$14,998	\$6,604	\$9,392	\$446
<b>City Commission</b>				
Number of Ordinances Passed	45	53	63	62
Number of Resolutions Passed	13	6	7	8
<b>Electric Department</b>				
Kilowatt Hours Used	170,099,880	191,475,666	201,810,771	191,596,222
City Cost of Power	\$11,750,318	\$12,619,613	\$13,490,659	\$12,707,096
<b>Water Department</b>				
Number of Wells Operating	7	7	7	7
Millions of Gallons of Finished Water	523.52	576.70	559.13	530.86
Chlorine Used (pounds)	13,667	17,424	14,497	13,074
Phosphate Used (gallons)	2,190	2,649	3,154	2,606
Salt in Tons (regenerates softening units)	1,420	2,150	2,253	1,929
Number of Gallons of Water Able to be Pumped a Day Combined	2,700,000	2,000,000	2,000,000	2,000,000
Daily Average Consumption (gallons)	1,576,000	1,576,000	1,530,000	1,540,000
Maximum Daily Capacity of Treatment Plant (gallons)	2,722,000	2,722,000	2,722,000	2,722,000
<b>Sewer Department</b>				
Number of Gallons of Sewage Treated (in millions)	822	1,281	1,242	1,141
Average Daily Flow (millions of gallons per day)	2.25	3.50	3.40	3.13
Maximum Daily Capacity of Treatment Plant (gallons)	6,000,000	6,000,000	6,000,000	6,000,000
Number of Tons of N-Viro Produced (fertilizer)	3,762	4,460	4,242	3,460
<b>Refuse Department</b>				
Number of Tons of Refuse Collected	3,575	3,849	4,169	4,326
Number of Trash Bags Sold (in cases of 250 bags)	855	966	903	998
Number of Tons of Recycling Collected	1,017	1,305	1,376	1,338
Number of Gallons of Used Motor Oil Collected and Recycled	5,300	5,600	4,800	4,200
<b>Engineering</b>				
Number of Registered Contractors	253	287	245	245
Number of Building Permits Issued	194	264	223	206

Source: City Records

2005	2004	2003	2002	2001	2000
104,561	108,388	102,354	96,139	97,946	93,293
845	1,278	1,068	1,228	1,135	1,044
371	377	465	465	389	428
\$3,930	\$3,280	\$4,420	\$4,280	\$3,630	\$4,050
926	899	841	789	885	824
46	57	56	54	37	59
422	423	294	271	281	240
2,569	4,920	2,186	750	1,160	2,760
4,630	6,120	n/a	n/a	n/a	13,645
4,392	4,541	4,600	4,544	4,659	4,751
464	756	681	657	665	676
805	816	764	789	820	794
\$2,136,920	\$2,118,637	\$2,004,839	\$1,970,435	\$1,962,036	\$1,969,733
\$5,576	\$15,676	\$20,887	\$22,313	\$33,012	\$33,847
\$1,211	\$7,387	\$15,611	\$18,655	\$25,927	\$27,446
48	47	72	62	56	54
5	12	13	20	14	17
191,177,734	186,237,267	184,332,295	184,237,441	173,904,240	182,875,992
\$5,418,590	\$5,133,386	\$5,054,718	\$5,099,308	\$4,857,109	\$5,101,058
7	7	7	7	7	7
561.44	562.37	564.50	589.20	599.20	622.80
10,349	9,403	8,948	8,246	7,174	6,804
2,639	11,449	10,571	11,346	10,979	10,139
2,232	2,181	2,047	2,257	2,163	2,187
2,000,000	n/a	n/a	n/a	n/a	n/a
1,540,000	1,540,000	1,500,000	1,614,000	1,641,100	1,706,300
2,722,000	2,722,000	2,722,000	2,722,000	2,722,000	2,722,000
1,208	1,132	1,267	922	945	871
3.31	3.10	3.50	2.60	2.60	2.39
8,000,000	8,000,000	4,000,000	4,000,000	4,000,000	4,000,000
3,145	3,285	2,693	2,288	n/a	n/a
4,346	4,129	4,120	3,953	3,917	3,750
1,058	889	889	982	950	887
1,429	1,466	1,444	1,473	1,524	1,488
3,800	4,200	3,100	2,400	3,400	2,700
226	194	190	153	192	100
192	197	203	176	170	56

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

Function/Program	2009	2008	2007	2006
Security of Persons and Property-Police				
Stations	1	1	1	1
Vehicles	8	8	8	7
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	46.16	46.15	46.15
Vehicles	19	19	19	18
General Government				
Vehicles	1	1	1	1
Electric				
Electric Lines (miles)	102.88	106.37	106.37	106.37
Number of Substations	8	8	8	8
Vehicles	9	15	15	12
Water				
Water Lines (miles)	59.91	59.91	59.73	59.73
Number of Treatment Plants	1	1	1	1
Vehicles	4	4	4	5
Sewer				
Sanitary Sewer Lines (miles)	48.20	48.20	47.93	47.93
Storm Sewer Lines (miles)	27.93	27.93	27.80	27.80
Number of Treatment Plants	1	1	1	1
Vehicles	4	4	4	4
Refuse				
Vehicles	4	4	4	5
Recycling				
Vehicles	4	4	3	3
Engineering				
Vehicles	3	3	3	3

Source: City Records

2005	2004	2003	2002	2001	2000
1	1	1	1	1	1
9	8	8	8	7	7
1	1	1	1	1	1
6	6	6	6	6	6
1	1	1	1	1	1
2	2	2	2	3	2
3	3	3	2	2	2
0	1	0	1	1	0
45.90	45.90	45.00	45.00	46.00	46.00
20	19	20	19	17	18
1	1	1	1	1	1
106.37	102.15	98.72	98.72	98.22	96.18
8	8	8	8	7	7
11	11	11	11	12	11
59.73	59.73	58.72	58.52	58.52	58.27
1	1	1	1	1	1
4	4	4	3	3	3
47.93	47.93	47.05	47.05	47.05	47.05
27.80	27.80	26.27	25.83	25.50	25.40
1	1	1	1	1	1
4	4	4	3	4	4
4	6	6	6	5	6
3	3	3	3	3	3
3	3	3	3	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  
JULY 6, 2010