



Dave Yost • Auditor of State



CITY OF WAPAKONETA  
AUGLAIZE COUNTY

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# Dave Yost • Auditor of State

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

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

To the Members of Council:

We have audited the financial statements of the governmental activities, 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, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 25, 2012, wherein we noted the City adopted the provisions of Government Accounting Standards Board Statement No 54, *Fund Balance and Governmental Fund Type Definitions*. 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 Government's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

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

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

### **Compliance and Other Matters**

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2011-01.

We also noted certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated July 25, 2012.

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, Members of Council, and others within the City. We intend it for no one other than these specified parties.



**Dave Yost**  
Auditor of State

July 25, 2012

CITY OF WAPAKONETA  
AUGLAIZE COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2011

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

FINDING NUMBER 2011-01

Noncompliance Citation / Finding for Recovery

**Ohio Rev. Code Section 117.28** authorizes the Auditor of State to report a *finding for recovery* in audit reports when legal action may be appropriate to recover public money or property. **Ohio Rev. Code Section 117.01 (C)** defines *public money* as "any money received, collected by, or due a public official under color of office, as well as any money collected by any individual on behalf of a public office or as a purported representative or agent of a public office." Under **Ohio Rev. Code Sections 9.24(H)(3) and 117.28**, a finding for recovery may exist for public money collected but unaccounted for.

During the summer months, the City of Wapakoneta operates a public swimming pool. The admission rates and snack bar prices are established by the Recreation Board. At the end of each operating day, an employee at the Swimming Pool completed a daily summary sheet which listed the amount per the cash register Z-Tape and the amount to be deposited; this sheet was then initialed by the Recreation Director Jack Hayzlett, who then made the deposit. Copies of the daily summary sheets and deposits slips were then provided to City Auditor Gail Walter. Of the 94 days the pool collected and deposited money, there were 34 days in which more money was deposited than the cash register Z-tape indicated should have been collected. The overages ranged from \$1 to \$72. There were 43 days in which less money was deposited than the cash registers state should have been. The shortages ranged from \$1 to \$288. The net effect of these overages and shortages is that the Swimming Pool deposited \$892 less than what was collected according to the cash register Z-Tapes. The City Auditor recorded the amount deposited in the accounting records.

In accordance with the foregoing facts, and pursuant to **Ohio Rev. Code Section 117.28**, a Finding for Recovery for public money collected but unaccounted for, is hereby rendered, jointly and severally against Recreation Director Jack Hayzlett, and his bonding company Harrison Insurance Agency, and City Auditor Gail Walter, and her bonding company EMC Insurance Companies, jointly and severally, in the amount of \$892 and in favor of the City of Wapakoneta's Swimming Pool Fund.

The City should review the AOS 2007 Best Practices Newsletter regarding Cash Handling Policies and Procedures for guidance in establishing policies and procedures. The adopted policies and procedures should include but not be limited to the requirement that swimming pool employees and the Recreation Director should review the daily summary sheets to help assure that cash collected and deposited are in agreement. Discrepancies between the actual cash collected and the amount deposited should be investigated and resolved prior to the employee signing the Daily Summary sheet. The City Auditor should review the daily reconciliations and return those with unexplained variances to the Recreation Director. Variances should also be brought to the attention of City Council by the City Auditor.

**OFFICIALS' RESPONSE:** The City of Wapakoneta has reviewed the finding for recovery and the money will be repaid in a timely fashion.

CITY OF WAPAKONETA  
AUGLAIZE COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2011

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>
2010-01	Finding for Recovery – Police Officer Barry Truesdale was overpaid by \$683 in 2010.	Yes	



# CITY OF WAPAKONETA, OHIO

## Comprehensive Annual Financial Report

For the Year Ended  
December 31, 2011

**INTRODUCTORY  
SECTION**

# **CITY OF WAPAKONETA, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For The Year Ended December 31, 2011

Prepared By:

City Auditor

**GAIL E. WALTER**

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**CITY OF WAPAKONETA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

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

July 25, 2012

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, 2011. 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.

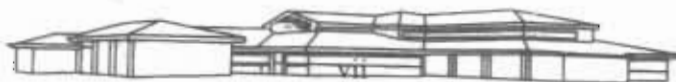
Management's Discussion and Analysis (MD&A) immediately follows the Independent Accountants' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

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, 2011. The Independent Accountants' Report is located at the front of the financial section of this report.

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

## PROFILE OF THE CITY

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



701 Parlette Court

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

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

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

## **LOCAL ECONOMY**

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

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

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

The City of Wapakoneta received one of Ohio's first "Job Ready Sites" grants in January 2007 to develop a 471-acre manufacturing site at the intersection of Interstate I-75 and U.S. 33. This new site is designated as the West Central Ohio Industrial Center. 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. This site is certified under the Ohio Department of Development's certification standards. In 2011, the City added a connector road to the site which will enhance the usefulness.

With this project completed, it is truly shovel ready and being marketed around the world. The West Central Ohio Industrial Center has become one of Ohio's first, and largest, certified green field manufacturing sites. It will put Wapakoneta in the lead of economic development and promotion of our community.

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

The City received the distinct award of Tree City USA for the 24<sup>th</sup> year and the growth award for the 13<sup>th</sup> year. In 2008, the City was made aware of the Emerald Ash Bore problem. We have purchased equipment and chemicals to treat this problem and have employees who are certified to treat the trees. This is an ongoing activity and the City takes the maintenance and planting of trees very seriously. The City has purchased equipment to manage and maintain all the trees in the City by keeping an inventory, a description, and the location of all the trees. It is believed that the tree lined streets are just another asset in the beautiful community.

During 2011, we had many major investments in our city.

The connector road reconstruction project which was completed and is now called Progress Drive. This road connects the West Central Ohio Industrial Park (Job Ready Site) and Short Road. This is an industrial roadway along with storm sewer infrastructure. This also creates a loop in our JRS business district and is more appealing to future businesses. The Ohio Department of Development grant was instrumental in making this drive a reality.

This year we continued the Reclamite program in the City. Reclamite is an asphalt rejuvenator which promotes and extends the life of the existing asphalt surface. Nine streets were sealed. This is an investment in prolonging the life of our city streets. Extended life is approximately five to seven years. Another project is planned for 2012.

A Community Development Block Grant (CDBG) was awarded to pave Wheeler, Highland, and Franklin streets, in the amount of \$35,700. The City has been working on this area for four years and has spent approximately \$140,000 in CDBG monies to make this residential area look great.

Hamilton Road from Auglaize Street to Glynwood Road was paved in 2011. This project was completed in conjunction with Auglaize County as the County worked on a storm sewer project. The City performed the concrete work, sidewalks, curbs, and gutters.

A Scrap Tire grant was obtained, in the amount of \$134,500, and used to pave Wentz Street from the park to Middle Street. This project used over six hundred tires and created a very friendly environmental project. We will continue this program in 2012.

Veterans Park Walking Trail was paved in 2011 using funds awarded from the Naturworks Grant program at the Ohio Department of Natural Resources. This trail was originally paved using the same grant fifteen years ago.

Mechanic Street was repaved from the railroad tracks to Blackhoof Street. This is part of our annual ten year overlay program. Mechanic Street from Blackhoof Street to West Auglaize Street is scheduled for 2012.

A Storm Water Pollution Prevention Plan was developed this year requiring a review of plans, permits, and additional inspections. This will also improve our infrastructure for the future due to the additional inspections and enforcement.

The City issued two hundred forty-three building permits during 2011, including eleven for new residences, six for garages, fifteen for remodeling, and nine 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 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 2011, the available funds, while smaller than the City would like, were used for projects including repaving and maintenance of streets, curbs, and sidewalks. The City has always been able to maximize its available resources and grants, and to work with other communities, the County, or the schools and get things done to enhance the community.

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 2011, 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 2011:

- A new industrial drive was completed to loop the roadway business district connecting Commerce Drive with Short Road.
- The City continued a Reclamite program in 2011. Reclamite is an asphalt rejuvenator which promotes and extends the life of the existing asphalt surface approximately five to seven years. This is an investment in prolonging our City streets.
- A Community Development Block Grant was awarded to the City to pave Wheeler, Highland, and Franklin streets.
- Hamilton Road paving was completed in conjunction with a County storm sewer project.
- Veteran's Park Walking trail was paved using an Ohio Department of Natural Resources Natureworks Grant.

- Mechanic Street was paved from the railroad tracks to Blackhoof Street as part of a ten year overlay program.
- A 16” water main from the JRS site to County Road 25A was installed.
- The City did miscellaneous concrete work to replace, repair, or upgrade curb, gutters, and sidewalks, approaches.
- Beginning in 2011 and continuing in 2012, the City is upgrading all of the water meters to remote read models. All meters will be replaced by 2013. This change will improve our accuracy and speed of read times from weeks to days.
- Long-term control plan (LTCP) project drawings are about 60 percent complete. This project is scheduled to begin in 2016.

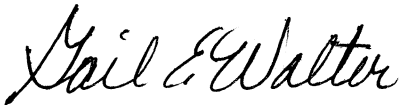
### AWARDS AND ACKNOWLEDGEMENTS

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, 2010. This was the twenty-first 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, 2010

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.



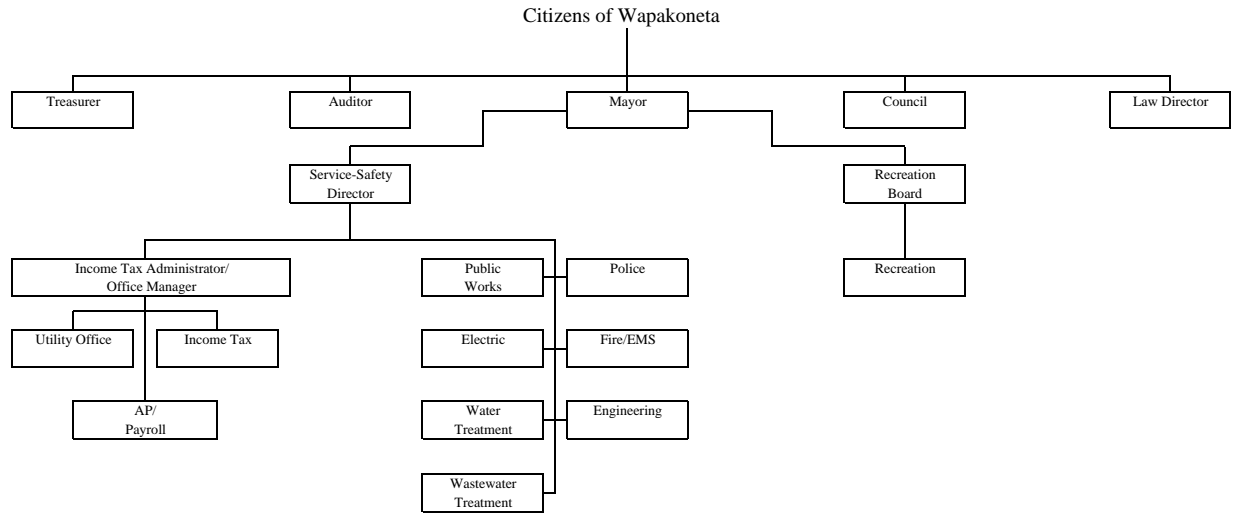
*Linda C. Davison*

President

*Jeffrey R. Emer*

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	Donald E. Schnarre
Water Superintendent	Brent J. Hamel
Wastewater Superintendent	Robert T. Burns
Auditor	Gail E. Walter
Treasurer	Barbara Steinke
Law Director	Dennis P. Faller
President of Council	Stephen E. Henderson
Member of Council	Daniel C. Graf
Member of Council	Daniel Lee
Member of Council	Bonnie C. Wurst
Member of Council	James R. Neumeier
Member of Council	Wilbur G. Wells
Member of Council	Thomas S. Finkelmeier Jr.
Member of Council	Stephen C. Walter
Council Clerk	Carlene S. Koch
Civil Service Secretary	Peter Noyes



**FINANCIAL  
SECTION**

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

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

To the Members of Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wapakoneta, Auglaize County, Ohio (the City), as of and for the year ended December 31, 2011, 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, Ohio, as of December 31, 2011, 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.

As described in Note 3, during the year ended December 31, 2011, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 25, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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



**Dave Yost**  
Auditor of State

July 25, 2012

**CITY OF WAPAKONETA**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2011  
(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, 2011. The intent of this discussion and analysis is to look at the City's financial performance as a whole.

**HIGHLIGHTS**

Highlights for 2011 are as follows:

In total, the City's net assets decreased \$288,701, or less than 1 percent. Governmental activities had a decrease in net assets of \$1,044,293, or approximately 4 percent, while business-type activities increased \$755,592, or 2 percent.

A review of the enterprise funds reflects an operating income for all five funds. The City's electric rates are determined by contract with our electric provider and these contracts typically are on a 1-5 year cycle. In 2010, the City completed a cost of service study which determined that the rates being charged for electric are correct, therefore, no rate changes are anticipated. 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. In 2009, the City entered into a long-term control plan with the Ohio Environmental Protection Agency for the replacement of the south interceptor sewer. This will be a long and expensive project. Estimated costs are approximately \$25-\$30 million. As a result, the City has determined that an extra fee will be charged to sewer customers for the long-term control plan. This fee will be imposed on customers over a period of years specifically to pay the costs related to this project and will be removed when the project is completed.

**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 2011. 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.

**CITY OF WAPAKONETA**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2011  
(Unaudited)

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.

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.

**CITY OF WAPAKONETA**  
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(Unaudited)

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.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Table 1 provides a summary of the City's net assets for 2011 and 2010.

	Table 1 Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<u>Assets</u>						
Current and Other						
Assets	\$8,332,914	\$8,945,275	\$16,155,288	\$18,044,720	\$24,488,202	\$26,989,995
Capital Assets, Net	21,283,834	22,189,171	47,317,003	45,049,009	68,600,837	67,238,180
Total Assets	<u>29,616,748</u>	<u>31,134,446</u>	<u>63,472,291</u>	<u>63,093,729</u>	<u>93,089,039</u>	<u>94,228,175</u>
<u>Liabilities</u>						
Current and Other						
Liabilities	802,022	918,677	1,760,450	2,210,190	2,562,472	3,128,867
Long-Term Liabilities	1,238,239	1,594,989	20,793,691	20,720,981	22,031,930	22,315,970
Total Liabilities	<u>2,040,261</u>	<u>2,513,666</u>	<u>22,554,141</u>	<u>22,931,171</u>	<u>24,594,402</u>	<u>25,444,837</u>

(continued)

**CITY OF WAPAKONETA**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2011  
(Unaudited)

Table 1  
Net Assets  
(continued)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<u>Net Assets</u>						
Invested in Capital Assets, Net of Related Debt	\$20,767,868	\$21,307,484	\$29,921,959	\$27,291,889	\$50,689,827	\$48,599,373
Restricted	3,541,776	3,733,986	1,114,899	1,108,811	4,656,675	4,842,797
Unrestricted	3,266,843	3,579,310	9,881,292	11,761,858	13,148,135	15,341,168
Total Net Assets	<u>\$27,576,487</u>	<u>\$28,620,780</u>	<u>\$40,918,150</u>	<u>\$40,162,558</u>	<u>\$68,494,637</u>	<u>\$68,783,338</u>

The above table demonstrates that there were few changes of note for governmental activities and an overall decrease in net assets of approximately 4 percent. The decrease in current and other assets as well as restricted net assets is primarily due to a decrease in amounts due from other governments. In the prior year, the City had outstanding receivables at year end related to the Bellefontaine Street project. The decrease in net capital assets and invested in capital assets is due to annual depreciation.

There were a couple of significant changes related to business-type activities. The first, the decrease in current and other assets resulting from a \$2.2 million reduction in cash and cash equivalents as resources were spent on construction (primarily the electric substation upgrade work) as well as restocking the materials and supplies inventory. Note the corresponding decrease in unrestricted net assets. The increase in net capital assets and invested in capital assets reflects additional construction and the completion of several construction projects.

Table 2 reflects the change in net assets for 2011 and 2010

Table 2  
Change in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<u>Revenues</u>						
Program Revenues						
Charges for Services	\$819,313	\$860,041	\$19,654,865	\$19,653,560	\$20,474,178	\$20,513,601
Operating Grants, Contributions, and Interest	582,636	632,254	0	0	582,636	632,254
Capital Grants and Contributions	572,510	1,493,506	0	247,321	572,510	1,740,827
Total Program Revenues	<u>1,974,459</u>	<u>2,985,801</u>	<u>19,654,865</u>	<u>19,900,881</u>	<u>21,629,324</u>	<u>22,886,682</u>
General Revenues						
Property Taxes-General Purposes	369,263	376,810	0	0	369,263	376,810
Property Taxes-Recreation	92,756	95,200	0	0	92,756	95,200
Municipal Income Taxes	2,271,225	2,244,992	0	0	2,271,225	2,244,992
Other Local Taxes	642,164	645,090	0	0	642,164	645,090
Grants and Entitlements	550,652	585,145	0	0	550,652	585,145
Franchise Taxes	83,736	85,710	0	0	83,736	85,710
Interest	35,706	75,658	7	1	35,713	75,659
Gifts and Donations	1,374	5,663	0	0	1,374	5,663
Other	48,596	76,118	72,808	30,376	121,404	106,494
Total General Revenues	<u>4,095,472</u>	<u>4,190,386</u>	<u>72,815</u>	<u>30,377</u>	<u>4,168,287</u>	<u>4,220,763</u>
Total Revenues	<u>6,069,931</u>	<u>7,176,187</u>	<u>19,727,680</u>	<u>19,931,258</u>	<u>25,797,611</u>	<u>27,107,445</u>

(continued)



**CITY OF WAPAKONETA**  
Management's Discussion and Analysis  
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(Unaudited)

Table 2  
Change in Net Assets  
(continued)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<u>Program Expenses</u>						
Security of Persons and Property						
Police	\$1,584,868	\$1,443,241	\$0	\$0	\$1,584,868	\$1,443,241
Fire	1,353,865	1,429,639	0	0	1,353,865	1,429,639
Other	8,492	15,744	0	0	8,492	15,744
Public Health	177,297	198,272	0	0	177,297	198,272
Leisure Time Activities	492,736	452,815	0	0	492,736	452,815
Community Environment	116,039	88,867	0	0	116,039	88,867
Transportation	2,236,189	1,366,298	0	0	2,236,189	1,366,298
General Government	512,540	559,760	0	0	512,540	559,760
Interest and Fiscal Charges	49,942	63,692	0	0	49,942	63,692
Electric	0	0	14,371,849	13,905,809	14,371,849	13,905,809
Water	0	0	1,843,734	921,970	1,843,734	921,970
Sewer	0	0	2,171,320	2,235,926	2,171,320	2,235,926
Storm Sewer	0	0	114,124	91,075	114,124	91,075
Refuse	0	0	1,053,317	1,080,264	1,053,317	1,080,264
Total Expenses	<u>6,531,968</u>	<u>5,618,328</u>	<u>19,554,344</u>	<u>18,235,044</u>	<u>26,086,312</u>	<u>23,853,372</u>
Increase (Decrease) in Net Assets Before Transfers	(462,037)	1,557,859	173,336	1,696,214	(288,701)	3,254,073
Transfers	(582,256)	(646,732)	582,256	646,732	0	0
Increase (Decrease) in Net Assets	(1,044,293)	911,127	755,592	2,342,946	(288,701)	3,254,073
Net Assets Beginning of Year	28,620,780	27,709,653	40,162,558	37,819,612	68,783,338	65,529,265
Net Assets End of Year	<u>\$27,576,487</u>	<u>\$28,620,780</u>	<u>\$40,918,150</u>	<u>\$40,162,558</u>	<u>\$68,494,637</u>	<u>\$68,783,338</u>

For governmental activities, there was a substantial decrease in program revenues. In the prior year, there were grant resources from the Ohio Department of Transportation that were used for street reconstruction and reflected as part of capital grants and contributions. General revenues remained very similar to the prior year. Governmental activities expenses increased 16 percent from 2010 and largely is reflected in the transportation program; the result of a loss on the disposal of streets.

For business-type activities, program revenues in the form of charges for services, continue to fund the operation of the City's utilities. Total revenues remained very comparable to the prior year (a change of 1 percent).

In total, expenses for business-type activities reflect a 7 percent increase. Expenses increased in the Electric Fund, in part due to a liability to American Municipal Power, for the City's share costs associated with a project which was terminated prior to completion. Expenses in the Water Fund almost doubled, much of this related to interest being paid on OWDA loans during 2011 and a restocking of materials and supplies.

**CITY OF WAPAKONETA**  
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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	
	2011	2010	2011	2010
Security of Persons and Property				
Police	\$1,584,868	\$1,443,241	\$1,568,957	\$1,428,947
Fire	1,353,865	1,429,639	1,302,508	1,347,525
Other	8,492	15,744	8,492	15,744
Public Health	177,297	198,272	(236,461)	(88,934)
Leisure Time Activities	492,736	452,815	194,523	146,723
Community Environment	116,039	88,867	83,642	37,928
Transportation	2,236,189	1,366,298	1,096,947	(850,925)
General Government	512,510	559,760	488,959	531,827
Interest and Fiscal Charges	49,942	63,692	49,942	63,692
Total Expenses	\$6,531,938	\$5,618,328	\$4,557,509	\$2,632,527

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

**GOVERNMENTAL FUNDS FINANCIAL ANALYSIS**

The City's major governmental funds are the General Fund and the Street and Sewer Improvement capital projects fund. Resources in the General Fund have no limitations on their use while the resources of the Street and Sewer Improvement Fund are limited to infrastructure improvements. The General Fund reflects a 21 percent decrease in fund balance. Both revenues and expenditures increased in 2011 and by somewhat similar amounts; however, there was an increase in resources transferred to other funds to subsidize the activities of those funds.

The Street and Sewer Improvement capital projects fund reflects a 61 percent increase in fund balance, in large part due to the operating subsidy from the General Fund.

**BUSINESS-TYPE ACTIVITIES FINANCIAL ANALYSIS**

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

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The Electric Fund had a 2.5 percent increase in net assets in 2011. Both revenues and expenses were similar to the prior year; however, revenues were still in excess of expenses and the General Fund subsidy was \$100,000 greater than the prior year.

Although the Water Fund had an operating income, there was a 3.5 percent decrease in net assets. This is mainly due to interest being paid on OWDA loans during 2011 and a restocking of materials and supplies.

There was a 4 percent increase in net assets in the Sewer Fund in 2011. The base rate was increased 3 percent in 2011. The Ohio EPA has mandated a complete reconstruction of the City's south interceptor. Due to this mandate, another fee will be added to every sewer customer to pay for this reconstruction.

The Storm Sewer utility provides the City the ability to undertake storm water separation. The EPA has mandated the separation of storm water and sanitary sewers. The Storm Sewer fund had a modest operating income in 2011, however, a 7 percent increase in net assets due to capital contributions from other funds and outside sources of over \$96,000. 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 operating expenses were within operating revenues for 2011.

**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. Changes from the original budget to the final budget and the final budget to actual revenues were not significant. For expenditures, there was little change from the original budget to the final budget; however, actual expenditures were substantially less than amounts budgeted. This is primarily due to conservative budgeting as expenditures were less than amounts budgeted for all programs.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets - The City's investment in capital assets for governmental and business-type activities as of December 31, 2011, was \$21,283,834 and \$47,317,003, respectively (net of accumulated depreciation). Significant additions for governmental activities included the purchase of some land, continuing construction projects, vehicles, and street improvements. Disposals consisted of streets that were reconstructed. For business-type activities, the most significant additions were construction at the water treatment plant and upgrades to the electric substations. Disposals were minimal. For further information regarding the City's capital assets, refer to Note 10 to the basic financial statements.

**CITY OF WAPAKONETA**  
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For the Year Ended December 31, 2011  
(Unaudited)

Debt - At December 31, 2011, the City had a number of long-term obligations outstanding. The governmental activities obligations consisted primarily of \$429,106 in general obligation bonds (net of unamortized loss on advance refunding). The business-type activities obligations included \$8,540,000 in mortgage revenue bonds, \$8,833,359 in OWDA loans, and \$1,484,028 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, capital leases, compensated absences, a loan due to Auglaize County, 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 biggest construction project for the City of Wapakoneta in 2012 is the reconstruction of East Benton Street. This is an Issue I project which reconstructs the street from Water Street to the railroad. This project has been bid and is currently under construction.

The Safe Routes to School program awarded the City \$433,000 in 2011 to install sidewalks, ADA curb ramps, and pedestrian signals and safety measures for safe travel to school. This is an Ohio Department of Transportation project that was started in 2012. This is the first of four phases with each phase of the grant awarded separately. The City has already applied for the next two phases of the project.

The City has engineering contracts for projects in 2013 which include East Auglaize Street and the river walk area behind downtown. West Auglaize street reconstruction work will occur in 2015. The City's long-term project list includes the southwest interceptor which is a main sanitary sewer through the City. This sewer main is currently over one hundred years old and in desperate need of repair.

**REQUEST FOR INFORMATION**

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

City of Wapakoneta  
Statement of Net Assets  
December 31, 2011

	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$5,660,278	\$9,896,789	\$15,557,067
Cash and Cash Equivalents with Fiscal Agents	0	1,130,456	1,130,456
Accounts Receivable	174,782	2,482,653	2,657,435
Due from Other Governments	781,122	29,583	810,705
Municipal Income Taxes Receivable	780,874	0	780,874
Other Local Taxes Receivable	6,027	56,692	62,719
Internal Balances	40,647	(40,647)	0
Prepaid Items	35,587	82,465	118,052
Materials and Supplies Inventory	43,059	2,252,725	2,295,784
Accrued Interest Receivable	7,318	0	7,318
Property Taxes Receivable	459,529	0	459,529
Notes Receivable	169,758	0	169,758
Special Assessments Receivable	173,933	0	173,933
Unamortized Bond Issuance Costs	0	264,572	264,572
Nondepreciable Capital Assets	1,378,286	3,871,802	5,250,088
Depreciable Capital Assets, Net	19,905,548	43,445,201	63,350,749
	<hr/>	<hr/>	<hr/>
Total Assets	29,616,748	63,472,291	93,089,039
<u>Liabilities</u>			
Accrued Wages Payable	41,539	34,011	75,550
Accounts Payable	83,317	294,535	377,852
Contracts Payable	8,143	1,093,026	1,101,169
Due to Other Governments	211,115	108,351	319,466
Accrued Interest Payable	4,689	40,843	45,532
Retainage Payable	0	16,618	16,618
Deferred Revenue	453,219	0	453,219
Refundable Deposits	0	173,066	173,066
Long-Term Liabilities			
Due Within One Year	372,346	1,335,712	1,708,058
Due in More Than One Year	865,893	19,457,979	20,323,872
	<hr/>	<hr/>	<hr/>
Total Liabilities	2,040,261	22,554,141	24,594,402
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	20,767,868	29,921,959	50,689,827
Restricted for			
Capital Projects	2,166,097	0	2,166,097
Community Environment	704,231	0	704,231
Other Purposes	671,448	0	671,448
Revenue Bond Replacement	0	15,507	15,507
Future Debt Service	0	1,099,392	1,099,392
Unrestricted	3,266,843	9,881,292	13,148,135
	<hr/>	<hr/>	<hr/>
Total Net Assets	\$27,576,487	\$40,918,150	\$68,494,637

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta  
Statement of Activities  
For the Year Ended December 31, 2011

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contributions
<u>Governmental Activities</u>				
Security of Persons and Property				
Police	\$1,584,868	\$8,473	\$7,438	\$0
Fire	1,353,865	50,157	1,200	0
Other	8,492	0	0	0
Public Health	177,297	413,758	0	0
Leisure Time Activities	492,736	228,629	69,584	0
Community Environment	116,039	0	32,397	0
Transportation	2,236,189	94,715	472,017	572,510
General Government	512,540	23,581	0	0
Interest and Fiscal Charges	49,942	0	0	0
<b>Total Governmental Activities</b>	<b>6,531,968</b>	<b>819,313</b>	<b>582,636</b>	<b>572,510</b>
<u>Business-Type Activities</u>				
Electric	14,371,849	14,410,686	0	0
Water	1,843,734	1,560,401	0	0
Sewer	2,171,320	2,415,413	0	0
Storm Sewer	114,124	154,095	0	0
Refuse	1,053,317	1,114,270	0	0
<b>Total Business-Type Activities</b>	<b>19,554,344</b>	<b>19,654,865</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>\$26,086,312</b>	<b>\$20,474,178</b>	<b>\$582,636</b>	<b>\$572,510</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
(\$1,568,957)	\$0	(\$1,568,957)
(1,302,508)	0	(1,302,508)
(8,492)	0	(8,492)
236,461	0	236,461
(194,523)	0	(194,523)
(83,642)	0	(83,642)
(1,096,947)	0	(1,096,947)
(488,959)	0	(488,959)
(49,942)	0	(49,942)
<u>(4,557,509)</u>	<u>0</u>	<u>(4,557,509)</u>
0	38,837	38,837
0	(283,333)	(283,333)
0	244,093	244,093
0	39,971	39,971
<u>0</u>	<u>60,953</u>	<u>60,953</u>
<u>0</u>	<u>100,521</u>	<u>100,521</u>
<u>(4,557,509)</u>	<u>100,521</u>	<u>(4,456,988)</u>
369,263	0	369,263
92,756	0	92,756
2,271,225	0	2,271,225
642,164	0	642,164
550,652	0	550,652
83,736	0	83,736
35,706	7	35,713
1,374	0	1,374
<u>48,596</u>	<u>72,808</u>	<u>121,404</u>
4,095,472	72,815	4,168,287
<u>(582,256)</u>	<u>582,256</u>	<u>0</u>
<u>3,513,216</u>	<u>655,071</u>	<u>4,168,287</u>
(1,044,293)	755,592	(288,701)
<u>28,620,780</u>	<u>40,162,558</u>	<u>68,783,338</u>
<u>\$27,576,487</u>	<u>\$40,918,150</u>	<u>\$68,494,637</u>

City of Wapakoneta  
Balance Sheet  
Governmental Funds  
December 31, 2011

	General	Street and Sewer Improvement	Other Governmental	Total Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,205,686	\$1,770,766	\$1,670,765	\$5,647,217
Accounts Receivable	174,782	0	0	174,782
Due from Other Governments	316,593	226,640	237,889	781,122
Municipal Income Taxes Receivable	780,874	0	0	780,874
Other Local Taxes Receivable	486	0	5,541	6,027
Interfund Receivable	52,024	0	0	52,024
Prepaid Items	26,614	0	6,950	33,564
Materials and Supplies Inventory	16,150	0	25,000	41,150
Accrued Interest Receivable	1,100	6,218	0	7,318
<u>Restricted Assets</u>				
Equity in Pooled Cash and Cash Equivalents	5,263	0	0	5,263
Property Taxes Receivable	369,724	0	89,805	459,529
Notes Receivable	0	0	169,758	169,758
Special Assessments Receivable	0	173,933	0	173,933
<b>Total Assets</b>	<b>\$3,949,296</b>	<b>\$2,177,557</b>	<b>\$2,205,708</b>	<b>\$8,332,561</b>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$36,354	\$0	\$2,883	\$39,237
Accounts Payable	73,824	375	8,595	82,794
Contracts Payable	0	6,691	1,452	8,143
Due to Other Governments	188,263	4,394	11,069	203,726
Interfund Payable	2,650	0	947	3,597
Deferred Revenue	1,301,305	367,438	294,574	1,963,317
<b>Total Liabilities</b>	<b>1,602,396</b>	<b>378,898</b>	<b>319,520</b>	<b>2,300,814</b>
<u>Fund Balance</u>				
Nonspendable	48,027	0	31,950	79,977
Restricted	18,457	1,798,659	1,155,994	2,973,110
Assigned	244,541	0	698,244	942,785
Unassigned	2,035,875	0	0	2,035,875
<b>Total Fund Balance</b>	<b>2,346,900</b>	<b>1,798,659</b>	<b>1,886,188</b>	<b>6,031,747</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$3,949,296</b>	<b>\$2,177,557</b>	<b>\$2,205,708</b>	<b>\$8,332,561</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, 2011

Total Governmental Fund Balance		\$6,031,747
<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	21,283,834	
Internal Service Fund	<u>(49,038)</u>	21,234,796
<p>Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:</p>		
Accounts Receivable	138,618	
Due from Other Governments	606,940	
Municipal Income Taxes Receivable	578,079	
Property Taxes Receivable	6,310	
Special Assessments Receivable	<u>180,151</u>	1,510,098
<p>An accounting loss on refunded debt is amortized over the life of the debt on the statement of activities.</p>		
		10,894
<p>An internal balance is recorded in governmental activities to reflect overpayments to the internal service fund by the business-type activities.</p>		
		(7,519)
<p>Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds; it is reported when due.</p>		
		(4,689)
<p>Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:</p>		
General Obligations Bonds Payable	(440,000)	
Capital Loans Payable	(44,809)	
Loans Payable	(281,121)	
Compensated Absences Payable	(483,203)	
Compensated Absences Payable-Internal Service Fund	<u>12,701</u>	(1,236,432)
<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>37,952</u>
Net Assets of Governmental Activities		<u><u>\$27,576,847</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, 2011

	General	Street and Sewer Improvement	Other Governmental	Total Governmental Funds
<u>Revenues</u>				
Property Taxes	\$373,148	\$0	\$94,057	\$467,205
Municipal Income Taxes	2,230,352	0	0	2,230,352
Other Local Taxes	642,164	0	65,343	707,507
Special Assessments	0	49,364	0	49,364
Charges for Services	664,378	0	22,510	686,888
Fees, Licenses, and Permits	90,097	0	0	90,097
Fines and Forfeitures	18,106	0	3,600	21,706
Intergovernmental	632,437	966,754	511,983	2,111,174
Interest	47,494	5,491	25,501	78,486
Gifts and Donations	3,369	0	1,425	4,794
Other	44,766	1,997	1,833	48,596
<b>Total Revenues</b>	<b>4,746,311</b>	<b>1,023,606</b>	<b>726,252</b>	<b>6,496,169</b>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,569,832	0	0	1,569,832
Fire	1,283,633	0	0	1,283,633
Other	8,166	0	0	8,166
Public Health	147,474	0	0	147,474
Leisure Time Activities	239,855	0	212,214	452,069
Community Environment	93,158	0	18,000	111,158
Transportation	0	1,125,876	509,659	1,635,535
General Government	489,958	0	0	489,958
Debt Service:				
Principal Retirement	34,253	123,824	218,022	376,099
Interest and Fiscal Charges	12,092	12,374	16,579	41,045
<b>Total Expenditures</b>	<b>3,878,421</b>	<b>1,262,074</b>	<b>974,474</b>	<b>6,114,969</b>
Excess of Revenues Over (Under) Expenditures	867,890	(238,468)	(248,222)	381,200
<u>Other Financing Sources (Uses)</u>				
Transfers In	0	920,712	132,000	1,052,712
Transfers Out	(1,502,000)	0	0	(1,502,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,502,000)</b>	<b>920,712</b>	<b>132,000</b>	<b>(449,288)</b>
Change in Fund Balance	(634,110)	682,244	(116,222)	(68,088)
Fund Balance Beginning of Year - Restated (Note 3)	2,981,010	1,116,415	2,002,410	6,099,835
<b>Fund Balance End of Year</b>	<b>\$2,346,900</b>	<b>\$1,798,659</b>	<b>\$1,886,188</b>	<b>\$6,031,747</b>

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, 2011

Change in Fund Balance - Total Governmental Funds (\$68,088)

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 depreciation exceeded capital outlay in the current year.

Capital Outlay	770,727	
Capital Contributions	14,298	
Depreciation	(887,307)	
Depreciation - Internal Service Fund	<u>2,742</u>	(99,540)

The cost of the capital assets is removed from the capital asset account on the statement of net assets when disposed of resulting in a loss on disposal of capital assets on the statement of activities. (803,055)

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

Property Taxes	(5,186)	
Municipal Income Taxes	40,873	
Special Assessments	(42,502)	
Charges for Services	30,439	
Fees, Licenses, and Permits	1,714	
Intergovernmental	(445,306)	
Interest	<u>(6,270)</u>	(426,238)

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	331,700	
Loans Payable	<u>44,399</u>	376,099

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

Accrued Interest Payable	1,481	
Amortization of Accounting Loss	<u>(10,378)</u>	(8,897)

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	(8,971)	
Compensated Absences Payable-Internal Service Fund	<u>2,706</u>	(6,265)

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.

(8,309)

Change in Net Assets of Governmental Activities (\$1,044,293)

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, 2011

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<u>Revenues</u>				
Property Taxes	\$381,379	\$381,379	\$373,148	(\$8,231)
Municipal Income Taxes	2,130,975	2,130,975	2,202,813	71,838
Other Local Taxes	647,361	647,361	642,935	(4,426)
Charges for Services	598,877	628,877	653,261	24,384
Fees, Licenses, and Permits	98,226	98,226	90,097	(8,129)
Fines and Forfeitures	18,686	18,686	18,568	(118)
Intergovernmental	702,367	702,367	567,830	(134,537)
Interest	125,666	125,666	49,077	(76,589)
Gifts and Donations	3,010	3,010	3,369	359
Other	139,886	52,186	38,099	(14,087)
<b>Total Revenues</b>	<b>4,846,433</b>	<b>4,788,733</b>	<b>4,639,197</b>	<b>(149,536)</b>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,647,286	1,652,285	1,636,035	16,250
Fire	1,604,782	1,604,782	1,415,707	189,075
Other	17,500	17,500	8,155	9,345
Public Health	203,399	203,399	158,552	44,847
Leisure Time Activities	298,827	298,827	241,488	57,339
Community Environment	126,096	132,096	93,895	38,201
General Government	1,353,516	1,312,517	537,324	775,193
Debt Service:				
Principal Retirement	34,253	34,253	34,253	0
Interest and Fiscal Charges	12,657	12,657	12,092	565
<b>Total Expenditures</b>	<b>5,298,316</b>	<b>5,268,316</b>	<b>4,137,501</b>	<b>1,130,815</b>
Excess of Revenues Over (Under) Expenditures	(451,883)	(479,583)	501,696	981,279
<u>Other Financing Uses</u>				
Advances Out	(155,000)	(155,000)	0	155,000
Transfers Out	(1,465,000)	(1,502,000)	(1,502,000)	0
<b>Total Other Financing Uses</b>	<b>(1,620,000)</b>	<b>(1,657,000)</b>	<b>(1,502,000)</b>	<b>155,000</b>
Change in Fund Balance	(2,071,883)	(2,136,583)	(1,000,304)	1,136,279
Fund Balance Beginning of Year	2,836,350	2,836,350	2,836,350	0
Prior Year Encumbrances Appropriated	143,166	143,166	143,166	0
<b>Fund Balance End of Year</b>	<b>\$907,633</b>	<b>\$842,933</b>	<b>\$1,979,212</b>	<b>\$1,136,279</b>

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta  
Statement of Fund Net Assets  
Proprietary Funds  
December 31, 2011

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
<u>Assets</u>					
<u>Current Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$7,365,068	\$1,124,264	\$365,656	\$694,290	\$158,938
Accounts Receivable	1,867,100	195,491	280,847	12,920	126,295
Due from Other Governments	0	0	0	0	29,583
Other Local Taxes Receivable	56,692	0	0	0	0
Interfund Receivable	28,490	931	308	88	573
Prepaid Items	43,139	14,868	16,188	0	8,270
Materials and Supplies Inventory	1,920,964	302,285	25,401	0	4,075
<b>Total Current Assets</b>	<b>11,281,453</b>	<b>1,637,839</b>	<b>688,400</b>	<b>707,298</b>	<b>327,734</b>
<u>Non-Current Assets</u>					
<u>Restricted Assets</u>					
Equity in Pooled Cash and Cash Equivalents	173,066	0	15,507	0	0
Cash and Cash Equivalents with Fiscal Agents	0	0	1,130,456	0	0
Unamortized Bond Issuance Costs	0	0	264,572	0	0
Nondepreciable Capital Assets	2,682,704	337,116	523,881	0	328,101
Depreciable Capital Assets, Net	12,523,287	15,132,228	13,404,619	1,690,267	694,800
<b>Total Non-Current Assets</b>	<b>15,379,057</b>	<b>15,469,344</b>	<b>15,339,035</b>	<b>1,690,267</b>	<b>1,022,901</b>
<b>Total Assets</b>	<b>26,660,510</b>	<b>17,107,183</b>	<b>16,027,435</b>	<b>2,397,565</b>	<b>1,350,635</b>
<u>Liabilities</u>					
<u>Current Liabilities</u>					
Accrued Wages Payable	11,522	6,297	9,557	0	6,635
Accounts Payable	136,648	25,855	97,090	4,640	30,302
Contracts Payable	1,035,140	0	57,886	0	0
Due to Other Governments	40,013	17,491	31,644	0	19,203
Interfund Payable	52,308	10,171	15,475	0	602
Accrued Interest Payable	0	0	38,030	979	1,834
Retainage Payable	16,618	0	0	0	0
Mortgage Revenue Bonds Payable	0	0	410,000	0	0
Due to Auglaize County	0	0	2,500	0	0
Capital Loans Payable	0	0	16,158	10,552	28,961
Loans Payable	0	0	90,325	0	0
Capital Leases Payable	0	0	0	0	32,399
Due to AMP-Ohio	541,378	0	0	0	0
Compensated Absences Payable	27,648	17,519	82,944	0	17,364
Landfill Postclosure Costs Payable	0	0	0	0	57,964
<b>Total Current Liabilities</b>	<b>1,861,275</b>	<b>77,333</b>	<b>851,609</b>	<b>16,171</b>	<b>195,264</b>
<u>Non-Current Liabilities</u>					
Refundable Deposits	173,066	0	0	0	0
Mortgage Revenue Bonds Payable	0	0	8,130,000	0	0
Due to Auglaize County	0	0	1,250	0	0
OWDA Loans Payable	0	8,622,663	210,696	0	0
Capital Loans Payable	0	0	34,153	34,257	61,214
Loans Payable	0	0	622,630	0	0
Capital Leases Payable	0	0	0	0	68,563
Compensated Absences Payable	87,446	69,632	50,359	0	39,052
Landfill Postclosure Costs Payable	0	0	0	0	1,426,064
<b>Total Non-Current Liabilities</b>	<b>260,512</b>	<b>8,692,295</b>	<b>9,049,088</b>	<b>34,257</b>	<b>1,594,893</b>
<b>Total Liabilities</b>	<b>2,121,787</b>	<b>8,769,628</b>	<b>9,900,697</b>	<b>50,428</b>	<b>1,790,157</b>

Total Enterprise Funds	Governmental Activity Internal Service Fund
\$9,708,216	\$7,798
2,482,653	0
29,583	0
56,692	0
30,390	0
82,465	2,023
<u>2,252,725</u>	<u>1,909</u>
<u>14,642,724</u>	<u>11,730</u>
188,573	0
1,130,456	0
264,572	0
3,871,802	0
<u>43,445,201</u>	<u>49,038</u>
<u>48,900,604</u>	<u>49,038</u>
<u>63,543,328</u>	<u>60,768</u>
34,011	2,302
294,535	523
1,093,026	0
108,351	7,389
78,556	261
40,843	0
16,618	0
410,000	0
2,500	0
55,671	0
90,325	0
32,399	0
541,378	0
145,475	6,576
<u>57,964</u>	<u>0</u>
<u>3,001,652</u>	<u>17,051</u>
173,066	0
8,130,000	0
1,250	0
8,833,359	0
129,624	0
622,630	0
68,563	0
246,489	6,125
<u>1,426,064</u>	<u>0</u>
<u>19,631,045</u>	<u>6,125</u>
<u>22,632,697</u>	<u>23,176</u>

(continued)

City of Wapakoneta  
Statement of Fund Net Assets  
Proprietary Funds  
December 31, 2011  
(continued)

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
<u>Net Assets</u>					
Invested in Capital Assets, Net of Related Debt	\$15,205,991	\$6,846,681	\$5,392,065	\$1,645,458	\$831,764
Restricted for					
Revenue Bond Replacement	0	0	15,507	0	0
Future Debt Service	0	0	1,099,392	0	0
Unrestricted (Deficit)	9,332,732	1,490,874	(380,226)	701,679	(1,271,286)
Total Net Assets (Deficit)	\$24,538,723	\$8,337,555	\$6,126,738	\$2,347,137	(\$439,522)

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 <u>Internal Service Fund</u>
\$29,921,959	\$49,038
15,507	0
1,099,392	0
<u>9,873,773</u>	<u>(11,446)</u>
40,910,631	<u><u>\$37,592</u></u>
<u>7,519</u>	
<u><u>\$40,918,150</u></u>	

City of Wapakoneta  
Statement of Revenues, Expenses,  
and Change in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2011

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
<u>Operating Revenues</u>					
Charges for Services	\$14,353,808	\$1,560,401	\$0	\$154,095	\$1,114,270
Charges for Services Pledged as Security on Mortgage Revenue Bonds	0	0	2,415,263	0	0
Licenses and Permits Pledged as Security on Mortgage Revenue Bonds	0	0	150	0	0
Other	56,033	3,121	0	5,160	5,623
Other Pledged as Security on Mortgage Revenue Bonds	0	0	2,871	0	0
Total Operating Revenues	<u>14,409,841</u>	<u>1,563,522</u>	<u>2,418,284</u>	<u>159,255</u>	<u>1,119,893</u>
<u>Operating Expenses</u>					
Personal Services	1,032,269	436,283	644,559	0	474,202
Contractual Services	12,750,177	265,188	404,589	19,065	447,196
Materials and Supplies	151,792	391,534	255,081	26,771	80,128
Depreciation	349,647	293,324	418,480	65,779	45,124
Other	55,838	0	11,280	0	0
Total Operating Expenses	<u>14,339,723</u>	<u>1,386,329</u>	<u>1,733,989</u>	<u>111,615</u>	<u>1,046,650</u>
Operating Income (Loss)	<u>70,118</u>	<u>177,193</u>	<u>684,295</u>	<u>47,640</u>	<u>73,243</u>
<u>Non-Operating Revenues (Expenses)</u>					
Other Local Taxes	56,878	0	0	0	0
Loss on Disposal of Capital Assets	(46,299)	0	(503)	0	0
Interest Revenue	0	0	7	0	0
Interest Expense	0	(456,096)	(436,703)	(1,991)	(6,667)
Total Non-Operating Revenues (Expenses)	<u>10,579</u>	<u>(456,096)</u>	<u>(437,199)</u>	<u>(1,991)</u>	<u>(6,667)</u>
Income (Loss) before Contributions and Transfers	80,697	(278,903)	247,096	45,649	66,576
Capital Contributions	0	13,914	37,307	96,045	0
Transfers In	550,000	0	0	5,110	30,000
Transfers Out	(32,997)	(32,997)	(38,107)	0	(31,721)
Change in Net Assets	597,700	(297,986)	246,296	146,804	64,855
Net Assets (Deficit) Beginning of Year	<u>23,941,023</u>	<u>8,635,541</u>	<u>5,880,442</u>	<u>2,200,333</u>	<u>(504,377)</u>
Net Assets (Deficit) End of Year	<u>\$24,538,723</u>	<u>\$8,337,555</u>	<u>\$6,126,738</u>	<u>\$2,347,137</u>	<u>(\$439,522)</u>

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>
\$17,182,574	\$206,907
2,415,263	0
150	12,921
69,937	733
2,871	0
<u>19,670,795</u>	<u>220,561</u>
2,587,313	183,984
13,886,215	36,629
905,306	7,592
1,172,354	2,742
67,118	0
<u>18,618,306</u>	<u>230,947</u>
<u>1,052,489</u>	<u>(10,386)</u>
56,878	0
(46,802)	0
7	0
(901,457)	0
<u>(891,374)</u>	<u>0</u>
161,115	(10,386)
147,266	0
585,110	0
(135,822)	0
<u>757,669</u>	<u>(10,386)</u>
	<u>47,978</u>
	<u>\$37,592</u>
<u>(2,077)</u>	
<u>\$755,592</u>	

City of Wapakoneta  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2011

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
Increases (Decreases) in Cash and Cash Equivalents					
<u>Cash Flows from Operating Activities</u>					
Cash Received from Customers	\$14,551,811	\$1,569,875	\$2,390,707	\$154,167	\$1,099,593
Cash Received from Transactions with Other Funds	0	0	0	0	0
Cash Received from Utility Deposits	47,356	0	0	0	0
Cash Received from Other Revenues	56,033	3,121	2,871	5,160	6,659
Cash Payments for Personal Services	(870,638)	(424,619)	(629,977)	0	(458,522)
Cash Payments for Contractual Services	(12,440,498)	(285,382)	(344,016)	(13,907)	(511,904)
Cash Payments to Vendors	(1,059,666)	(619,030)	(246,095)	(27,650)	(83,659)
Cash Payments for Transactions with Other Funds	(125)	(1,309)	(125)	(518)	0
Cash Payments for Utility Refunds	(18,132)	0	0	0	0
Cash Payments for Other Expenses	(58,161)	0	(11,280)	0	0
Net Cash Provided by (Used for) Operating Activities	<u>207,980</u>	<u>242,656</u>	<u>1,162,085</u>	<u>117,252</u>	<u>52,167</u>
<u>Cash Flows from Noncapital Financing Activities</u>					
Cash Received from Other Local Taxes	56,878	0	0	0	0
Transfers In	550,000	0	0	0	30,000
Transfers Out	(32,997)	(32,997)	(38,107)	0	(31,721)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>573,881</u>	<u>(32,997)</u>	<u>(38,107)</u>	<u>0</u>	<u>(1,721)</u>
<u>Cash Flows from Capital and Related Financing Activities</u>					
Principal Paid on General Obligation Bonds	0	0	0	0	(23,300)
Principal Paid on Mortgage Revenue Bonds	0	0	(400,000)	0	0
Principal Paid on Due to Auglaize County	0	0	(2,500)	0	0
Principal Paid on OWDA Loans	0	(138,950)	(22,900)	0	0
Principal Paid on Capital Loans	0	(3,148)	(15,575)	(10,146)	(52,702)
Principal Paid on Loans	0	0	(86,869)	0	0
Principal Paid on Leases	0	0	0	0	(40,000)
Interest Paid on General Obligation Bonds	0	0	0	0	(2,090)
Interest Paid on Mortgage Revenue Bonds	0	0	(390,909)	0	0
Interest Paid on OWDA Loans	0	(455,981)	0	0	0
Interest Paid on Capital Loans	0	(173)	(2,560)	(2,219)	(5,406)
Interest Paid on Loans	0	0	(30,666)	0	0
OWDA Loan Proceeds	0	24,206	227,940	0	0
Acquisition of Capital Assets	(2,306,581)	(440,676)	(317,291)	0	0
Net Cash Used for Capital and Related Financing Activities	<u>(2,306,581)</u>	<u>(1,014,722)</u>	<u>(1,041,330)</u>	<u>(12,365)</u>	<u>(123,498)</u>
<u>Cash Flows from Investing Activities</u>					
Interest	0	0	7	0	0
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(1,524,720)</u>	<u>(805,063)</u>	<u>82,655</u>	<u>104,887</u>	<u>(73,052)</u>
Cash and Cash Equivalents Beginning of Year	<u>9,062,854</u>	<u>1,929,327</u>	<u>1,428,964</u>	<u>589,403</u>	<u>231,990</u>
Cash and Cash Equivalents End of Year	<u>\$7,538,134</u>	<u>\$1,124,264</u>	<u>\$1,511,619</u>	<u>\$694,290</u>	<u>\$158,938</u>

Total Enterprise Funds	Governmental Activity
	Internal Service
\$19,766,153	\$12,921
0	206,907
47,356	0
73,844	733
(2,383,756)	(179,508)
(13,595,707)	(37,715)
(2,036,100)	(12,617)
(2,077)	0
(18,132)	0
(69,441)	0
<u>1,782,140</u>	<u>(9,279)</u>
56,878	0
580,000	0
(135,822)	0
<u>501,056</u>	<u>0</u>
(23,300)	0
(400,000)	0
(2,500)	0
(161,850)	0
(81,571)	0
(86,869)	0
(40,000)	0
(2,090)	0
(390,909)	0
(455,981)	0
(10,358)	0
(30,666)	0
252,146	0
(3,064,548)	0
<u>(4,498,496)</u>	<u>0</u>
<u>7</u>	<u>0</u>
(2,215,293)	(9,279)
<u>13,242,538</u>	<u>17,077</u>
<u>\$11,027,245</u>	<u>\$7,798</u>

(continued)

City of Wapakoneta  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2011  
(continued)

	Business-Type Activities				
	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)	\$70,118	\$177,193	\$684,295	\$47,640	\$73,243
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>					
Depreciation	349,647	293,324	418,480	65,779	45,124
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	194,422	9,637	(24,642)	68	(12,271)
Increase in Due from Other Governments	0	0	0	0	(1,194)
Decrease in Other Local Taxes Receivable	855	0	0	0	0
(Increase) Decrease in Interfund Receivable	3,581	(163)	(64)	4	(176)
Increase in Prepaid Items	(1,178)	(1,455)	(601)	0	(97)
(Increase) Decrease in Materials and Supplies Inventory	(366,867)	(139,119)	4,265	0	(4,009)
Increase (Decrease) in Accrued Wages Payable	(709)	173	502	0	762
Increase (Decrease) in Accounts Payable	85,036	11,273	68,827	3,761	16,856
Decrease in Contracts Payable	(636,113)	(115,321)	(4,169)	0	(9,149)
Increase in Due to Other Governments	7,267	3,777	6,415	0	4,819
Increase (Decrease) in Interfund Payable	(644)	(4,365)	1,189	0	(241)
Decrease in Retainage Payable	(48,561)	0	0	0	0
Increase in Refundable Deposits	29,224	0	0	0	0
Increase in AMP-Ohio Payable	541,378	0	0	0	0
Increase (Decrease) in Compensated Absences Payable	(19,476)	7,702	7,588	0	10,099
Decrease in Landfill Postclosure Costs	0	0	0	0	(71,599)
Net Cash Provided by (Used for) Operating Activities	<u>\$207,980</u>	<u>\$242,656</u>	<u>\$1,162,085</u>	<u>\$117,252</u>	<u>\$52,167</u>

Non-Cash Capital Transactions

In 2011, the Street and Sewer Improvement capital projects fund purchased capital assets and donated them to the Water, Sewer, Storm Sewer enterprise funds, in the amount of \$13,914, \$37,307, and \$96,045, respectively.

In 2011, the Electric enterprise fund transferred assets to governmental funds, in the amount of \$17,998 with accumulated depreciation of \$3,700.

In 2011, the Sewer enterprise fund purchased capital assets, in the amount of \$5,110, and transferred them to the Storm Sewer enterprise fund.

In 2011, the Refuse enterprise fund entered into a new lease for vehicles, in the amount of \$140,962.

See Accompanying Notes to the Basic Financial Statements

Total Enterprise Funds	Governmental Activity
	Internal Service
\$1,052,489	(\$10,386)
1,172,354	2,742
167,214	0
(1,194)	0
855	0
3,182	0
(3,331)	(25)
(505,730)	0
728	114
185,753	(5,374)
(764,752)	0
22,278	926
(4,061)	18
(48,561)	0
29,224	0
541,378	0
5,913	2,706
(71,599)	0
<u>\$1,782,140</u>	<u>(\$9,279)</u>

City of Wapakoneta  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
December 31, 2011

<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$21,041</u>
 <u>Liabilities</u>	
Deposits Held and Due to Others	\$1,459
Undistributed Assets	<u>19,582</u>
 Total Liabilities	 <u>\$21,041</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 2011.

The City participates in the Ohio Government Risk Management Plan, an insurance pool. This organization is presented in Note 22 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.

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

**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.

**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.

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

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, committed, or assigned 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.

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.

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

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 2011. 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.

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.

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

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.

Property taxes for which there was an enforceable legal claim at December 31, 2011, but were levied to finance 2012 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.

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

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 2011, 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 net asset value per share, which is the price the investment could be sold for on December 31, 2011.

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 2011 was \$47,494, which includes \$38,517 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, 2011, 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.

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

Restricted assets also 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.

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.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

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

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	20-45 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	10-100 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 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**

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in governmental funds. The classifications are as follows:

**Nonspendable** - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

**Restricted** - The restricted classification includes amounts restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means the City can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

**Committed** - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance or resolution) of City Council. The committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

Assigned - Amounts in the assigned classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by City Council or by a City official delegated that authority by ordinance.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City first applies restricted resources when an expenditure is incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used.

**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. Capital Contributions**

Capital contributions arise from contributions from other funds.

**T. 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.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

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

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 - CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE**

A. Change in Accounting Principles

For 2011, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". GASB Statement No. 54 provides fund balance classifications that can be more consistently applied and clarifies the existing governmental fund type definitions. The requirements of this statement classify fund balance as nonspendable, restricted, committed, assigned, and/or unassigned.

B. Restatement of Fund Balance/Net Assets

The restatement due to the implementation of GASB Statement No. 54 had the following effect on fund balance of the major and nonmajor funds of the City as they were previously reported.

	General	Street and Sewer Improvement	Other Governmental	Total Governmental Funds
Fund Balance at December 31, 2010	\$2,199,779	\$1,116,415	\$2,783,641	\$6,099,835
Change in Fund Structure	781,231	0	(781,231)	0
Adjusted Fund Balance at December 31, 2010	<u>\$2,981,010</u>	<u>\$1,116,415</u>	<u>\$2,002,410</u>	<u>\$6,099,835</u>

**NOTE 4 - ACCOUNTABILITY AND COMPLIANCE**

A. Accountability

The deficit net assets in the Refuse enterprise fund, in the amount of \$439,522, is the result of recording landfill postclosure costs. Refuse rates were increased in 2010 to help offset rising costs.

B. Compliance

For the year ended December 31, 2011, the General Fund, Community Environment, Boards and Commissions, contractual services account had expenditures in excess of appropriations, in the amount of \$4,148.

For the year ended December 31, 2011, the Engineering internal service fund had expenses in excess of appropriations for the personal services account, in the amount of \$1,108.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

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**NOTE 4 - ACCOUNTABILITY AND COMPLIANCE** (continued)

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

**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 restricted, committed, or assigned 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	(\$634,110)
<u>Increases (Decreases) Due To</u>	
Revenue Accruals:	
Accrued 2010, Received in Cash 2011	287,164
Accrued 2011, Not Yet Received in Cash	(394,278)
Expenditure Accruals:	
Accrued 2010, Paid in Cash 2011	(320,190)
Accrued 2011, Not Yet Paid in Cash	301,091
Prepaid Items	(2,205)
Materials and Supplies Inventory	(6,039)
Encumbrances Outstanding at Year End (Budget Basis)	(231,737)
Budget Basis	<u>(\$1,000,304)</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, 2011

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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, \$1,523,607 of the City's bank balance of \$6,763,787 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, 2011, the City had \$1,130,456 invested in mutual funds with an average maturity of 55 days and \$9,000,295 invested in STAR Ohio with an average maturity of 57 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, 2011

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**NOTE 7 - RECEIVABLES**

Receivables at December 31, 2011, consisted of accounts (billings for user charged services, including unbilled utility services); intergovernmental receivables arising from grants, entitlements, and shared revenues; municipal income taxes; other local taxes; interfund; accrued interest; property taxes; notes; and special assessments. Income taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. Notes receivable, in the amount of \$84,996, will not be received within one year. Special assessments receivable, in the amount of \$116,319, will not be received within one year. At December 31, 2011, the amount of delinquent special assessments was \$3,464.

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

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Homestead and Rollback	\$24,744
Local Government	132,283
Tangible Personal Property Reimbursement	862
Cigarette Taxes	310
Estate Taxes	156,817
Ohio Department of Commerce	1,200
Auglaize County	234
State of Ohio	143
Total General Fund	316,593
Street and Sewer Improvement	
Ohio Department of Development	203,873
Ohio Department of Transportation	22,767
Total Street and Sewer Improvement	226,640
Total Major Funds	543,233
	(continued)



City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

**NOTE 7 - RECEIVABLES** (continued)

	Amount
Governmental Activities (continued)	
Nonmajor Funds	
Street Maintenance	
Gasoline Tax	\$112,590
Highway Distribution	56,118
Motor Vehicle License Tax	44,852
Ohio Department of Public Safety	852
Total Street Maintenance	214,412
State Highway	
Gasoline Tax	9,131
Highway Distribution	4,552
Motor Vehicle License Tax	3,637
Ohio Department of Public Safety	69
Total State Highway	17,389
Recreation	
Homestead and Rollback	5,660
Enforcement and Education	
Auglaize County	101
State of Ohio	305
Total Enforcement and Education	406
Drug Law Enforcement	
Auglaize County	22
Total Nonmajor Funds	\$237,889
Business-Type Activities	
Refuse	
Auglaize County	\$29,583

**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.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

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**NOTE 9 - PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility property located in the City. Real property tax revenues received in 2011 represent the collection of 2010 taxes. Real property taxes received in 2011 were levied after October 1, 2010, on the assessed values as of January 1, 2010, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2011 represent the collection of 2010 taxes. Public utility real and tangible personal property taxes received in 2011 became a lien on December 31, 2009, were levied after October 1, 2010, 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.

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 and public utility property taxes which were measurable as of December 31, 2011, 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 2011 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, 2011, was \$3.75 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2011 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate	
Agricultural/Residential	\$108,463,200
Commercial/Industrial	45,560,200
Public Utility Real	66,570
Public Utility Personal	412,220
Total	\$154,502,190

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

**NOTE 10 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2011, was as follows:

	Balance December 31, 2010	Additions	Reductions	Balance December 31, 2011
Governmental Activities:				
Nondepreciable Capital Assets				
Land	\$1,269,026	\$51,420	\$0	\$1,320,446
Construction in Progress	2,238,609	104,623	(2,285,392)	57,840
Total Nondepreciable Capital Assets	<u>3,507,635</u>	<u>156,043</u>	<u>(2,285,392)</u>	<u>1,378,286</u>
Depreciable Capital Assets				
Land Improvements	2,387,301	643,810	0	3,031,111
Buildings	3,599,947	0	0	3,599,947
Equipment	620,352	0	0	620,352
Vehicles	2,499,494	39,606	0	2,539,100
Streets	24,157,597	2,230,958	(1,661,492)	24,727,063
Total Depreciable Capital Assets	<u>33,264,691</u>	<u>2,914,374</u>	<u>(1,661,492)</u>	<u>34,517,573</u>
Less Accumulated Depreciation for				
Land Improvements	(292,697)	(82,738)	0	(375,435)
Buildings	(659,910)	(53,303)	0	(713,213)
Equipment	(379,768)	(30,910)	0	(410,678)
Vehicles	(1,730,018)	(99,198)	0	(1,829,216)
Streets	(11,520,762)	(621,158)	858,437	(11,283,483)
Total Accumulated Depreciation	<u>(14,583,155)</u>	<u>(887,307)</u>	<u>858,437</u>	<u>(14,612,025)</u>
Total Depreciable Capital Assets, Net	<u>18,681,536</u>	<u>2,027,067</u>	<u>(803,055)</u>	<u>19,905,548</u>
Governmental Activities Capital Assets, Net	<u>\$22,189,171</u>	<u>\$2,183,110</u>	<u>(\$3,088,447)</u>	<u>\$21,283,834</u>

During 2011, governmental activities received depreciable capital assets, in the amount of \$17,998 with accumulated depreciation of \$3,700, from business-type activities.

	Balance December 31, 2010	Additions	Reductions	Balance December 31, 2011
Business-Type Activities:				
Nondepreciable Capital Assets				
Land	\$926,720	\$21,000	\$0	\$947,720
Construction in Progress	15,682,050	2,719,088	(15,477,056)	2,924,082
Total Nondepreciable Capital Assets	<u>16,608,770</u>	<u>2,740,088</u>	<u>(15,477,056)</u>	<u>3,871,802</u>

(continued)

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

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

	Balance December 31, 2010	Additions	Reductions	Balance December 31, 2011
Business-Type Activities (continued):				
Depreciable Capital Assets				
Buildings	\$10,517,769	\$9,729,231	\$0	\$20,247,000
Equipment	1,012,728	11,869	0	1,024,597
Vehicles	2,667,061	172,758	(17,998)	2,821,821
Electric, Water, Sewer, and Storm Sewer Lines	32,321,454	6,281,787	(34,468)	38,568,773
Total Depreciable Capital Assets	<u>46,519,012</u>	<u>16,195,645</u>	<u>(52,466)</u>	<u>62,662,191</u>
Less Accumulated Depreciation for				
Buildings	(1,439,128)	(261,247)	0	(1,700,375)
Equipment	(535,162)	(28,273)	0	(563,435)
Vehicles	(1,408,858)	(149,698)	3,700	(1,554,856)
Electric, Water, Sewer, and Storm Sewer Lines	(14,695,625)	(733,136)	30,437	(15,398,324)
Total Accumulated Depreciation	<u>(18,078,773)</u>	<u>(1,172,354)</u>	<u>34,137</u>	<u>(19,216,990)</u>
Total Depreciable Capital Assets, Net	<u>28,440,239</u>	<u>15,023,291</u>	<u>(18,329)</u>	<u>43,445,201</u>
Business-Type Activities Capital Assets, Net	<u>\$45,049,009</u>	<u>\$17,763,379</u>	<u>(\$15,495,385)</u>	<u>\$47,317,003</u>

During 2011, business-type activities received depreciable capital assets, in the amount of \$147,266, 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	\$30,652
Security of Persons and Property - Fire	59,898
Public Health	29,746
Leisure Time Activities	75,459
Transportation	663,870
General Government	27,682
Total Depreciation Expense - Governmental Activities	<u>\$887,307</u>

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

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**NOTE 11- INTERFUND BALANCES**

Interfund balances at December 31, 2011, consisted of the following individual fund receivables and payables:

Due to General Fund from:

Electric	\$52,024
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Due to Electric Fund from:

General	\$2,428
Other Governmental	620
Water	10,143
Sewer	14,550
Refuse	559
Internal Service	190

Total Electric Fund	<u>\$28,490</u>
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Due to Water Fund from:

General	\$29
Other Governmental	35
Electric	35
Sewer	816
Refuse	8
Internal Service	8

Total Water Fund	<u>\$931</u>
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Due to Sewer Fund from:

General	\$77
Other Governmental	84
Electric	85
Refuse	31
Internal Service	31

Total Sewer Fund	<u>\$308</u>
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(continued)

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

**NOTE 11 - INTERFUND BALANCES** (continued)

Due to Storm Sewer from:

General	\$14
Other Governmental	8
Electric	14
Sewer	44
Refuse	4
Internal Service	4
Total Storm Sewer Fund	\$88

Due to Refuse from:

General	\$102
Other Governmental	200
Electric	150
Water	28
Sewer	65
Internal Service	28
Total Refuse Fund	\$573

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 2011, the City contracted with the Ohio Government Risk Management Plan, an insurance pool, for the following coverage:

Type of Coverage	Coverage	Deductible
Property	\$60,296,153	\$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, 2011

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

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
Law Enforcement Liability		
Each Occurrence	\$7,000,000	\$5,000
Aggregate	9,000,000	5,000
Automobile Liability	7,000,000	250-500
Inland Marine	1,492,320	1,000
Electronic Data Processing	280,740	1,000

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

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

**NOTE 13 - SIGNIFICANT CONTRACTUAL COMMITMENTS**

The City has several outstanding contracts for professional services. The following amounts remain on these contracts as of December 31, 2011:

<u>Vendor</u>	<u>Contract Amount</u>	<u>Amount Paid as of 12/31/11</u>	<u>Outstanding Balance</u>
A CH2M Hill, Inc.	\$232,000	\$79,676	\$152,324
Choice One Engineering Corporation	189,726	38,839	150,887
GE Industrial Services	233,813	28,125	205,688
GE Industrial Services	155,193	93,373	61,820
Vaughn Industries	543,363	437,143	106,220

**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. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the traditional plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

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

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 visiting <https://www.opers.org/investments/cafr.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll. For the year ended December 31, 2011, members in state and local classifications contributed 10 percent of covered payroll. For 2011, member and employer contribution rates were consistent across all three plans.

The City's 2011 contribution rate was 14 percent. The portion of the City's contribution used to fund pension benefits is net of postemployment health care benefits. The portion of the City's contribution allocated to health care for members in the traditional plan was 4 percent for 2011. The portion of the employer contribution allocated to health care for members in the combined plan was 6.05 for 2011. Employer contribution rates are actuarially determined.

The City's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2011, 2010, and 2009 was \$254,248, \$239,889, and \$210,361, respectively. For 2011, 86 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009. Contributions to the member-directed plan for 2011 were \$644 made by the City and \$460 made by the plan members.

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

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

Funding Policy - The Ohio Revised Code requires plan members to contribute 10 percent of their annual covered salary while employers are required to contribute 19.5 percent for police officers and 24 percent for firefighters. The OPF pension fund is authorized by the Ohio Revised Code to allocate a portion of the employer contribution to retiree health care benefits. For 2011, the portion of the City's contribution used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters. The City's contribution to OPF for police and firefighters pension was \$123,415 and \$151,247 for the year ended December 31, 2011, \$90,810 and \$137,751 for the year ended December 31, 2010, and \$114,389 and \$151,278, for the year ended December 31, 2009. For 2011, 76 percent has been contributed for police and 72 percent has been contributed for firefighters with the balance for both police and fire being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.



**NOTE 15 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System**

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

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

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

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed 14 percent of covered payroll. This is the maximum employer contribution rate permitted by the Ohio Revised Code.

Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of the employer contribution allocated to health care for members in the traditional plan was 4 percent for 2011. The portion of the employer contribution allocated to health care for members in the combined plan was 6.05 for 2011.

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

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

The City's contribution allocated to fund postemployment health care benefits for the years ended December 31, 2011, 2010, and 2009 was \$101,957, \$137,248, and \$152,108, respectively. For 2011, 86 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

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

**B. Police and Fire Pension Fund**

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

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

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

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

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

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

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

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

The Board of Trustees is authorized to allocate a portion of the total employer contribution made to the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2011, the employer contribution allocated to the healthcare plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contribution to OPF which was allocated to fund postemployment health care benefits for police and firefighters was \$65,337 and \$59,184 for the year ended December 31, 2011, \$48,076 and \$53,902 for the year ended December 31, 2010, and \$60,559 and \$59,196 for the year ended December 31, 2009. For 2011, 76 percent has been contributed for police and 72 percent has been contributed for firefighters with the balance for both police and fire being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

**NOTE 16 - COMPENSATED ABSENCES**

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

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

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

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

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

**NOTE 17 - LONG-TERM OBLIGATIONS**

The City's long-term obligations activity for the year ended December 31, 2011, was as follows:

	Interest Rate	Balance December 31, 2010	Additions	Reductions	Balance December 31, 2011	Due Within One Year
<b><u>Governmental Activities</u></b>						
<b>General Obligation Bonds</b>						
2003 Various Purpose	1.75 - 3.80%	\$771,700	\$0	\$331,700	\$440,000	\$215,000
Accounting Loss	3.30 - 4.25	(21,272)	10,378	0	(10,894)	0
<b>Total General Obligation Bonds</b>		<b>750,428</b>	<b>10,378</b>	<b>331,700</b>	<b>429,106</b>	<b>215,000</b>
<b>Other Long-Term Obligations</b>						
Capital Loans Payable		54,955	0	10,146	44,809	10,552
Loans Payable		315,374	0	34,253	281,121	35,615
Compensated Absences Payable		474,232	33,584	24,613	483,203	111,179
<b>Total Governmental Activities</b>		<b>\$1,594,989</b>	<b>\$43,962</b>	<b>\$400,712</b>	<b>\$1,238,239</b>	<b>\$372,346</b>
	Interest Rate	Balance December 31, 2010	Additions	Reductions	Balance December 31, 2011	Due Within One Year
<b><u>Business-Type Activities</u></b>						
<b>General Obligation Bonds</b>						
2003 Various Purpose	1.75 - 3.80%	\$23,300	\$0	\$23,300	\$0	\$0
<b>Mortgage Revenue Bonds</b>						
1998 Sewer System Bonds	3.30 - 4.95	2,130,000	0	225,000	1,905,000	235,000
2006 Sewer System Bonds	4 - 4.25	6,810,000	0	175,000	6,635,000	175,000
<b>Total Mortgage Revenue Bonds</b>		<b>8,940,000</b>	<b>0</b>	<b>400,000</b>	<b>8,540,000</b>	<b>410,000</b>
<b>Other Long-Term Obligations</b>						
Due to Auglaize County		6,250	0	2,500	3,750	2,500
<b>OWDA Loans</b>						
Water		8,737,407	24,206	138,950	8,622,663	0
Sewer		5,656	227,940	22,900	210,696	0
Capital Loans Payable		266,866	0	81,571	185,295	55,671
Loans Payable		799,824	0	86,869	712,955	90,325
Capital Leases Payable		0	140,962	40,000	100,962	32,399
Due to AMP-Ohio		0	541,378	0	541,378	541,378
Compensated Absences Payable		386,051	30,984	25,071	391,964	145,475
Landfill Postclosure Costs		1,555,627	0	71,599	1,484,028	57,964
<b>Total Other Long-Term Obligations</b>		<b>11,757,681</b>	<b>965,470</b>	<b>469,460</b>	<b>12,253,691</b>	<b>925,712</b>
<b>Total Business-Type Activities</b>		<b>\$20,720,981</b>	<b>\$965,470</b>	<b>\$892,760</b>	<b>\$20,793,691</b>	<b>\$1,335,712</b>

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

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**NOTE 17 - 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 Street Maintenance special revenue fund, and the Water, Sewer, Storm Sewer, and Refuse enterprise funds.

Loans Payable

In 2009, the City obtained a loan from Energy Systems Group, in the amount of \$1,303,630, for energy efficiency upgrades; \$368,662 at the fire station and \$934,968 at the waste 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 \$712,955 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 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, 2011

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**NOTE 17 - 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
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, 2011, were \$358,037.

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.

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

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**NOTE 17 - LONG-TERM OBLIGATIONS** (continued)

In conjunction with the issuance of the sewer system bonds, the City entered into a trust agreement with a commercial bank. This trust agreement, along with the bond indenture, requires that the City establish various funds for the repayment of debt. The restricted assets in the Sewer enterprise fund segregate funds held by the City from funds held by the trustees in accordance with the trust agreement. Restricted assets relating to the sewer system bonds held by the trustee at December 31, 2011, were \$772,419.

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 Sewer enterprise funds.

The OWDA loans will be paid from the gross revenues of the Water and Sewer enterprise funds after provisions for reasonable operating and maintenance expenses. Annual principal and interest payments on the loans are expected to require less than 100 percent of these net revenues in future years. Principal and interest paid on the loans from the Water and Sewer enterprise funds during 2011 was \$594,931 and \$22,900, respectively. Total net revenues for the Water and Sewer enterprise funds were \$470,517 and \$1,102,775 respectively.

Capital Leases Payable - Capital lease obligations will be paid from the fund that maintains custody of the related asset.

Due to AMP-Ohio

The City of Wapakoneta is a participant in American Municipal Power (AMP) and a participant in the American Municipal Power Generating Station Project (AMPGS). This project was anticipated to develop a pulverized coal power plant in Meigs County, Ohio. As a participant, the City executed a take or pay contract on September 17, 2007, in order to participate in this project. The City's share of the project was 5,000 kW of a total capacity of 771,281 kW, giving the City a .65 percent share of the project.

The power plant had an estimated cost of \$3 billion; however, as construction progressed, the project's targeted capital costs increased by 37 percent and the engineer, procure, and construct contractor (EPC) could not guarantee that the construction costs would not continue to escalate. In November 2009, the participants in the project voted to terminate the development of the plant.

The take or pay contract executed by the participants requires the participants of the project to pay any costs incurred on the project. To date, the final costs to project participants have not been finalized. At December 31, 2011, AMP has a regulatory asset for the recovery of the abandoned construction costs. Based on an allocation to the City of Wapakoneta of 5000 kW and the allocation methodology approved by the AMP Board of Trustees, the City of Wapakoneta has a potential stranded costs obligation of \$817,776 for the AMPGS project as of December 31, 2011.

**NOTE 17 - LONG-TERM OBLIGATIONS** (continued)

At the time the participants voted to terminate the coal power plant, they also voted to pursue conversion of the project to a natural gas combined cycle plant. This plant was planned to be developed on the Meigs County site previously planned for the AMPGS project. In February 2011, development of the natural gas combined plant was suspended due to the availability of purchasing the AMP Fremont Energy Center (AFEC) at a favorable price. Along with the purchase of AFEC, a development fee was established. AFEC participants are a separate group of AMP members that obtained financing for expertise in engineering, consulting, and other development costs obtained by AMP for the natural gas combined cycle plant. This amount, financed by AMP, is to be collected through debt service charges to the AFEC participants. The development fee paid by all AFEC participants is credited to the potential AMPGS costs of each AFEC participant that is also an AMPGS participant in the proportion of their relative percentage of the AFEC project (but not less than zero) as approved by the AMP Board of Trustees. The City of Wapakoneta is a participant in the AFEC project and has received a credit to reduce its share of the AMPGS stranded costs obligation.

Based on the allocation methodology approved by the AMP Board of Trustees, the City received a credit of \$276,398 for being a participant in both projects. This credit is proportionate to its share of the AFEC project allocation kW share of 2,640 and the total kW share of those participating in both projects. This credit is legally enforceable up to the obligation as per the resolution approved by the AMP Board of Trustees. As a result, the City is reporting a liability of \$541,378 related to the AMPGS project.

AMP has consistently communicated with the AMPGS participants as to the risks and uncertainties with respect to the outstanding potential liability the City may have as a result of the cancellation of the AMPGS project. Meetings with AMPGS project participants have been held as necessary to communicate any updates for both the costs being incurred and the ongoing litigation. As the request of the participants, on November 18, 2011, and December 13, 2011, AMP sent memos to AMPGS participants providing the participant's information identifying their potential AMPGS stranded costs liability and providing options for payment of those stranded costs if the participant chose to make payments. These memos were not invoices but provided the participants with information which they could utilize in determining if they wanted to pay down a portion or all of the identified maximum exposure. AMP is holding the AMPGS project stranded costs on its revolving credit facility and is accruing interest in addition to legal fees being incurred in its case against the EPC contractor. AMP will hold any payments received as a deposit in order to cease interest accruals on the portion paid.

The City has determined its accounting treatment of this obligation based on advice of the City's Law Director, information provided by AMP and its legal counsel, and City management. As of December 31, 2011, the City had not made any payment on this obligation; however, intends to pay the full amount of the liability during 2012 from the existing fund balance of the Electric enterprise fund.

The City's legal debt margin was \$15,702,012 at December 31, 2011.

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



City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

**NOTE 17 - LONG-TERM OBLIGATIONS** (continued)

Principal and interest requirements to retire governmental activities long-term obligations outstanding at December 31, 2011, were as follows:

Year	General Obligation Bonds		Capital Loans		Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$215,000	\$16,397	\$10,552	\$1,792	\$35,615	\$10,729
2013	225,000	8,550	10,974	1,370	37,033	9,312
2014	0	0	11,413	931	38,506	7,838
2015	0	0	11,870	475	40,038	6,306
2016	0	0	0	0	41,631	4,713
2017-2018	0	0	0	0	88,298	4,391
	<u>\$440,000</u>	<u>\$24,947</u>	<u>\$44,809</u>	<u>\$4,568</u>	<u>\$281,121</u>	<u>\$43,289</u>

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2011, from the enterprise funds were as follows:

Year	Mortgage Revenue Bonds	
	Principal	Interest
2012	\$410,000	\$372,772
2013	425,000	354,140
2014	455,000	334,813
2015	470,000	314,190
2016	485,000	292,825
2017 to 2021	2,825,000	1,111,522
2022 to 2026	3,470,000	454,963
Total	<u>\$8,540,000</u>	<u>\$3,235,225</u>

Year	Due to Auglaize County	Capital Loans Payable		Loans Payable	
	Principal	Principal	Interest	Principal	Interest
2012	\$2,500	\$55,671	\$7,050	\$90,325	\$27,209
2013	1,250	57,782	4,939	93,919	23,616
2014	0	59,972	931	97,656	19,878
2015	0	11,870	475	101,541	15,993
2016	0	0	0	105,582	11,953
2017-2018	0	0	0	223,932	11,136
	<u>\$3,750</u>	<u>\$185,295</u>	<u>\$13,395</u>	<u>\$712,955</u>	<u>\$109,785</u>

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

**NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE**

The City has entered into a capitalized lease for a vehicle. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. During 2011, the City entered into a new lease, in the amount of \$140,692. Principal payments in 2011 were \$40,000 in the Refuse enterprise fund.

	Business-Type Activities
Vehicles	\$140,962
Less Accumulated Depreciation	(4,699)
Carrying Value, December 31, 2011	\$136,263

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of December 31, 2011.

Year	Business-Type Activities	
	Principal	Interest
2012	\$32,399	\$3,861
2013	33,638	2,622
2014	34,925	1,335
	\$100,962	\$7,818

**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 \$1,484,028, reported as landfill postclosure costs at December 31, 2011, 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 commercial and residential refuse users, respectively, to finance the postclosure costs, which generates approximately \$155,000 annually.

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

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

**NOTE 20 - INTERFUND TRANSFERS**

During 2011, the General Fund made transfers to the Street and Sewer Improvement capital projects fund, in the amount of \$790,000, as debt payments came due. The General Fund also made transfers to other governmental funds, in the amount of \$132,000; \$125,000 as debt payments came due and \$7,000 to subsidize activities in other funds. In addition, the General Fund transferred \$550,000 and \$30,000 to the Electric and Refuse enterprise funds, respectively, to subsidize operations.

The Electric enterprise fund transferred \$32,997 to the Street and Sewer improvement capital projects fund as debt payments came due.

The Water enterprise fund transferred \$32,997 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Sewer enterprise fund transferred \$32,997 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Refuse enterprise fund transferred \$31,721 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Sewer enterprise fund transferred capital assets to the Storm Sewer enterprise fund, in the amount of \$5,110.

**NOTE 21 - FUND BALANCE**

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balance	General	Street and Sewer Improvement	Other Governmental	Total
Nonspendable for:				
Materials and Supplies	\$16,150	\$0	\$25,000	\$41,150
Prepaid Items	26,614	0	6,950	33,564
Unclaimed Monies	5,263	0	0	5,263
<b>Total Nonspendable</b>	<b>48,027</b>	<b>0</b>	<b>31,950</b>	<b>79,977</b>
Restricted for:				
Ambulance Operations	16,580	0	0	16,580
Debt Retirement	0	0	1,160	1,160
Economic Development	0	0	704,231	704,231
Police Operations	1,638	0	11,060	12,698
Recreation	0	0	36,229	36,229
Swimming Pool Operations	239	0	0	239
Street Construction and Maintenance	0	1,798,659	403,314	2,201,973
<b>Total Restricted</b>	<b>18,457</b>	<b>1,798,659</b>	<b>1,155,994</b>	<b>2,973,110</b>

(continued)

City of Wapakoneta  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2011

**NOTE 21 - FUND BALANCE** (continued)

Fund Balance	General	Street and Sewer Improvement	Other Governmental	Total
Assigned for:				
Debt Retirement	\$0	\$0	\$698,244	\$698,244
Swimming Pool Operations	50,021	0	0	50,021
Unpaid Obligations	194,520	0	0	194,520
Total Assigned	<u>244,541</u>	<u>0</u>	<u>698,244</u>	<u>942,785</u>
Unassigned	<u>2,035,875</u>	<u>0</u>	<u>0</u>	<u>2,035,875</u>
Total Fund Balance	<u>\$2,346,900</u>	<u>\$1,798,659</u>	<u>\$1,886,188</u>	<u>\$6,031,747</u>

**NOTE 22 - INSURANCE POOL**

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

**NOTE 23 - 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, 2011, to December 31, 2011, 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 that are restricted or committed to expenditure for specified purposes, other than for debt service or capital projects. 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 in the City.

#### Motor Vehicle Permissive Tax Fund

To account for additional motor vehicle registration fees levied by the City and restricted for street maintenance and repair.

#### Community Block Grant Fund

To account for grants received under the Community Development Block Grant Program as well as the revolving loan program restricted for the revolving loan program and other community development expenditures.

#### Recreation Fund

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

#### Law Enforcement Fund

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

#### Enforcement and Education Fund

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

#### Drug Law Enforcement Fund

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

#### Rudd Park Trust Fund

To account for monies from the Wapakoneta Area Community Foundation restricted for use on 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 resources that are restricted, committed, or assigned to expenditure for debt principal, interest, and related costs.

Debt Service Fund

To account for special assessments and transfers from the Street and Sewer Improvement Fund restricted for the payment of principal, interest, and fiscal charges.

Downtown Debt Fund

To account for transfers from the General Fund assigned for the payment of principal, interest, and fiscal charges.

**Nonmajor Capital Projects Funds**

Capital projects funds are used to account for resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities and other capital assets (other than those financed by the enterprise funds.)

Capital Fire Truck Fund

To account for transfers from the General Fund assigned for the purchase or repair of fire trucks.

Issue I

To account for grants from the Ohio Public Works Commission restricted for various infrastructure improvements.



City of Wapakoneta  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$971,361	\$245,212	\$454,192	\$1,670,765
Due from Other Governments	237,889	0	0	237,889
Other Local Taxes Receivable	5,541	0	0	5,541
Prepaid Items	6,950	0	0	6,950
Materials and Supplies Inventory	25,000	0	0	25,000
Property Taxes Receivable	89,805	0	0	89,805
Notes Receivable	169,758	0	0	169,758
Total Assets	<u>\$1,506,304</u>	<u>\$245,212</u>	<u>\$454,192</u>	<u>\$2,205,708</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$2,883	\$0	\$0	\$2,883
Accounts Payable	8,595	0	0	8,595
Contracts Payable	1,452	0	0	1,452
Due to Other Governments	11,069	0	0	11,069
Interfund Payable	947	0	0	947
Deferred Revenue	294,574	0	0	294,574
Total Liabilities	<u>319,520</u>	<u>0</u>	<u>0</u>	<u>319,520</u>
<u>Fund Balance</u>				
Nonspendable	31,950	0	0	31,950
Restricted	1,154,834	1,160	0	1,155,994
Assigned	0	244,052	454,192	698,244
Total Fund Balance	<u>1,186,784</u>	<u>245,212</u>	<u>454,192</u>	<u>1,886,188</u>
Total Liabilities and Fund Balance	<u>\$1,506,304</u>	<u>\$245,212</u>	<u>\$454,192</u>	<u>\$2,205,708</u>

City of Wapakoneta  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2011

	Street Maintenance	State Highway	Motor Vehicle Permissive Tax	Community Block Grant
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$115,403	\$138,015	\$133,205	\$534,473
Due from Other Governments	214,412	17,389	0	0
Other Local Taxes Receivable	0	0	5,541	0
Prepaid Items	6,070	0	0	0
Materials and Supplies Inventory	21,512	0	0	0
Property Taxes Receivable	0	0	0	0
Notes Receivable	0	0	0	169,758
Total Assets	<u>\$357,397</u>	<u>\$155,404</u>	<u>\$138,746</u>	<u>\$704,231</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$2,537	\$0	\$0	\$0
Accounts Payable	8,595	0	0	0
Contracts Payable	0	0	1,452	0
Due to Other Governments	8,231	0	0	0
Interfund Payable	727	0	0	0
Deferred Revenue	184,172	14,937	0	0
Total Liabilities	<u>204,262</u>	<u>14,937</u>	<u>1,452</u>	<u>0</u>
<u>Fund Balance</u>				
Nonspendable	27,582	0	0	0
Restricted	125,553	140,467	137,294	704,231
Total Fund Balance	<u>153,135</u>	<u>140,467</u>	<u>137,294</u>	<u>704,231</u>
Total Liabilities and Fund Balance	<u>\$357,397</u>	<u>\$155,404</u>	<u>\$138,746</u>	<u>\$704,231</u>

Recreation	Law Enforcement	Enforcement and Education	Drug Law Enforcement	Rudd Park Trust	Total
\$38,502	\$1,469	\$6,758	\$2,405	\$1,131	\$971,361
5,660	0	406	22	0	237,889
0	0	0	0	0	5,541
880	0	0	0	0	6,950
3,488	0	0	0	0	25,000
89,805	0	0	0	0	89,805
0	0	0	0	0	169,758
<u>\$138,335</u>	<u>\$1,469</u>	<u>\$7,164</u>	<u>\$2,427</u>	<u>\$1,131</u>	<u>\$1,506,304</u>
\$346	\$0	\$0	\$0	\$0	\$2,883
0	0	0	0	0	8,595
0	0	0	0	0	1,452
2,838	0	0	0	0	11,069
220	0	0	0	0	947
95,465	0	0	0	0	294,574
<u>98,869</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>319,520</u>
4,368	0	0	0	0	31,950
35,098	1,469	7,164	2,427	1,131	1,154,834
<u>39,466</u>	<u>1,469</u>	<u>7,164</u>	<u>2,427</u>	<u>1,131</u>	<u>1,186,784</u>
<u>\$138,335</u>	<u>\$1,469</u>	<u>\$7,164</u>	<u>\$2,427</u>	<u>\$1,131</u>	<u>\$1,506,304</u>

City of Wapakoneta  
 Combining Balance Sheet  
 Nonmajor Debt Service Funds  
 December 31, 2011

	Debt Service	Downtown Debt	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,160	\$244,052	\$245,212
<u>Fund Balance</u>			
Restricted	1,160	0	1,160
Assigned	0	244,052	244,052
Total Fund Balance	1,160	244,052	245,212

City of Wapakoneta  
Combining Statement of Revenues, Expenditures,  
and Change in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Property Taxes	\$94,057	\$0	\$0	\$94,057
Other Local Taxes	65,343	0	0	65,343
Charges for Services	22,510	0	0	22,510
Fines and Forfeitures	3,600	0	0	3,600
Intergovernmental	511,983	0	0	511,983
Interest	25,501	0	0	25,501
Gifts and Donations	1,425	0	0	1,425
Other	1,833	0	0	1,833
Total Revenues	<u>726,252</u>	<u>0</u>	<u>0</u>	<u>726,252</u>
<u>Expenditures</u>				
Current:				
Leisure Time Activities	212,214	0	0	212,214
Community Environment	18,000	0	0	18,000
Transportation	509,659	0	0	509,659
Debt Service:				
Principal Retirement	10,146	207,876	0	218,022
Interest and Fiscal Charges	2,219	14,360	0	16,579
Total Expenditures	<u>752,238</u>	<u>222,236</u>	<u>0</u>	<u>974,474</u>
Excess of Revenues Under Expenditures	(25,986)	(222,236)	0	(248,222)
<u>Other Financing Sources</u>				
Transfers In	7,000	0	125,000	132,000
Change in Fund Balance	(18,986)	(222,236)	125,000	(116,222)
Fund Balance Beginning of Year	<u>1,205,770</u>	<u>467,448</u>	<u>329,192</u>	<u>2,002,410</u>
Fund Balance End of Year	<u>\$1,186,784</u>	<u>\$245,212</u>	<u>\$454,192</u>	<u>\$1,886,188</u>

City of Wapakoneta  
Combining Statement of Revenues, Expenditures,  
and Change in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2011

	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	65,343	0
Charges for Services	22,510	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	421,664	34,896	0	0
Interest	1,160	966	1,107	13,889
Gifts and Donations	0	0	0	0
Other	1,833	0	0	0
Total Revenues	<u>447,167</u>	<u>35,862</u>	<u>66,450</u>	<u>13,889</u>
<u>Expenditures</u>				
Current:				
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	18,000
Transportation	458,572	1,193	49,894	0
Debt Service:				
Principal Retirement	10,146	0	0	0
Interest and Fiscal Charges	2,219	0	0	0
Total Expenditures	<u>470,937</u>	<u>1,193</u>	<u>49,894</u>	<u>18,000</u>
Excess of Revenues Over (Under) Expenditures	(23,770)	34,669	16,556	(4,111)
<u>Other Financing Sources</u>				
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Change in Fund Balance	(23,770)	34,669	16,556	(4,111)
Fund Balance Beginning of Year	<u>176,905</u>	<u>105,798</u>	<u>120,738</u>	<u>708,342</u>
Fund Balance End of Year	<u><u>\$153,135</u></u>	<u><u>\$140,467</u></u>	<u><u>\$137,294</u></u>	<u><u>\$704,231</u></u>

Recreation	Law Enforcement	Enforcement and Education	Drug Law Enforcement	Rudd Park Trust	Total
\$94,057	\$0	\$0	\$0	\$0	\$94,057
0	0	0	0	0	65,343
0	0	0	0	0	22,510
0	445	2,494	661	0	3,600
55,423	0	0	0	0	511,983
8,379	0	0	0	0	25,501
1,190	0	0	0	235	1,425
0	0	0	0	0	1,833
<u>159,049</u>	<u>445</u>	<u>2,494</u>	<u>661</u>	<u>235</u>	<u>726,252</u>
212,214	0	0	0	0	212,214
0	0	0	0	0	18,000
0	0	0	0	0	509,659
0	0	0	0	0	10,146
0	0	0	0	0	2,219
<u>212,214</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>752,238</u>
(53,165)	445	2,494	661	235	(25,986)
<u>7,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,000</u>
(46,165)	445	2,494	661	235	(18,986)
<u>85,631</u>	<u>1,024</u>	<u>4,670</u>	<u>1,766</u>	<u>896</u>	<u>1,205,770</u>
<u>\$39,466</u>	<u>\$1,469</u>	<u>\$7,164</u>	<u>\$2,427</u>	<u>\$1,131</u>	<u>\$1,186,784</u>

City of Wapakoneta  
Combining Statement of Revenues, Expenditures,  
and Change in Fund Balance  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2011

	Debt Service	Downtown Debt	Total
<u>Revenues</u>			
	\$0	\$0	\$0
<u>Expenditures</u>			
Debt Service:			
Principal Retirement	0	207,876	207,876
Interest and Fiscal Charges	0	14,360	14,360
Total Expenditures	0	222,236	222,236
Change in Fund Balance	0	(222,236)	(222,236)
Fund Balance Beginning of Year	1,160	466,288	467,448
Fund Balance End of Year	\$1,160	\$244,052	\$245,212



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 Change in Assets and Liabilities  
Agency Funds  
For the Year Ended December 31, 2011

	Balance December 31, 2010	Additions	Reductions	Balance December 31, 2011
<u>Dependent Coverage</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,032	\$0	\$573	\$1,459
<u>Liabilities</u>				
Deposits Held and Due to Others	\$2,032	\$0	\$573	\$1,459
<u>Police Auxiliary</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$18,230	\$1,352	\$0	\$19,582
<u>Liabilities</u>				
Undistributed Assets	\$18,230	\$1,352	\$0	\$19,582
<u>Total - All Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$20,262	\$1,352	\$573	\$21,041
<u>Liabilities</u>				
Deposits Held and Due to Others	\$2,032	\$0	\$573	\$1,459
Undistributed Assets	18,230	1,352	0	19,582
Total Liabilities	\$20,262	\$1,352	\$573	\$21,041

**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, 2011

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$381,379	\$381,379	\$373,148	(\$8,231)
Municipal Income Taxes	2,130,975	2,130,975	2,202,813	71,838
Other Local Taxes	647,361	647,361	642,935	(4,426)
Charges for Services	598,877	628,877	653,261	24,384
Fees, Licenses, and Permits	98,226	98,226	90,097	(8,129)
Fines and Forfeitures	18,686	18,686	18,568	(118)
Intergovernmental	702,367	702,367	567,830	(134,537)
Interest	125,666	125,666	49,077	(76,589)
Gifts and Donations	3,010	3,010	3,369	359
Other	139,886	52,186	38,099	(14,087)
<b>Total Revenues</b>	<b>4,846,433</b>	<b>4,788,733</b>	<b>4,639,197</b>	<b>(149,536)</b>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police Department				
Personal Services	1,337,134	1,342,133	1,342,069	64
Contractual Services	198,498	199,098	192,107	6,991
Materials and Supplies	48,654	48,054	39,664	8,390
Capital Outlay	63,000	63,000	62,195	805
<b>Total Police Department</b>	<b>1,647,286</b>	<b>1,652,285</b>	<b>1,636,035</b>	<b>16,250</b>
Fire Department				
Personal Services	1,295,523	1,295,523	1,249,857	45,666
Contractual Services	105,618	105,618	69,003	36,615
Materials and Supplies	38,051	38,051	24,151	13,900
Capital Outlay	164,500	164,500	72,233	92,267
Other	1,090	1,090	463	627
<b>Total Fire Department</b>	<b>1,604,782</b>	<b>1,604,782</b>	<b>1,415,707</b>	<b>189,075</b>
Safety Director				
Personal Services	5,000	5,000	4,405	595
Contractual Services	12,500	12,500	3,750	8,750
<b>Total Safety Director</b>	<b>17,500</b>	<b>17,500</b>	<b>8,155</b>	<b>9,345</b>
<b>Total Security of Persons and Property</b>	<b>3,269,568</b>	<b>3,274,567</b>	<b>3,059,897</b>	<b>214,670</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, 2011  
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<b>Public Health</b>				
<b>Emergency Medical</b>				
Personal Services	\$89,273	\$89,273	\$76,399	\$12,874
Contractual Services	84,198	81,698	65,482	16,216
Materials and Supplies	11,828	14,328	10,616	3,712
Capital Outlay	7,500	7,500	4,809	2,691
Other	7,600	7,600	629	6,971
<b>Total Emergency Medical</b>	<b>200,399</b>	<b>200,399</b>	<b>157,935</b>	<b>42,464</b>
<b>Miscellaneous</b>				
Contractual Services	3,000	3,000	617	2,383
<b>Total Public Health</b>	<b>203,399</b>	<b>203,399</b>	<b>158,552</b>	<b>44,847</b>
<b>Leisure Time Activities</b>				
<b>Recreation</b>				
Personal Services	145,000	145,000	112,655	32,345
Contractual Services	35,018	40,818	32,909	7,909
Materials and Supplies	95,209	89,409	73,926	15,483
Capital Outlay	23,500	23,500	21,998	1,502
Other	100	100	0	100
<b>Total Leisure Time Activities</b>	<b>298,827</b>	<b>298,827</b>	<b>241,488</b>	<b>57,339</b>
<b>Community Environment</b>				
<b>Boards and Commissions</b>				
Contractual Services	61,500	67,981	72,129	(4,148)
Materials and Supplies	24,596	24,115	21,766	2,349
Capital Outlay	40,000	40,000	0	40,000
<b>Total Community Environment</b>	<b>126,096</b>	<b>132,096</b>	<b>93,895</b>	<b>38,201</b>
<b>General Government</b>				
<b>Council</b>				
Personal Services	36,900	36,900	36,756	144
Materials and Supplies	8,000	8,253	8,245	8
<b>Total Council</b>	<b>44,900</b>	<b>45,153</b>	<b>45,001</b>	<b>152</b>
<b>Clerk of Council</b>				
Personal Services	3,600	3,600	3,600	0
Contractual Services	5,323	6,170	6,014	156
Materials and Supplies	100	0	0	0
<b>Total Clerk of Council</b>	<b>9,023</b>	<b>9,770</b>	<b>9,614</b>	<b>156</b>
<b>Administrative</b>				
Personal Services	86,180	86,180	74,109	12,071
Contractual Services	47,299	49,814	43,980	5,834
Materials and Supplies	67,967	80,452	62,942	17,510
Capital Outlay	17,500	17,500	9,960	7,540
<b>Total Administrative</b>	<b>218,946</b>	<b>233,946</b>	<b>190,991</b>	<b>42,955</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, 2011  
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<b>Finance</b>				
Personal Services	\$27,500	\$27,500	\$27,000	\$500
Contractual Services	62,000	63,725	59,309	4,416
Materials and Supplies	3,078	1,353	850	503
<b>Total Finance</b>	<b>92,578</b>	<b>92,578</b>	<b>87,159</b>	<b>5,419</b>
<b>Income Tax</b>				
Personal Services	66,850	66,850	62,275	4,575
Contractual Services	8,283	8,283	6,619	1,664
Materials and Supplies	32,225	32,225	15,565	16,660
Capital Outlay	1,500	1,500	0	1,500
Other	813,500	755,000	83,223	671,777
<b>Total Income Tax</b>	<b>922,358</b>	<b>863,858</b>	<b>167,682</b>	<b>696,176</b>
<b>Law Director</b>				
Personal Services	20,000	20,000	20,000	0
Contractual Services	1,000	900	0	900
Materials and Supplies	811	912	909	3
<b>Total Law Director</b>	<b>21,811</b>	<b>21,812</b>	<b>20,909</b>	<b>903</b>
<b>Civil Service</b>				
Personal Services	1,200	1,200	1,000	200
Materials and Supplies	8,200	9,700	4,497	5,203
<b>Total Civil Service</b>	<b>9,400</b>	<b>10,900</b>	<b>5,497</b>	<b>5,403</b>
<b>Elections</b>				
Contractual Services	4,000	4,000	3,532	468
<b>Auglaize County</b>				
Contractual Services	30,100	30,100	6,939	23,161
<b>Administrative Support</b>				
Other	400	400	0	400
<b>Total General Government</b>	<b>1,353,516</b>	<b>1,312,517</b>	<b>537,324</b>	<b>775,193</b>
<b>Debt Service:</b>				
Principal Retirement	34,253	34,253	34,253	0
Interest and Fiscal Charges	12,657	12,657	12,092	565
<b>Total Debt Service</b>	<b>46,910</b>	<b>46,910</b>	<b>46,345</b>	<b>565</b>
<b>Total Expenditures</b>	<b>5,298,316</b>	<b>5,268,316</b>	<b>4,137,501</b>	<b>1,130,815</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(451,883)</b>	<b>(479,583)</b>	<b>501,696</b>	<b>981,279</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, 2011  
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Other Financing Uses</u>				
Advances Out	(\$155,000)	(\$155,000)	\$0	\$155,000
Transfers Out	(1,465,000)	(1,502,000)	(1,502,000)	0
Total Other Financing Uses	(1,620,000)	(1,657,000)	(1,502,000)	155,000
Change in Fund Balance	(2,071,883)	(2,136,583)	(1,000,304)	1,136,279
Fund Balance Beginning of Year	2,836,350	2,836,350	2,836,350	0
Prior Year Encumbrances Appropriated	143,166	143,166	143,166	0
Fund Balance End of Year	<u>\$907,633</u>	<u>\$842,933</u>	<u>\$1,979,212</u>	<u>\$1,136,279</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, 2011

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Special Assessments	\$64,509	\$49,364	(\$15,145)
Intergovernmental	481,500	1,211,350	729,850
Interest	5,491	5,491	0
Other	0	1,997	1,997
<b>Total Revenues</b>	<b>551,500</b>	<b>1,268,202</b>	<b>716,702</b>
<u>Expenditures</u>			
Current:			
Transportation			
Street and Sewer Improvement			
Contractual Services	470,786	430,066	40,720
Materials and Supplies	5,800	5,657	143
Capital Outlay	1,532,862	998,078	534,784
Other	33,500	0	33,500
<b>Total Transportation</b>	<b>2,042,948</b>	<b>1,433,801</b>	<b>609,147</b>
Debt Service:			
Principal Retirement	10,000	5,300	4,700
Interest and Fiscal Charges	5,000	186	4,814
<b>Total Debt Service</b>	<b>15,000</b>	<b>5,486</b>	<b>9,514</b>
<b>Total Expenditures</b>	<b>2,057,948</b>	<b>1,439,287</b>	<b>618,661</b>
Excess of Revenues Under Expenditures	(1,506,448)	(171,085)	1,335,363
<u>Other Financing Sources</u>			
Transfers In	790,000	790,000	0
<b>Change in Fund Balance</b>	<b>(716,448)</b>	<b>618,915</b>	<b>1,335,363</b>
Fund Balance Beginning of Year	258,973	258,973	0
Prior Year Encumbrances Appropriated	691,998	691,998	0
<b>Fund Balance End of Year</b>	<b>\$234,523</b>	<b>\$1,569,886</b>	<b>\$1,335,363</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$14,156,510	\$14,551,811	\$395,301
Other Local Taxes	165,000	56,878	(108,122)
Utility Deposits	18,500	47,356	28,856
Other	2,210,100	56,033	(2,154,067)
<b>Total Revenues</b>	<b>16,550,110</b>	<b>14,712,078</b>	<b>(1,838,032)</b>
<u>Expenses</u>			
Personal Services	1,009,000	919,396	89,604
Contractual Services	16,803,508	13,684,095	3,119,413
Materials and Supplies	1,002,665	771,600	231,065
Capital Outlay	3,152,631	2,840,903	311,728
Utility Refunds	18,500	18,132	368
Other	4,038,816	62,828	3,975,988
Debt Service:			
Principal Retirement	30,000	29,631	369
Interest Expense	5,000	3,366	1,634
<b>Total Expenses</b>	<b>26,060,120</b>	<b>18,329,951</b>	<b>7,730,169</b>
Excess of Revenues Under Expenses	(9,510,010)	(3,617,873)	5,892,137
<u>Other Financing Sources</u>			
Transfers In	550,000	550,000	0
<b>Change in Fund Balance</b>	<b>(8,960,010)</b>	<b>(3,067,873)</b>	<b>5,892,137</b>
Fund Balance Beginning of Year	5,695,234	5,695,234	0
Prior Year Encumbrances Appropriated	3,367,620	3,367,620	0
<b>Fund Balance End of Year</b>	<b>\$102,844</b>	<b>\$5,994,981</b>	<b>\$5,892,137</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, 2011

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$1,619,300	\$1,569,875	(\$49,425)
Intergovernmental	200,000	0	(200,000)
OWDA Loan Proceeds	0	24,206	24,206
Other	5,000	3,121	(1,879)
<b>Total Revenues</b>	<b>1,824,300</b>	<b>1,597,202</b>	<b>(227,098)</b>
<u>Expenses</u>			
Personal Services	448,900	424,619	24,281
Contractual Services	455,205	312,514	142,691
Materials and Supplies	657,961	626,298	31,663
Capital Outlay	871,495	580,235	291,260
Other	552,500	0	552,500
Debt Service:			
Principal Retirement	172,272	171,729	543
Interest Expense	462,228	459,520	2,708
<b>Total Expenses</b>	<b>3,620,561</b>	<b>2,574,915</b>	<b>1,045,646</b>
Change in Fund Balance	(1,796,261)	(977,713)	818,548
Fund Balance Beginning of Year	1,701,360	1,701,360	0
Prior Year Encumbrances Appropriated	227,967	227,967	0
<b>Fund Balance End of Year</b>	<b>\$133,066</b>	<b>\$951,614</b>	<b>\$818,548</b>

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, 2011

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$2,877,000	\$2,390,896	(\$486,104)
Licenses and Permits	0	150	150
Intergovernmental	200,000	0	(200,000)
Interest	0	7	7
OWDA Loan Proceeds	232,000	227,940	(4,060)
Other	0	2,871	2,871
<b>Total Revenues</b>	<b>3,309,000</b>	<b>2,621,864</b>	<b>(687,136)</b>
<u>Expenses</u>			
Personal Services	703,350	629,977	73,373
Contractual Services	854,861	833,367	21,494
Materials and Supplies	239,467	220,552	18,915
Capital Outlay	393,954	105,596	288,358
Other	170,675	11,280	159,395
Debt Service:			
Principal Retirement	561,546	557,475	4,071
Interest Expense	430,234	427,501	2,733
<b>Total Expenses</b>	<b>3,354,087</b>	<b>2,785,748</b>	<b>568,339</b>
Excess of Revenues Under Expenditures	(45,087)	(163,884)	(118,797)
<u>Other Financing Sources</u>			
Transfers In	145	0	(145)
<b>Change in Fund Balance</b>	<b>(44,942)</b>	<b>(163,884)</b>	<b>(118,942)</b>
Fund Balance Beginning of Year	1,225,742	1,225,742	0
Prior Year Encumbrances Appropriated	202,883	202,883	0
<b>Fund Balance End of Year</b>	<b>\$1,383,683</b>	<b>\$1,264,741</b>	<b>(\$118,942)</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$150,000	\$154,167	\$4,167
Other	7,000	5,160	(1,840)
Total Revenues	<u>157,000</u>	<u>159,327</u>	<u>2,327</u>
<u>Expenses</u>			
Contractual Services	20,500	19,065	1,435
Materials and Supplies	8,999	7,456	1,543
Capital Outlay	404,970	42,551	362,419
Other	7,000	0	7,000
Debt Service:			
Principal Retirement	10,146	10,146	0
Interest Expense	2,219	2,219	0
Total Expenses	<u>453,834</u>	<u>81,437</u>	<u>372,397</u>
Change in Fund Balance	(296,834)	77,890	374,724
Fund Balance Beginning of Year	588,404	588,404	0
Prior Year Encumbrances Appropriated	999	999	0
Fund Balance End of Year	<u><u>\$292,569</u></u>	<u><u>\$667,293</u></u>	<u><u>\$374,724</u></u>

City of Wapakoneta  
Refuse Enterprise Fund

Schedule of Revenues, Expenses,  
and Change in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$1,072,000	\$1,099,593	\$27,593
Other	14,500	6,659	(7,841)
Total Revenues	<u>1,086,500</u>	<u>1,106,252</u>	<u>19,752</u>
<u>Expenses</u>			
Personal Services	467,550	458,522	9,028
Contractual Services	631,350	545,223	86,127
Materials and Supplies	82,225	78,158	4,067
Capital Outlay	53,250	49,172	4,078
Debt Service:			
Principal Retirement	105,788	105,633	155
Interest Expense	10,462	9,586	876
Total Expenses	<u>1,350,625</u>	<u>1,246,294</u>	<u>104,331</u>
Excess of Revenues Under Expenditures	(264,125)	(140,042)	(84,579)
<u>Other Financing Sources</u>			
Transfers In	40,000	30,000	(10,000)
Change in Fund Balance	(224,125)	(110,042)	114,083
Fund Balance Beginning of Year	201,465	201,465	0
Prior Year Encumbrances Appropriated	30,525	30,525	0
Fund Balance End of Year	<u><u>\$7,865</u></u>	<u><u>\$121,948</u></u>	<u><u>\$114,083</u></u>

City of Wapakoneta  
Street Maintenance Special Revenue Fund

Schedule of Revenues, Expenditures,  
and Change in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2011

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$22,500	\$22,510	\$10
Intergovernmental	440,500	428,848	(11,652)
Interest	800	1,160	360
Other	5,200	3,878	(1,322)
<b>Total Revenues</b>	<b>469,000</b>	<b>456,396</b>	<b>(12,604)</b>
<u>Expenditures</u>			
Current:			
Transportation			
Street Maintenance			
Personal Services	297,600	247,437	50,163
Contractual Services	112,623	103,926	8,697
Materials and Supplies	102,998	86,328	16,670
Capital Outlay	75,270	60,791	14,479
<b>Total Transportation</b>	<b>588,491</b>	<b>498,482</b>	<b>90,009</b>
Debt Service:			
Principal Retirement	10,146	10,146	0
Interest and Fiscal Charges	2,219	2,219	0
<b>Total Debt Service</b>	<b>12,365</b>	<b>12,365</b>	<b>0</b>
<b>Total Expenditures</b>	<b>600,856</b>	<b>510,847</b>	<b>90,009</b>
<b>Change in Fund Balance</b>	<b>(131,856)</b>	<b>(54,451)</b>	<b>77,405</b>
Fund Balance Beginning of Year	123,859	123,859	0
Prior Year Encumbrances Appropriated	9,321	9,321	0
<b>Fund Balance End of Year</b>	<b>\$1,324</b>	<b>\$78,729</b>	<b>\$77,405</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$34,500	\$35,965	\$1,465
Interest	<u>1,000</u>	<u>966</u>	<u>(34)</u>
Total Revenues	35,500	36,931	1,431
<u>Expenditures</u>			
Current:			
Transportation			
State Highway			
Capital Outlay	<u>136,000</u>	<u>1,193</u>	<u>134,807</u>
Change in Fund Balance	(100,500)	35,738	136,238
Fund Balance Beginning of Year	<u>102,277</u>	<u>102,277</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1,777</u></u>	<u><u>\$138,015</u></u>	<u><u>\$136,238</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Other Local Taxes	\$65,000	\$65,725	\$725
Intergovernmental	50,000	0	(50,000)
Interest	4,000	1,107	(2,893)
Other	<u>27,250</u>	<u>0</u>	<u>(27,250)</u>
Total Revenues	<u>146,250</u>	<u>66,832</u>	<u>(79,418)</u>
<u>Expenditures</u>			
Current:			
Transportation			
Motor Vehicle Permissive Tax			
Capital Outlay	219,588	76,367	143,221
Other	<u>45,000</u>	<u>0</u>	<u>45,000</u>
Total Expenditures	<u>264,588</u>	<u>76,367</u>	<u>188,221</u>
Change in Fund Balance	(118,338)	(9,535)	108,803
Fund Balance Beginning of Year	88,784	88,784	0
Prior Year Encumbrances Appropriated	<u>29,588</u>	<u>29,588</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$34</u></u>	<u><u>\$108,837</u></u>	<u><u>\$108,803</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$1,250	\$3,875	\$2,625
Revolving Loan Payments	<u>95,000</u>	<u>106,822</u>	<u>11,822</u>
Total Revenues	96,250	110,697	14,447
<u>Expenditures</u>			
Current:			
Community Environment			
Community Block Grant			
Contractual Services	<u>541,109</u>	<u>40,109</u>	<u>501,000</u>
Change in Fund Balance	(444,859)	70,588	515,447
Fund Balance Beginning of Year	441,776	441,776	0
Prior Year Encumbrances Appropriated	<u>22,109</u>	<u>22,109</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$19,026</u></u>	<u><u>\$534,473</u></u>	<u><u>\$515,447</u></u>

City of Wapakoneta  
Recreation Special Revenue Fund

Schedule of Revenues, Expenditures,  
and Change in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Property Taxes	\$93,439	\$94,057	\$618
Intergovernmental	58,909	55,423	(3,486)
Interest	8,250	8,379	129
Gifts and Donations	1,000	1,190	190
Other	116,410	0	(116,410)
<b>Total Revenues</b>	<b>278,008</b>	<b>159,049</b>	<b>(118,959)</b>
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Recreation			
Personal Services	74,499	74,499	0
Contractual Services	38,246	33,985	4,261
Materials and Supplies	17,973	16,415	1,558
Capital Outlay	89,432	88,265	1,167
<b>Total Expenditures</b>	<b>220,150</b>	<b>213,164</b>	<b>6,986</b>
Excess of Revenues Over (Under) Expenditures	57,858	(54,115)	(111,973)
<u>Other Financing Sources</u>			
Transfers In	7,000	7,000	0
Change in Fund Balance	64,858	(47,115)	(111,973)
Fund Balance Beginning of Year	79,596	79,596	0
Prior Year Encumbrances Appropriated	5,801	5,801	0
<b>Fund Balance End of Year</b>	<b>\$150,255</b>	<b>\$38,282</b>	<b>(\$111,973)</b>

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, 2011

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$500	\$445	(\$55)
<u>Expenditures</u>	0	0	0
Change in Fund Balance	500	445	(55)
Fund Balance Beginning of Year	1,024	1,024	0
Fund Balance End of Year	\$1,524	\$1,469	(\$55)

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, 2011

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$1,750	\$2,101	\$351
<u>Expenditures</u>			
Current:			
Security of Persons and Property Enforcement and Education Materials and Supplies	6,000	0	6,000
Change in Fund Balance	(4,250)	2,101	6,351
Fund Balance Beginning of Year	4,657	4,657	0
Fund Balance End of Year	\$407	\$6,758	\$6,351

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, 2011

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$1,300	\$764	(\$536)
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Drug Law Enforcement			
Materials and Supplies	2,900	0	2,900
Change in Fund Balance	(1,600)	764	2,364
Fund Balance Beginning of Year	741	741	0
Prior Year Encumbrances Appropriated	900	900	0
Fund Balance End of Year	\$41	\$2,405	\$2,364

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, 2011

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Gifts and Donations	\$20	\$235	\$215
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Rudd Park			
Materials and Supplies	900	0	900
Change in Fund Balance	(880)	235	1,115
Fund Balance Beginning of Year	896	896	0
Fund Balance End of Year	\$16	\$1,131	\$1,115

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, 2011

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

City of Wapakoneta  
Downtown Debt Debt Service Fund

Schedule of Revenues, Expenditures,  
and Change in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2011

	<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	208,000	207,876	124
Interest and Fiscal Charges	<u>15,000</u>	<u>14,360</u>	<u>640</u>
Total Expenditures	<u>223,000</u>	<u>222,236</u>	<u>764</u>
Change in Fund Balance	(223,000)	(222,236)	764
Fund Balance Beginning of Year	<u>466,288</u>	<u>466,288</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$243,288</u></u>	<u><u>\$244,052</u></u>	<u><u>\$764</u></u>



City of Wapakoneta  
Issue I 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, 2011

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$500,000	\$0	(\$500,000)
<u>Expenditures</u>	458,717	0	458,717
Change in Fund Balance	41,283	0	(41,283)
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$41,283	\$0	(\$41,283)

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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	0	0	0
<u>Other Financing Sources</u>			
Transfers In	<u>125,000</u>	<u>125,000</u>	<u>0</u>
Change in Fund Balance	125,000	125,000	0
Fund Balance Beginning of Year	<u>329,192</u>	<u>329,192</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$454,192</u></u>	<u><u>\$454,192</u></u>	<u><u>\$0</u></u>

City of Wapakoneta  
Engineering Internal Service Fund

Schedule of Revenues, Expenses,  
and Change in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$210,500	\$206,907	(\$3,593)
Licenses and Permits	10,400	12,921	2,521
Other	100	733	633
Total Revenues	<u>221,000</u>	<u>220,561</u>	<u>(439)</u>
<u>Expenses</u>			
Personal Services	178,400	179,508	(1,108)
Contractual Services	45,325	39,046	6,279
Materials and Supplies	9,855	8,550	1,305
Capital Outlay	4,415	4,302	113
Total Expenses	<u>237,995</u>	<u>231,406</u>	<u>6,589</u>
Change in Fund Balance	(16,995)	(10,845)	6,150
Fund Balance (Deficit) Beginning of Year	(13,468)	(13,468)	0
Prior Year Encumbrances Appropriated	<u>30,545</u>	<u>30,545</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$82</u></u>	<u><u>\$6,232</u></u>	<u><u>\$6,150</u></u>

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**STATISTICAL  
SECTION**

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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 Nine Years  
(Accrual Basis of Accounting)

	2011	2010	2009	2008	2007
<b>Governmental Activities</b>					
Invested in Capital Assets, Net of Related Debt	\$20,767,868	\$21,307,484	\$19,716,391	\$19,192,324	\$16,550,369
Restricted for					
Debt Service	0	461,278	533,350	609,944	534,616
Capital Projects	2,166,097	2,630,138	2,684,217	2,534,599	4,691,427
Other Purposes	1,375,679	1,433,040	1,660,223	1,904,101	1,651,443
Unrestricted	3,266,843	2,788,840	3,115,472	4,051,240	3,718,111
<b>Total Governmental Activities Net Assets</b>	<b>27,576,487</b>	<b>28,620,780</b>	<b>27,709,653</b>	<b>28,292,208</b>	<b>27,145,966</b>
<b>Business-Type Activities</b>					
Invested in Capital Assets, Net of Related Debt	29,921,959	27,291,889	21,792,361	18,991,836	18,277,471
Restricted	1,114,899	1,108,811	1,141,228	1,170,970	1,236,810
Unrestricted	9,881,292	11,761,858	14,886,023	15,898,729	15,364,398
<b>Total Business-Type Activities Net Assets</b>	<b>40,918,150</b>	<b>40,162,558</b>	<b>37,819,612</b>	<b>36,061,535</b>	<b>34,878,679</b>
<b>Primary Government</b>					
Invested in Capital Assets, Net of Related Debt	50,689,827	48,599,373	41,508,752	38,184,160	34,827,840
Restricted	4,656,675	5,633,267	6,019,018	6,219,614	8,114,296
Unrestricted	13,148,135	14,550,698	18,001,495	19,949,969	19,082,509
<b>Total Primary Government Net Assets</b>	<b>\$68,494,637</b>	<b>\$68,783,338</b>	<b>\$65,529,265</b>	<b>\$64,353,743</b>	<b>\$62,024,645</b>



2006	2005	2004	2003
\$15,550,482	\$14,957,082	\$14,695,619	\$14,325,984
440,193	344,370	550,261	555,349
1,020,043	842,208	816,352	1,469,441
3,001,698	2,557,353	2,352,316	2,002,016
3,002,012	2,471,796	1,874,180	1,184,646
23,014,428	21,172,809	20,288,728	19,537,436
18,054,990	18,859,104	18,380,759	18,897,701
1,164,741	355,195	396,777	413,447
15,117,904	16,125,101	14,648,742	12,696,857
34,337,635	35,339,400	33,426,278	32,008,005
33,605,472	33,816,186	33,076,378	33,223,685
5,626,675	4,099,126	4,115,706	4,440,253
18,119,916	18,596,897	16,522,922	13,881,503
\$57,352,063	\$56,512,209	\$53,715,006	\$51,545,441

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

	2011	2010	2009	2008	2007
<u>Expenses</u>					
Governmental Activities					
Security of Persons and Property					
Police	\$1,584,868	\$1,443,241	\$1,468,762	\$1,353,354	\$1,283,549
Fire	1,353,865	1,429,639	1,617,800	1,287,195	1,189,033
Other	8,492	15,744	15,744	27,849	14,584
Public Health	177,297	198,272	194,857	231,505	231,311
Leisure Time Activities	492,736	452,815	412,328	304,089	217,175
Community Environment	116,039	88,867	137,689	109,785	87,005
Transportation	2,236,189	1,366,298	1,366,920	1,312,919	1,212,316
General Government	512,540	559,760	705,023	496,979	568,638
Interest and Fiscal Charges	49,942	63,692	87,500	70,941	82,806
Total Governmental Activities Expenses	<u>6,531,968</u>	<u>5,618,328</u>	<u>6,006,623</u>	<u>5,194,616</u>	<u>4,886,417</u>
Business-Type Activities					
Electric	14,371,849	13,905,809	13,411,381	14,456,015	15,018,241
Water	1,843,734	921,970	827,854	1,084,075	1,022,962
Sewer	2,171,320	2,235,926	2,927,271	2,231,009	2,095,884
Storm Sewer	114,124	91,075	85,127	83,831	71,239
Refuse	1,053,317	1,080,264	1,005,233	1,022,632	1,413,105
Total Business-Type Activities Expenses	<u>19,554,344</u>	<u>18,235,044</u>	<u>18,256,866</u>	<u>18,877,562</u>	<u>19,621,431</u>
Total Primary Government Expenses	<u>26,086,312</u>	<u>23,853,372</u>	<u>24,263,489</u>	<u>24,072,178</u>	<u>24,507,848</u>
<u>Program Revenues</u>					
Governmental Activities					
Charges for Services					
Security of Persons and Property					
Police	8,473	7,786	9,456	8,911	10,723
Fire	50,157	45,091	43,616	41,361	42,190
Public Health	413,758	287,206	380,940	302,651	371,603
Leisure Time Activities	228,629	249,666	197,945	121,592	0
Community Environment	0	0	0	0	250
Transportation	94,715	250,147	223,294	231,173	156,627
General Government	23,581	20,145	39,969	36,549	33,621
Total Charges for Services	<u>819,313</u>	<u>860,041</u>	<u>895,220</u>	<u>742,237</u>	<u>615,014</u>
Operating Grants, Contributions, and Interest	582,636	632,254	608,906	863,897	739,172
Capital Grants, Contributions, and Interest	572,510	1,493,506	426,237	285,219	2,150,030
Total Governmental Activities Program Revenues	<u>1,974,459</u>	<u>2,985,801</u>	<u>1,930,363</u>	<u>1,891,353</u>	<u>3,504,216</u>
Business-Type Activities					
Charges for Services					
Electric	14,410,686	14,824,354	14,731,146	14,705,519	14,907,663
Water	1,560,401	1,619,474	1,651,348	1,609,240	1,544,797
Sewer	2,415,413	1,983,565	1,789,863	1,845,275	1,888,360
Storm Sewer	154,095	155,831	158,771	156,374	155,588
Refuse	1,114,270	1,070,336	1,085,472	1,112,113	1,085,587
Total Charges for Services	<u>19,654,865</u>	<u>19,653,560</u>	<u>19,416,600</u>	<u>19,428,521</u>	<u>19,581,995</u>
Operating Grants, Contributions, and Interest	0	0	0	0	0
Capital Grants, Contributions, and Interest	0	247,321	0	0	0
Total Business-Type Activities Program Revenues	<u>19,654,865</u>	<u>19,900,881</u>	<u>19,416,600</u>	<u>19,428,521</u>	<u>19,581,995</u>
Total Primary Government Program Revenues	<u>21,629,324</u>	<u>22,886,682</u>	<u>21,346,963</u>	<u>21,319,874</u>	<u>23,086,211</u>
<u>Net (Expense) Revenue</u>					
Governmental Activities	(4,557,509)	(2,632,527)	(4,076,260)	(3,303,263)	(1,382,201)
Business-Type Activities	100,521	1,665,837	1,159,734	550,959	(39,436)
Total Primary Government Net Expense	<u>(4,456,988)</u>	<u>(966,690)</u>	<u>(2,916,526)</u>	<u>(2,752,304)</u>	<u>(1,421,637)</u>

2006	2005	2004	2003
\$1,266,253	\$1,221,018	\$1,145,709	\$1,142,760
1,153,285	1,182,460	1,166,485	1,011,846
11,066	119,623	20,226	56,884
215,334	212,986	226,206	222,529
196,271	223,249	165,540	161,832
98,537	120,691	62,593	99,744
1,029,441	1,439,048	1,596,994	937,128
550,479	434,292	390,067	441,101
93,647	103,670	120,857	203,770
<u>4,614,313</u>	<u>5,057,037</u>	<u>4,894,677</u>	<u>4,277,594</u>
14,306,107	7,035,506	6,772,154	6,718,403
1,013,762	813,587	1,196,319	1,072,455
2,077,733	1,736,226	1,540,649	1,426,900
120,408	102,578	147,612	71,095
1,033,454	872,598	766,336	857,056
<u>18,551,464</u>	<u>10,560,495</u>	<u>10,423,070</u>	<u>10,145,909</u>
<u>23,165,777</u>	<u>15,617,532</u>	<u>15,317,747</u>	<u>14,423,503</u>
9,996	7,352	9,314	6,203
49,611	38,084	37,657	41,073
296,934	295,465	181,748	180,201
0	350	1,130	0
0	0	0	0
207,116	322,510	241,842	170,253
26,362	26,651	35,148	30,855
<u>590,019</u>	<u>690,412</u>	<u>506,839</u>	<u>428,585</u>
871,074	1,263,577	778,158	604,227
161,197	29,847	512,480	384,169
<u>1,622,290</u>	<u>1,983,836</u>	<u>1,797,477</u>	<u>1,416,981</u>
12,848,899	7,785,644	7,250,248	7,250,893
1,404,361	1,312,634	1,210,189	1,155,879
1,856,922	1,827,371	1,799,788	1,677,186
156,184	154,160	151,128	149,247
921,989	924,455	890,986	902,553
<u>17,188,355</u>	<u>12,004,264</u>	<u>11,302,339</u>	<u>11,135,758</u>
13,000	0	155,203	50,000
0	0	0	0
<u>17,201,355</u>	<u>12,004,264</u>	<u>11,457,542</u>	<u>11,185,758</u>
<u>18,823,645</u>	<u>13,988,100</u>	<u>13,255,019</u>	<u>12,602,739</u>
(2,992,023)	(3,073,201)	(3,097,200)	(2,860,613)
<u>(1,350,109)</u>	<u>1,443,769</u>	<u>1,034,472</u>	<u>1,039,849</u>
<u>(4,342,132)</u>	<u>(1,629,432)</u>	<u>(2,062,728)</u>	<u>(1,820,764)</u>

(continued)

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

	2011	2010	2009	2008	2007
<u>General Revenues and Other Changes in Net Assets</u>					
Governmental Activities					
Property Taxes Levied for General Purposes	\$369,263	\$376,810	\$365,898	\$376,258	\$382,346
Property Taxes Levied for Recreation	92,756	95,200	92,532	100,267	103,445
Municipal Income Taxes	2,271,225	2,244,992	2,163,600	2,419,511	2,286,433
Other Local Taxes	642,164	645,090	604,597	666,801	702,847
Grants and Entitlements not Restricted to Specific Programs	550,652	585,145	571,917	736,776	699,524
Franchise Taxes	83,736	85,710	70,776	67,136	50,369
Interest	35,706	75,658	123,591	522,389	919,480
Gifts and Donations	1,374	5,663	9,671	59,095	8,352
Other	48,596	76,118	48,787	47,323	30,384
Gain on Sale of Investment	0	0	0	0	758,441
Transfers	(582,256)	(646,732)	(557,664)	(546,051)	(427,882)
Total Governmental Activities	<u>3,513,216</u>	<u>3,543,654</u>	<u>3,493,705</u>	<u>4,449,505</u>	<u>5,513,739</u>
Business-Type Activities					
Interest	7	1	2	19,753	59,555
Other	72,808	30,376	40,677	66,093	93,043
Transfers	582,256	646,732	557,664	546,051	427,882
Total Business-Type Activities	<u>655,071</u>	<u>677,109</u>	<u>598,343</u>	<u>631,897</u>	<u>580,480</u>
Total Primary Government	<u>4,168,287</u>	<u>4,220,763</u>	<u>4,092,048</u>	<u>5,081,402</u>	<u>6,094,219</u>
<u>Change in Net Assets</u>					
Governmental Activities	(1,044,293)	911,127	(582,555)	1,146,242	4,131,538
Business-Type Activities	755,592	2,342,946	1,758,077	1,182,856	541,044
Total Primary Government Change in Net Assets	<u>(\$288,701)</u>	<u>\$3,254,073</u>	<u>\$1,175,522</u>	<u>\$2,329,098</u>	<u>\$4,672,582</u>

2006	2005	2004	2003
\$390,020	\$356,201	\$343,628	\$349,783
106,334	105,934	102,350	104,731
2,290,400	2,136,920	2,118,637	2,004,839
678,614	656,921	639,180	641,975
530,856	483,500	653,985	515,817
45,289	39,650	37,741	57,486
892,006	546,259	236,441	260,864
13,142	7,791	17,348	22,090
153,570	9,090	24,438	32,297
0	0	0	0
(266,589)	(384,984)	(325,256)	(554,880)
<u>4,833,642</u>	<u>3,957,282</u>	<u>3,848,492</u>	<u>3,435,002</u>
36,694	10,904	30,482	2,001
45,061	73,465	28,063	39,259
<u>266,589</u>	<u>384,984</u>	<u>325,256</u>	<u>554,880</u>
<u>348,344</u>	<u>469,353</u>	<u>383,801</u>	<u>596,140</u>
<u>5,181,986</u>	<u>4,426,635</u>	<u>4,232,293</u>	<u>4,031,142</u>
1,841,619	884,081	751,292	574,389
<u>(1,001,765)</u>	<u>1,913,122</u>	<u>1,418,273</u>	<u>1,635,989</u>
<u>\$839,854</u>	<u>\$2,797,203</u>	<u>\$2,169,565</u>	<u>\$2,210,378</u>

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>General Fund</b>					
Reserved	\$0	\$122,631	\$138,697	\$159,606	\$204,428
Unreserved	0	2,077,148	2,546,481	3,169,890	2,838,888
Nonspendable	\$48,027	n/a	n/a	n/a	n/a
Restricted	18,457	n/a	n/a	n/a	n/a
Assigned	244,541	n/a	n/a	n/a	n/a
Unassigned	<u>2,035,875</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
<b>Total General Fund</b>	<u>2,346,900</u>	<u>2,199,779</u>	<u>2,685,178</u>	<u>3,329,496</u>	<u>3,043,316</u>
<b>All Other Governmental Funds</b>					
Reserved	0	811,189	330,711	465,171	1,859,426
Unreserved, Reported in					
Special Revenue Funds	0	1,081,987	1,265,764	1,392,222	1,078,936
Debt Service Funds	0	467,448	539,473	609,729	520,071
Capital Projects Funds	0	1,539,432	2,177,385	1,617,466	1,384,703
Nonspendable	31,950	n/a	n/a	n/a	n/a
Restricted	2,954,653	n/a	n/a	n/a	n/a
Assigned	698,244	n/a	n/a	n/a	n/a
Unassigned	<u>0</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
<b>Total All Other Governmental Funds</b>	<u>3,684,847</u>	<u>3,900,056</u>	<u>4,313,333</u>	<u>4,084,588</u>	<u>4,843,136</u>
<b>Total Governmental Funds</b>	<u>\$6,031,747</u>	<u>\$6,099,835</u>	<u>\$6,998,511</u>	<u>\$7,414,084</u>	<u>\$7,886,452</u>

Information prior to 2003 not available.

The City implemented GASB statement number 54 in 2011.

2006	2005	2004	2003
\$82,397	\$40,641	\$38,253	\$59,165
2,303,358	1,731,727	899,035	690,012
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
2,385,755	1,772,368	937,288	749,177
485,067	841,079	298,187	142,587
2,444,533	1,894,745	2,175,390	1,805,603
413,201	301,980	229,925	161,129
688,783	478,067	831,123	1,364,097
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
4,031,584	3,515,871	3,534,625	3,473,416
\$6,417,339	\$5,288,239	\$4,471,913	\$4,222,593

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

	2011	2010	2009	2008	2007
<u>Revenues</u>					
Property Taxes	\$467,205	\$472,312	\$454,699	\$475,488	\$485,855
Municipal Income Taxes	2,230,352	2,171,986	2,138,100	2,343,504	2,330,159
Other Local Taxes	707,507	718,141	744,078	739,543	775,349
Special Assessments	49,364	108,280	79,745	113,600	99,838
Charges for Services	686,888	673,656	624,096	534,173	383,477
Fees, Licenses, and Permits	90,097	82,112	98,226	84,803	58,235
Fines and Forfeitures	21,706	21,292	21,495	26,414	28,153
Intergovernmental	2,111,174	2,385,316	1,985,445	2,352,860	1,429,731
Interest	78,486	101,299	167,697	638,987	1,385,496
Gifts and Donations	4,794	30,264	51,756	306,596	29,040
Other	48,596	76,348	48,557	47,323	29,805
<b>Total Revenues</b>	<b>6,496,169</b>	<b>6,841,006</b>	<b>6,413,894</b>	<b>7,663,291</b>	<b>7,035,138</b>
<u>Expenditures</u>					
Current:					
Security of Persons and Property					
Police	1,569,832	1,423,412	1,498,398	1,335,039	1,275,070
Fire	1,283,633	1,406,482	1,771,274	1,228,768	1,157,457
Other	8,166	15,472	14,842	27,847	14,333
Public Health	147,474	172,208	171,546	270,897	218,356
Leisure Time Activities	452,069	389,487	425,862	1,874,381	283,512
Community Environment	111,158	82,067	136,721	105,721	75,643
Transportation	1,635,535	3,037,581	1,651,528	1,790,505	1,128,899
General Government	489,958	536,168	679,793	474,176	1,129,757
Debt Service:					
Principal Retirement	376,099	365,342	358,346	449,624	454,074
Interest and Fiscal Charges	41,045	52,045	74,109	61,042	73,146
<b>Total Expenditures</b>	<b>6,114,969</b>	<b>7,480,264</b>	<b>6,782,419</b>	<b>7,618,000</b>	<b>5,810,247</b>
Excess of Revenues Over (Under) Expenditures	381,200	(639,258)	(368,525)	45,291	1,224,891
<u>Other Financing Sources (Uses)</u>					
Loan Proceeds	0	54,955	368,662	0	0
Sale of Capital Assets	0	3,100	1,531	0	4,201
General Obligation Bonds Issued	0	0	0	0	0
General Obligation Refunding Bonds Issued	0	0	0	0	0
Capital Loans Issued	0	0	0	0	0
Gain on Sale of Investments	0	0	0	0	758,441
Transfers In	1,052,712	919,852	907,759	1,147,341	1,751,741
Transfers Out	(1,502,000)	(1,237,325)	(1,325,000)	(1,665,000)	(2,270,161)
<b>Total Other Financing Sources (Uses)</b>	<b>(449,288)</b>	<b>(259,418)</b>	<b>(47,048)</b>	<b>(517,659)</b>	<b>244,222</b>
<b>Change in Fund Balance</b>	<b>(\$68,088)</b>	<b>(\$898,676)</b>	<b>(\$415,573)</b>	<b>(\$472,368)</b>	<b>\$1,469,113</b>
Debt Service as a Percentage of Noncapital Expenditures	7.81%	7.56%	7.68%	10.18%	11.15%

Information prior to 2003 not available.



2006	2005	2004	2003
\$494,322	\$463,550	\$450,912	\$449,601
2,186,885	2,155,844	2,064,190	2,031,494
750,786	729,535	712,250	714,371
127,830	141,800	110,523	122,025
394,449	314,313	282,566	272,376
49,667	53,014	54,022	44,452
26,397	19,469	28,312	25,471
1,112,975	1,932,243	1,319,319	1,202,606
1,123,113	622,515	497,487	304,393
39,358	33,081	35,090	105,535
153,570	9,443	24,085	30,794
6,459,352	6,474,807	5,578,756	5,303,118
1,261,097	1,184,347	1,115,067	1,175,836
1,468,411	1,201,714	1,127,628	995,116
13,040	119,204	20,343	56,880
191,798	188,684	204,721	315,559
209,160	284,270	140,660	249,335
113,779	121,393	133,654	134,590
741,257	1,203,088	1,395,155	995,578
533,235	416,606	374,390	426,549
448,553	448,060	431,989	3,020,000
84,149	94,174	118,485	306,967
5,064,479	5,261,540	5,062,092	7,676,410
1,394,873	1,213,267	516,664	(2,373,292)
0	0	0	0
816	0	0	1,510
0	0	0	288,400
0	0	0	2,836,000
0	0	0	145,000
0	0	0	0
967,411	500,059	876,428	1,225,000
(1,234,000)	(897,000)	(1,143,772)	(1,758,500)
(265,773)	(396,941)	(267,344)	2,737,410
\$1,129,100	\$816,326	\$249,320	\$364,118
12.11%	11.61%	11.90%	48.13%

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

Year	Real Property				Public Utility Personal Property		
	Assessed Value			Total Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial	Public Utility				
2011	\$108,463,200	\$45,560,200	\$66,570	\$154,089,970	\$440,257,057	\$412,220	\$468,432
2010	107,696,140	45,716,950	61,680	153,474,770	438,499,343	401,430	456,170
2009	108,578,130	47,073,300	87,780	155,739,210	444,969,171	577,790	656,580
2008	99,932,540	43,264,780	46,920	143,244,240	409,269,257	584,380	664,068
2007	98,356,360	41,575,210	43,590	139,975,160	399,929,029	3,300,180	3,750,205
2006	96,797,980	39,755,360	77,760	136,631,100	390,374,571	3,745,680	4,256,455
2005	85,608,830	33,803,110	76,420	119,488,360	341,395,314	3,715,910	4,222,625
2004	84,027,250	33,452,810	75,780	117,555,840	335,873,829	3,816,660	4,337,114
2003	82,548,700	33,025,070	74,390	115,648,160	330,423,314	3,954,800	4,494,091
2002	76,609,370	32,569,640	71,520	109,250,530	312,144,371	4,045,290	4,596,920

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 have been levied or collected since 2009 from general business taxpayers, except telephone companies whose last year to pay tangible personal property tax was 2010.

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

Tangible Personal Property		Total		Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$0	\$0	\$154,502,190	\$440,725,489	\$3.43
434,390	434,390	154,310,590	439,389,903	3.43
868,780	868,780	157,185,780	446,494,531	3.43
4,227,152	67,634,432	148,055,772	477,567,757	3.45
8,454,304	67,634,432	151,729,644	471,313,666	3.47
10,846,559	57,848,315	151,223,339	452,479,341	3.48
14,938,545	59,754,180	138,142,815	405,372,119	3.55
21,012,884	84,051,536	142,385,384	424,262,479	3.56
22,326,522	89,306,088	141,929,482	424,223,493	3.56
22,437,024	89,748,096	135,732,844	406,489,387	3.59

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

Collection Year	2011	2010	2009	2008	2007
<b>Voted Millage</b>					
<b>Recreation</b>					
Effective Millage Rates					
Residential/Agriculture	\$0.5995	\$0.5995	\$0.5989	\$0.5989	\$0.6299
Commerical/Industrial	0.8555	0.8555	0.8441	0.8693	0.8607
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>					
<b>Total Effective Millage by Type of Property</b>					
Residential/Agriculture	3.3495	3.3495	3.3489	3.3489	3.3799
Commerical/Industrial	3.6055	3.6055	3.5941	3.6193	3.6107
Tangible/Public Utility Personal	3.7500	3.7500	3.7500	3.7500	3.7500
Auglaize County	11.7500	11.7500	11.7500	11.7500	11.7500
Wapakoneta City School District	31.3000	31.3000	31.3000	31.3000	31.3000
Apollo Career Center	2.2000	2.2000	2.2000	2.2000	2.2000
Duchouquet Township	0.2000	0.2000	0.2000	0.2000	0.2000

Source: Auglaize County Auditor

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

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

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

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$0.6316	\$0.7014	\$0.7028	\$0.7035	\$0.7451
0.8528	0.9316	0.9314	0.9301	0.9256
<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>
3.3816	3.4514	3.4528	3.4535	3.4951
3.6028	3.6816	3.6814	3.6801	3.6756
<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>
11.2500	11.2500	11.2500	9.3700	9.4000
29.6000	29.6000	29.6000	29.8000	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
2011	\$523,387	\$514,444	98.29%	\$13,202	2.52%
2010	562,605	589,717	104.82	11,496	2.04
2009	567,693	460,924	81.19	11,798	2.08
2008	579,024	565,256	97.62	8,248	1.42
2007	545,199	598,187	109.72	14,151	2.60
2006	553,228	606,765	109.68	12,849	2.32
2005	548,783	583,413	106.31	7,559	1.38
2004	508,913	491,031	96.49	13,257	2.60
2003	502,468	486,704	96.86	20,341	4.05
2002	494,903	469,867	94.94	12,646	2.56

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	2011		
		Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Wal-Mart Stores East LP	Retail Business	\$3,370,620	1	2.18%
GAMCO Components Group LLC	Automotive Suspension Manufacturing	1,785,390	2	1.16
Lowe's Home Centers, Inc.	Retail Business	1,726,530	3	1.12
Schlenker Enterprises	Land Developments and Apartments	1,639,200	4	1.06
DW 28 Wapakoneta LLC	Retail Business	1,080,390	5	0.70
Koneta, Inc.	Rubber Truck Accessories Manufacturing	1,074,930	6	0.69
Ametek, Inc.	Plastic Compounds	1,067,460	7	0.69
Quaker Run Farms	Warehousing and Distribution	992,550	8	0.64
Normandy Ridge Limited	Residential Apartments	859,710	9	0.56
Miller's Textile Services, Inc.	Uniform Rentals	822,590	10	0.53
LRV Acquisition	Hotel Properties			
Auglaize Investment Company	Big Bear Department Store			
Quaker Run	Residential Apartments			
JB Tool and Machine Company	Metal Stamping and Turning			
WGP Holding	Superior Tube			
HCF, Inc.	Nursing Home			
	Total	14,419,370		9.33
	All Other Taxpayers	140,082,820		90.67
	Total Assessed Valuation	<u>\$154,502,190</u>		<u>100.00%</u>

Source: Auglaize County Auditor



2002		
<u>Real Property Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
\$1,554,510	1	1.15%
1,328,890	2	0.97
943,650	4	0.70
829,440	5	0.61
975,080	3	0.72
665,000	7	0.49
791,660	6	0.58
584,440	8	0.43
566,250	9	0.42
<u>534,160</u>	10	<u>0.39</u>
8,773,080		6.46
<u>126,959,764</u>		<u>93.54</u>
<u>\$135,732,844</u>		<u>100.00%</u>

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City of Wapakoneta  
Income Tax Revenue Base and Collections  
Last Eight 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
2011	1.00%	\$2,271,225	\$1,693,982	74.58%	\$232,213	10.22%	\$345,030	15.19%
2010	1.00	2,244,992	1,831,471	81.58	143,612	6.40	269,909	12.02
2009	1.00	2,163,600	1,706,006	78.85	119,471	5.52	338,123	15.63
2008	1.00	2,419,511	1,843,971	76.21	228,064	9.43	347,476	14.36
2007	1.00	2,286,433	1,794,095	78.47	169,089	7.40	323,249	14.13
2006	1.00	2,290,400	1,689,748	73.78	309,030	13.49	291,622	12.73
2005	1.00	2,136,920	1,726,299	80.78	139,636	6.53	270,985	12.68
2004	1.00	2,118,637	1,648,114	77.79	157,669	7.44	312,854	14.77

Source: City Records

Note: Tax years prior to 2004 not available.

City of Wapakoneta  
Electric Utility Statistics  
Last Ten Years

	2011	2010	2009	2008	2007
Kilowatt Hours Purchased from:					
American Electric Power	0	0	0	0	197,661,771
AMP-Ohio	180,959,049	182,091,811	170,099,880	191,475,666	4,149,000
<b>Total Kilowatt Hours Purchased</b>	<b>180,959,049</b>	<b>182,091,811</b>	<b>170,099,880</b>	<b>191,475,666</b>	<b>201,810,771</b>
Payments for Purchased Power to:					
American Electric Power	\$0	\$0	\$0	\$11,197	\$13,344,311
AMP-Ohio	11,968,304	12,224,095	11,750,318	12,608,416	146,348
<b>Total Payments for Purchased Power</b>	<b>\$11,968,304</b>	<b>\$12,224,095</b>	<b>\$11,750,318</b>	<b>\$12,619,613</b>	<b>\$13,490,659</b>
Kilowatt Hours Sold to Users					
Residential	50,710,995	51,220,653	48,207,823	49,579,753	50,710,462
Commercial	53,536,889	54,671,941	51,504,966	54,894,606	59,434,626
Industrial	68,122,540	67,158,540	60,748,180	73,796,880	78,444,120
<b>Total Kilowatt Hours Sold to Users</b>	<b>172,370,424</b>	<b>173,051,134</b>	<b>160,460,969</b>	<b>178,271,239</b>	<b>188,589,208</b>
Charges for Kilowatt Hours Sold to Users					
Residential	\$4,730,277	\$4,816,497	\$4,619,968	\$4,420,838	\$4,324,976
Commercial	5,390,470	5,566,648	5,364,868	5,355,024	5,510,541
Industrial	5,223,424	5,201,984	5,013,166	5,503,887	5,511,166
<b>Total Dollar Amount of Kilowatt Hours Sold to Users</b>	<b>\$15,344,171</b>	<b>\$15,585,129</b>	<b>\$14,998,002</b>	<b>\$15,279,749</b>	<b>\$15,346,683</b>

Rate

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

Source: City Records

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

2006	2005	2004	2003	2002
187,474,222	187,080,998	182,064,625	179,583,038	179,215,817
4,122,000	4,096,736	4,172,642	4,749,257	5,021,624
<u>191,596,222</u>	<u>191,177,734</u>	<u>186,237,267</u>	<u>184,332,295</u>	<u>184,237,441</u>
\$12,570,995	\$5,252,736	\$5,035,490	\$4,939,067	\$4,977,901
136,101	165,854	97,896	115,651	121,407
<u>\$12,707,096</u>	<u>\$5,418,590</u>	<u>\$5,133,386</u>	<u>\$5,054,718</u>	<u>\$5,099,308</u>
48,981,563	51,072,037	48,335,392	47,658,779	49,167,864
62,709,278	61,528,576	56,617,209	55,814,108	56,865,233
70,704,980	63,297,900	65,596,500	68,457,100	69,255,300
<u>182,395,821</u>	<u>175,898,513</u>	<u>170,549,101</u>	<u>171,929,987</u>	<u>175,288,397</u>
\$3,691,525	\$2,568,233	\$2,404,143	\$2,364,694	\$2,442,441
4,938,547	3,158,202	2,862,108	2,817,770	2,867,954
4,587,937	2,604,184	2,548,999	2,601,531	2,646,084
<u>\$13,218,009</u>	<u>\$8,330,619</u>	<u>\$7,815,250</u>	<u>\$7,783,995</u>	<u>\$7,956,479</u>

City of Wapakoneta  
Water Utility Statistics  
Last Ten Years

Type of Customer	2011	2010	2009	2008	2007
Residential	\$1,012,829	\$1,029,780	\$1,048,899	\$977,828	\$931,953
Industrial	270,269	291,804	274,435	312,965	310,036
Commercial	263,642	277,948	280,266	270,467	271,697
<b>Total Billed</b>	<b>\$1,546,740</b>	<b>\$1,599,532</b>	<b>\$1,603,600</b>	<b>\$1,561,260</b>	<b>\$1,513,686</b>
<b>Billed in Cubic Feet</b>					
<b>Rate in Cubic Feet:</b>					
<b>All Customers</b>					
0 - 200	\$7.72	\$7.72	\$7.72	\$7.14	\$6.61
201 - 1,300	3.25	3.25	3.25	3.01	2.79
1,301 - 6,100	2.71	2.71	2.71	2.51	2.32
6,101 - 22,800	2.20	2.20	2.20	2.04	1.89
22,801 and up	1.99	1.99	1.99	1.84	1.70
<b>Multi Residential</b>					
0 - 200	\$7.72	\$7.72	\$7.72	\$7.14	\$6.61
Each Additional 100	3.15	3.15	3.15	2.91	2.69

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.

2006	2005	2004	2003	2002
\$845,137	\$803,042	\$709,519	\$707,773	\$754,799
263,913	209,814	207,575	167,426	156,204
264,331	256,465	204,331	227,810	246,097
<u>\$1,373,381</u>	<u>\$1,269,321</u>	<u>\$1,121,425</u>	<u>\$1,103,009</u>	<u>\$1,157,100</u>

\$6.12	\$5.67	\$5.25	\$5.25	\$5.25
2.58	2.39	2.21	2.21	2.21
2.15	1.99	1.84	1.84	1.84
1.75	1.62	1.50	1.50	1.50
1.57	1.45	1.34	1.34	1.34

\$6.12	\$5.67	\$5.25	\$5.25	\$5.25
2.49	2.31	2.14	2.14	2.14

City of Wapakoneta  
Sewer Utility Statistics  
Last Ten Years

Type of Customer	2011	2010	2009	2008	2007
Residential	\$1,123,865	\$1,081,696	\$1,051,463	\$1,035,296	\$1,045,093
Commercial	318,190	307,324	291,326	300,312	318,508
Industrial	370,480	393,287	400,621	473,693	512,977
<b>Total Billed</b>	<b>\$1,812,535</b>	<b>\$1,782,307</b>	<b>\$1,743,410</b>	<b>\$1,809,301</b>	<b>\$1,876,578</b>
<b>Billed in Cubic Feet</b>					
<b>Base Rate for First 200 Cubic Feet:</b>					
Residential	\$11.40	\$11.07	\$10.20	\$10.05	\$9.90
Commercial	\$11.40	\$11.07	10.20	10.05	9.90
Industrial	\$11.40	\$11.07	10.20	10.05	9.90
<b>Additional per 100 Cubic Feet:</b>					
Residential	\$3.33	\$3.23	\$2.98	\$2.93	\$2.89
Commercial	3.58	3.48	3.21	3.16	3.11
Industrial	3.33	3.23	2.98	2.93	2.89

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.



2006	2005	2004	2003	2002
\$1,013,454	\$1,016,743	\$994,203	\$974,159	\$854,661
348,872	365,911	304,829	342,570	318,176
471,939	414,251	425,951	337,538	285,997
<u>\$1,834,265</u>	<u>\$1,796,905</u>	<u>\$1,724,983</u>	<u>\$1,654,267</u>	<u>\$1,458,834</u>

\$9.75	\$9.60	\$9.46	\$9.32	\$7.76
9.75	9.60	9.46	9.32	7.76
9.75	9.60	9.46	9.32	7.76

\$2.85	\$2.81	\$2.77	\$2.73	\$2.28
3.06	3.01	2.97	2.93	2.44
2.85	2.81	2.77	2.73	2.28

City of Wapakoneta  
Storm Sewer Utility Statistics  
Last Ten Years

Type of Customer	2011	2010	2009	2008	2007
Residential	\$87,912	\$87,960	\$87,722	\$87,772	\$87,348
Commercial/Industrial	65,389	68,249	68,133	66,802	67,425
<b>Total Billed</b>	<b>\$153,301</b>	<b>\$156,209</b>	<b>\$155,855</b>	<b>\$154,574</b>	<b>\$154,773</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>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$86,742	\$85,832	\$84,732	\$83,888	\$82,568
<u>67,411</u>	<u>66,755</u>	<u>64,812</u>	<u>63,852</u>	<u>63,684</u>
<u>\$154,153</u>	<u>\$152,587</u>	<u>149,544</u>	<u>\$147,740</u>	<u>\$146,252</u>

City of Wapakoneta  
Refuse Utility Statistics  
Last Ten Years

Type of Customer	2011	2010	2009	2008	2007
Residential	\$414,234	\$411,384	\$386,024	\$366,097	\$342,334
Commercial/Industrial	182,801	190,085	194,305	207,471	203,805
Bag Sales (all customers)	271,437	267,688	254,313	287,938	267,579
<b>Total</b>	<b>\$868,472</b>	<b>\$869,157</b>	<b>\$834,642</b>	<b>\$861,506</b>	<b>\$813,718</b>
<b>Amount Paid by City to Waste Management</b>	<b>\$239,428</b>	<b>\$223,051</b>	<b>\$206,999</b>	<b>\$215,993</b>	<b>\$220,755</b>
<b>Amount per Ton Paid to Waste Management</b>	<b>\$65.09</b>	<b>\$61.99</b>	<b>\$59.15</b>	<b>\$55.09</b>	<b>\$53.55</b>
<u>Monthly Base Rate:</u>					
Residential Inside	\$8.50	\$8.50	\$8	\$7	\$7
Residential Outside	12.50	12.50	12	11	11

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.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$294,849	\$291,252	\$290,097	\$289,368	\$288,412
136,612	141,192	128,449	128,209	124,606
<u>236,150</u>	<u>241,800</u>	<u>195,500</u>	<u>188,450</u>	<u>209,700</u>
<u>\$667,611</u>	<u>\$674,244</u>	<u>\$614,046</u>	<u>\$606,027</u>	<u>\$622,718</u>
<u>\$219,332</u>	<u>\$180,182</u>	<u>\$161,692</u>	<u>\$160,854</u>	<u>\$146,767</u>
\$51.00	\$41.60	\$39.30	\$37.30	\$37.30
\$6 10	\$6 10	\$6 10	\$6 10	\$6 10

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

Year	Governmental Activities			Business-Type Activities			
	General Obligation Bonds	Capital Loans	Loans Payable	General Obligation Bonds	Mortgage Revenue Bonds	Due to Auglaize County	OWDA Loans
2011	\$429,106	\$44,809	\$281,121	\$0	\$8,540,000	\$3,750	\$8,833,359
2010	750,428	54,955	315,374	23,300	8,940,000	6,250	8,743,063
2009	1,071,228	0	348,316	45,900	9,315,000	8,750	4,853,063
2008	1,397,951	0	0	67,900	9,655,196	11,250	1,007
2007	1,805,581	31,024	0	89,300	9,986,450	13,750	0
2006	2,218,912	61,098	0	110,300	10,308,232	16,250	0
2005	2,627,902	90,251	0	130,900	3,050,543	18,750	0
2004	3,037,372	118,511	0	151,100	3,213,383	21,250	0
2003	3,432,764	145,000	0	170,600	3,367,280	23,750	0
2002	3,425,000	0	0	0	3,516,177	26,250	0

Source: City Records

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

Capital Loans	Loans Payable	Total Debt	Per Capita (1)	Percentage of Personal Income (1)
\$185,295	\$712,955	\$19,030,395	\$1,929	7.79%
266,866	799,824	19,900,060	2,103	11.08
280,568	883,369	16,806,194	1,781	9.39
80,256	0	11,213,560	1,189	6.27
126,906	0	12,053,011	1,258	6.63
57,749	0	12,772,541	1,330	7.01
105,765	0	6,024,111	632	3.33
151,762	0	6,693,378	703	3.70
195,789	0	7,335,183	774	4.08
115,913	0	7,083,340	748	3.94

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
2011	9,867	\$440,725,489	\$429,106	0.10%	\$43.49
2010	9,464	439,389,903	773,728	0.18	81.75
2009	9,438	446,494,531	1,117,128	0.25	118.36
2008	9,432	477,567,757	1,465,851	0.31	155.41
2007	9,579	471,313,666	1,894,881	0.40	197.82
2006	9,602	452,479,341	2,329,212	0.51	242.58
2005	9,531	405,372,119	2,758,802	0.68	289.46
2004	9,518	424,262,479	3,188,472	0.75	334.99
2003	9,474	424,223,493	3,603,364	0.85	380.34
2002	9,474	406,489,387	3,425,000	0.84	361.52

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



City of Wapakoneta  
 Computation of Direct and Overlapping Debt for Governmental Activities  
 December 31, 2011

Jurisdiction	Outstanding Debt	Percentage Applicable to City of Wapakoneta (1)	Amount Applicable to City of Wapakoneta
City of Wapakoneta			
2003 Various Purpose	\$429,106	100.00%	\$429,106
Capital Loans Payable	44,809		\$44,809
Loans Payable	281,121		281,121
	<u>755,036</u>		<u>755,036</u>
Wapakoneta City School District	25,110,000	45.18	11,344,698
Auglaize County	29,187	16.64	4,857
	<u>25,139,187</u>		<u>11,349,555</u>
<b>Total</b>	<u><u>\$25,894,223</u></u>		<u><u>\$12,059,782</u></u>

Source: City Records  
 Ohio Municipal Advisory Council

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

City of Wapakoneta  
 Computation of Legal Debt Margin  
 Last Ten Years

	2011	2010	2009	2008
Total Assessed Valuation	<u>\$154,502,190</u>	<u>\$154,310,590</u>	<u>\$157,185,780</u>	<u>\$148,055,772</u>
Overall Debt Limitation - 10.5 Percent of Assessed Valuation	16,222,730	16,202,612	16,504,507	15,545,856
Gross Indebtedness	19,037,539	19,915,082	17,130,316	11,861,263
Less Debt Outside Limitation				
Bond Anticipation Notes	0	0	300,000	600,000
General Obligation Bonds	0	23,300	45,900	67,900
Mortgage Revenue Bonds	8,540,000	8,940,000	9,315,000	9,670,000
OWDA Loans	8,833,359	8,743,063	4,853,063	1,007
Capital Loans	185,295	266,866	280,568	80,256
Loans Payable	<u>712,955</u>	<u>799,824</u>	<u>883,369</u>	<u>0</u>
Net Indebtedness	765,930	1,142,029	1,452,416	1,442,100
Less Fund Balance in Debt Service Fund	<u>245,212</u>	<u>467,448</u>	<u>539,473</u>	<u>609,729</u>
Net Debt Within 10.5 Percent Limitation	<u>520,718</u>	<u>674,581</u>	<u>912,943</u>	<u>832,371</u>
Legal Debt Margin Within 10.5 Percent Limitation	<u>\$15,702,012</u>	<u>\$15,528,031</u>	<u>\$15,591,564</u>	<u>\$14,713,485</u>
Legal Debt Margin as a Percentage of the Overall Debt Limitation	96.79%	95.84%	94.47%	94.65%
Unvoted Debt Limitation - 5.5 Percent of Assessed Valuation	\$8,497,620	\$8,487,082	\$8,645,218	\$8,143,067
Gross Indebtedness	19,037,539	19,915,082	17,130,316	11,861,263
Less Debt Outside Limitation				
Bond Anticipation Notes	0	0	300,000	600,000
General Obligation Bonds	0	23,300	45,900	67,900
Mortgage Revenue Bonds	8,540,000	8,940,000	9,315,000	9,670,000
OWDA Loans	8,833,359	8,743,063	4,853,063	1,007
Capital Loans	185,295	266,866	280,568	80,256
Loans Payable	<u>712,955</u>	<u>799,824</u>	<u>883,369</u>	<u>0</u>
Net Indebtedness	765,930	1,142,029	1,452,416	1,442,100
Less Fund Balance in Debt Service Fund	<u>245,212</u>	<u>467,448</u>	<u>539,473</u>	<u>609,729</u>
Net Debt Within 5.5 Percent Limitation	<u>520,718</u>	<u>674,581</u>	<u>912,943</u>	<u>832,371</u>
Legal Debt Margin Within 5.5 Percent Limitation	<u>\$7,976,902</u>	<u>\$7,812,501</u>	<u>\$7,732,275</u>	<u>\$7,310,696</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	93.87%	92.05%	89.44%	89.78%

Source: City Records

2007	2006	2005	2004	2003	2002
<u>\$151,729,644</u>	<u>\$151,223,339</u>	<u>\$138,142,815</u>	<u>\$142,385,384</u>	<u>\$141,929,482</u>	<u>\$135,732,844</u>
15,931,613	15,878,451	14,504,996	14,950,465	14,902,596	14,251,949
13,112,930	14,313,847	14,724,416	15,082,873	14,762,589	9,958,036
990,000	1,450,000	8,588,400	8,257,600	7,276,800	2,547,941
89,300	110,300	130,900	151,100	170,600	0
10,015,000	10,350,000	3,105,000	3,280,000	3,445,000	3,605,000
0	0	0	0	0	1,123
157,930	118,847	196,016	270,273	340,789	115,913
0	0	0	0	0	0
1,860,700	2,284,700	2,704,100	3,123,900	3,529,400	3,688,059
520,071	413,201	301,980	229,925	161,129	118,215
1,340,629	1,871,499	2,402,120	2,893,975	3,368,271	3,569,844
<u>\$14,590,984</u>	<u>\$14,006,952</u>	<u>\$12,102,876</u>	<u>\$12,056,490</u>	<u>\$11,534,325</u>	<u>\$10,682,105</u>
91.59%	88.21%	83.44%	80.64%	77.40%	74.95%
\$8,345,130	\$8,317,284	\$7,597,855	\$7,831,196	\$7,806,122	\$7,465,306
13,112,930	14,313,847	14,724,416	15,082,873	14,762,589	9,958,036
990,000	1,450,000	8,588,400	8,257,600	7,276,800	2,547,941
89,300	110,300	130,900	151,100	170,600	0
10,015,000	10,350,000	3,105,000	3,280,000	3,445,000	3,605,000
0	0	0	0	0	1,123
157,930	118,847	196,016	270,273	340,789	115,913
0	0	0	0	0	0
1,860,700	2,284,700	2,704,100	3,123,900	3,529,400	3,688,059
520,071	413,201	301,980	229,925	161,129	118,215
1,340,629	1,871,499	2,402,120	2,893,975	3,368,271	3,569,844
<u>\$7,004,501</u>	<u>\$6,445,785</u>	<u>\$5,195,735</u>	<u>\$4,937,221</u>	<u>\$4,437,851</u>	<u>\$3,895,462</u>
83.94%	77.50%	68.38%	63.05%	56.85%	52.18%

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	
2011	\$2,418,291	\$1,315,509	\$1,102,782	\$400,000	\$390,909	\$790,909	1.39
2010	1,987,702	1,305,730	681,972	375,000	407,905	782,905	0.87
2009	1,803,106	1,936,809	(133,703)	355,000	423,123	778,123	(0.17)
2008	1,879,320	1,324,362	554,958	345,000	437,210	782,210	0.71
2007	1,961,301	1,176,047	785,254	335,000	450,788	785,788	1.00
2006	1,901,842	1,192,376	709,466	180,000	291,933	471,933	1.50
2005	1,864,785	963,590	901,195	175,000	155,092	330,092	2.73
2004	1,832,802	896,473	936,329	165,000	161,610	326,610	2.87
2003	1,693,997	860,093	833,904	160,000	167,770	327,770	2.54
2002	1,495,944	829,276	666,668	155,000	173,583	328,583	2.03

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)
2011	9,867	\$244,267,452	\$24,756	3,065	6.20%
2010	9,464	179,588,864	18,976	3,036	8.20
2009	9,438	179,095,488	18,976	3,025	10.60
2008	9,432	178,981,632	18,976	3,025	6.80
2007	9,579	181,771,104	18,976	3,043	4.70
2006	9,602	182,207,552	18,976	3,023	4.20
2005	9,531	180,860,256	18,976	3,163	4.20
2004	9,518	180,613,568	18,976	3,119	3.30
2003	9,474	179,778,624	18,976	3,069	5.50
2002	9,474	179,778,624	18,976	3,269	5.30

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 Eight Years Ago

Employer	Type of Business	2011	
		Number of Employees	Percentage of Total Employment
Auglaize County	Government	466	9.24%
Wapakoneta City School District	Government	288	5.71
Miller's Textile Services, Inc.	Uniform Rentals	172	3.41
Wal-Mart Stores East LP	Retail Business	170	3.37
Trupointe	Agricultural Commodities Supplier	165	3.27
American Trim Limited	Metal Stamping	158	3.14
Koneta, Inc.	Rubber Truck Accessories Manufacturing	154	3.05
General Aluminum Manufacturing Company	Aluminum Manufacturing	125	2.48
GA Wintzer & Son Company	Manufacturing	102	2.02
City of Wapakoneta	Government	81	1.61
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		1,881	37.30%
Total Employment Within the City		5,043	

Source: City Records

Note: Information prior to 2003 not available.

Total employment based on 2010 numbers (latest information available)

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

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

Function/Program	2011	2010	2009	2008
<b>General Government</b>				
Mayor	1.00	1.00	1.00	1.00
Council	8.00	8.00	8.00	8.00
Clerk of Council	0.50	0.50	0.50	0.50
Auditor	1.00	1.00	1.00	1.00
Treasurer	1.00	1.00	1.00	1.00
Income Tax Administrator	1.00	1.00	1.00	1.00
Income Tax Clerk	1.00	1.00	1.00	1.00
Law Director	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
<b>Security of Persons and Property</b>				
Police	14.00	14.00	14.00	14.00
Police - Dispatchers	5.00	5.00	5.00	5.00
Police - Auxiliary	17.00	16.00	14.00	15.00
Fire	14.00	15.00	15.00	15.00
Fire - Auxiliary	12.00	11.00	13.00	11.00
Safety Director	1.00	1.00	1.00	1.00
<b>Public Health</b>				
Emergency Medical Services	7.00	7.00	7.00	9.00
<b>Leisure Time Activities</b>				
Recreation Director	1.00	1.00	1.00	1.00
<b>Transportation</b>				
Public Works	10.00	10.00	10.00	10.00
<b>Basic Utility Services</b>				
Engineering	3.00	3.00	3.00	3.00
Utility Clerks	2.00	2.00	2.00	2.00
Electric	11.00	11.00	11.00	12.00
Water	6.00	6.00	6.00	4.00
Sewer	4.00	5.00	5.00	6.00
Refuse	6.00	7.00	7.00	6.00
<b>Total</b>	<b>128.50</b>	<b>129.50</b>	<b>129.50</b>	<b>129.50</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.



2007	2006	2005	2004
1.00	1.00	1.00	1.00
8.00	8.00	8.00	8.00
0.50	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	1.00	1.00
1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00
13.00	14.00	14.00	19.00
5.00	5.00	5.00	5.00
14.00	15.00	15.00	16.00
14.00	14.00	15.00	14.00
11.00	11.00	14.00	16.00
1.00	1.00	1.00	1.00
14.00	14.00	10.00	12.00
0.50	0.50	0.50	0.50
10.00	10.00	10.00	10.00
2.00	2.00	4.00	4.00
2.00	2.00	3.00	3.00
13.00	11.00	12.00	12.00
4.00	4.00	4.00	4.00
6.00	6.00	6.00	6.00
6.00	7.00	7.00	7.00
<u>131.00</u>	<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	2011	2010	2009	2008
<b>Security of Persons and Property-Police</b>				
Vehicle Mileage	107,529	118,129	104,347	100,909
Number of Traffic Citations and Arrests	961	1,092	1,008	1,239
Number of Parking Tickets Issued	340	489	478	474
Dollar Amount Collected for Tickets	\$3,400	\$4,630	\$4,390	\$4,650
<b>Security of Persons and Property-Fire</b>				
Number of EMS Calls	1,074	1,016	928	1,009
Number of Fire Calls	38	41	41	41
Miscellaneous Calls	229	240	201	246
<b>Transportation</b>				
Number of Gallons of R-S-2 Used to Fill Potholes	0	2,200	5,250	5,320
Number of Pounds of Crack Sealer Used	0	2,000	4,000	4,730
<b>General Government</b>				
<b>Income Tax</b>				
Number of Individual Accounts	4,740	4,713	4,837	4,805
Number of Business Accounts	827	804	820	805
Number of Business Withholding Accounts	925	879	907	856
Total Receipts Collected	\$2,271,225	\$2,244,992	\$2,163,600	\$2,419,511
Amount of Interest and Penalties Charged	\$35,654	\$29,401	\$22,951	\$19,780
Amount of Interest and Penalties Collected	\$25,571	\$11,130	\$14,998	\$6,604
<b>City Commission</b>				
Number of Ordinances Passed	62	46	45	53
Number of Resolutions Passed	11	9	13	6
<b>Electric Department</b>				
Kilowatt Hours Used	180,959,049	182,091,811	170,099,880	191,475,666
City Cost of Power	\$11,968,304	\$12,224,095	\$11,750,318	\$12,619,613
<b>Water Department</b>				
Number of Wells Operating	10	7	7	7
Millions of Gallons of Finished Water	537.00	532.00	523.52	576.70
Chlorine Used (pounds)	15,799	14,362	13,667	17,424
Phosphate Used (gallons)	1,755	2,961	2,190	2,649
Salt in Tons (regenerates softening units)	1,296	1,448	1,420	2,150
Number of Gallons of Water Able to be Pumped a Day Combined	2,700,000	2,700,000	2,700,000	2,000,000
Daily Average Consumption (gallons)	1,470,000	1,579,000	1,576,000	1,576,000
Maximum Daily Capacity of Treatment Plant (gallons)	2,560,000	2,722,000	2,722,000	2,722,000
<b>Sewer Department</b>				
Number of Gallons of Sewage Treated (in millions)	1,332	911	822	1,281
Average Daily Flow (millions of gallons per day)	3.66	2.49	2.25	3.50
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)	3,830	3,152	3,762	4,460
<b>Refuse Department</b>				
Number of Tons of Refuse Collected	3,680	4,119	3,575	3,849
Number of Trash Bags Sold (in cases of 250 bags)	962	757	855	966
Number of Tons of Recycling Collected	816	1,077	1,017	1,305
Number of Gallons of Used Motor Oil Collected and Recycled	2,900	2,900	5,300	5,600
<b>Engineering</b>				
Number of Registered Contractors	240	239	253	287
Number of Building Permits Issued	233	213	194	264

Source: City Records

2007	2006	2005	2004	2003	2002
105,005	102,691	104,561	108,388	102,354	96,139
1,316	1,070	845	1,278	1,068	1,228
457	429	371	377	465	465
\$4,410	\$3,870	\$3,930	\$3,280	\$4,420	\$4,280
966	995	926	899	841	789
34	40	46	57	56	54
186	198	422	423	294	271
2,750	2,760	2,569	4,920	2,186	750
4,928	8,928	4,630	6,120	n/a	n/a
4,697	4,709	4,392	4,541	4,600	4,544
790	823	464	756	681	657
854	817	805	816	764	789
\$2,286,433	\$2,290,400	\$2,136,920	\$2,118,637	\$2,004,839	\$1,970,435
\$6,119	\$4,901	\$5,576	\$15,676	\$20,887	\$22,313
\$9,392	\$446	\$1,211	\$7,387	\$15,611	\$18,655
63	62	48	47	72	62
7	8	5	12	13	20
201,810,771	191,596,222	191,177,734	186,237,267	184,332,295	184,237,441
\$13,490,659	\$12,707,096	\$5,418,590	\$5,133,386	\$5,054,718	\$5,099,308
7	7	7	7	7	7
559.13	530.86	561.44	562.37	564.50	589.20
14,497	13,074	10,349	9,403	8,948	8,246
3,154	2,606	2,639	11,449	10,571	11,346
2,253	1,929	2,232	2,181	2,047	2,257
2,000,000	2,000,000	2,000,000	n/a	n/a	n/a
1,530,000	1,540,000	1,540,000	1,540,000	1,500,000	1,614,000
2,722,000	2,722,000	2,722,000	2,722,000	2,722,000	2,722,000
1,242	1,141	1,208	1,132	1,267	922
3.40	3.13	3.31	3.10	3.50	2.60
6,000,000	6,000,000	8,000,000	8,000,000	4,000,000	4,000,000
4,242	3,460	3,145	3,285	2,693	2,288
4,169	4,326	4,346	4,129	4,120	3,953
903	998	1,058	889	889	982
1,376	1,338	1,429	1,466	1,444	1,473
4,800	4,200	3,800	4,200	3,100	2,400
245	245	226	194	190	153
223	206	192	197	203	176

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

Function/Program	2011	2010	2009	2008
Security of Persons and Property-Police				
Stations	1	1	1	1
Vehicles	11	10	8	8
Security of Persons and Property-Fire				
Stations	1	1	1	1
Fire Trucks	7	5	6	6
Trailer	1	1	1	1
Vehicles	2	2	2	2
Public Health				
Vehicles	3	3	3	3
Leisure Time Activities				
Vehicles	0	0	0	0
Transportation				
Streets (miles)	46.16	46.16	46.16	46.16
Vehicles	22	19	19	19
General Government				
Vehicles	1	1	1	1
Electric				
Electric Lines (miles)	103.37	103.37	102.88	106.37
Number of Substations	8	8	8	8
Vehicles	9	9	9	15
Water				
Water Lines (miles)	61.00	61.00	59.91	59.91
Number of Treatment Plants	2	1	1	1
Vehicles	8	5	4	4
Sewer				
Sanitary Sewer Lines (miles)	48.20	48.20	48.20	48.20
Storm Sewer Lines (miles)	27.93	27.93	27.93	27.93
Number of Treatment Plants	1	1	1	1
Vehicles	4	4	4	4
Refuse				
Vehicles	4	4	4	4
Recycling				
Vehicles	5	4	4	4
Engineering				
Vehicles	3	3	3	3

Source: City Records

2007	2006	2005	2004	2003	2002
1 8	1 7	1 9	1 8	1 8	1 8
1 6 1 2	1 6 1 2	1 6 1 2	1 6 1 2	1 6 1 2	1 6 1 2
3	3	3	3	3	2
0	0	0	1	0	1
46.15 19	46.15 18	45.90 20	45.90 19	45.00 20	45.00 19
1	1	1	1	1	1
106.37 8 15	106.37 8 12	106.37 8 11	102.15 8 11	98.72 8 11	98.72 8 11
59.73 1 4	59.73 1 5	59.73 1 4	59.73 1 4	58.72 1 4	58.52 1 3
47.93 27.80 1 4	47.93 27.80 1 4	47.93 27.80 1 4	47.93 27.80 1 4	47.05 26.27 1 4	47.05 25.83 1 3
4	5	4	6	6	6
3	3	3	3	3	3
3	3	3	3	3	3

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# Dave Yost • Auditor of State

CITY OF WAPAKONETA

AUGLAIZE COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
AUGUST 30, 2012