



Dave Yost • Auditor of State

CITY OF WAPAKONETA
AUGLAIZE COUNTY

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**CITY OF WAPAKONETA
AUGLAIZE COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED DECEMBER 31, 2015**

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION			
<i>(Passed through Ohio Department of Transportation)</i>			
Highway Planning and Construction (West Auglaize Street Project)	20.205	PID - 93850	\$1,452,550
Highway Planning and Construction (Auglaize Street - Safe Routes to School)	20.205	PID - 96391	100,915
Total Highway Planning and Construction			<u>\$1,553,465</u>
U.S. DEPARTMENT OF JUSTICE BUREAU OF JUSTICE ASSISTANCE			
<i>(Direct Program)</i>			
Bulletproof Vest Partnership Program	16.607	N/A	<u>1,118</u>
Total Expenditures of Federal Awards			<u><u>\$1,554,583</u></u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**CITY OF WAPAKONETA
AUGLAIZE COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the City of Wapakoneta's (the City's) federal award activity under programs of the federal government for the year ended December 31, 2015. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225), or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S 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, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, 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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 29, 2016, wherein we noted the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB Statement No. 68.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a significant deficiency. We consider finding 2015-001 to be a significant deficiency.

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, opining 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 matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2015-001.

Entity's Response to Findings

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.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

August 29, 2016



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

To the Members of Council:

Report on Compliance for the Major Federal Program

We have audited the City of Wapakoneta's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City of Wapakoneta's major federal program for the year ended December 31, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

Management's Responsibility

The City's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City of Wapakoneta complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2015.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Wapakoneta (the City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated August 29, 2016. Our opinion also explained that the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB Statement No. 68. We conducted our audit to opine on the City's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements.

City of Wapakoneta
Auglaize County
Independent Auditor's Report on Compliance with
Requirements Applicable to the Major Federal Program and on
Internal Control over Compliance Required by the Uniform Guidance
Page 3

The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole

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

Dave Yost
Auditor of State
Columbus, Ohio

August 29, 2016

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CITY OF WAPAKONETA
AUGLAIZE COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2015

1. SUMMARY OF AUDITOR'S RESULTS
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<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Highway Planning and Construction CFDA # 20.205
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	No

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

FINDING NUMBER 2015-001

Significant Deficiency / Noncompliance Citation – Allocation of Wages to Funds

City of Wapakoneta Codified Ordinance, Section 242.03(a) & (b) states the general duties of the Director, are as follows:

- 1) The Director of Public Service and Safety shall manage and supervise all public works and undertakings of the City, except as otherwise provided by law.
- 2) The Director shall supervise the improvement and repair of streets, avenues, alleys, lands, lanes, squares, wharves, docks, landings, market houses, bridges, viaducts, aqueducts, sidewalks, playgrounds, sewers, drains, ditches, culverts, ship channels, streams and watercourses, the lighting, sprinkling and cleaning of public places and the construction of public improvements and public works, except as otherwise provided by law.
- 3) The Director shall manage Municipal water, lighting, heating, power, garbage and other undertakings of the City, and parks, baths, playgrounds, market houses, cemeteries, crematories, sewage disposal plants and farms, and shall make and preserve surveys, maps, plans, drawings and estimates. He or she shall supervise the construction and have charge of the maintenance of public buildings and other property of the City not otherwise provided for in these Codified Ordinances. He or she shall have the management of all other matters provided by the Council in connection with the public service of the City.
- 4) The Director shall keep a record of his or her proceedings, a copy of which, certified by him or her, shall be competent evidence in all courts.
- 5) Under the Mayor's direction, the Director shall be the executive head of the Police and Fire Departments. He or she shall have all powers and duties connected with an incident to the appointment, regulation and government of these Departments, except as otherwise provided by law. He or she shall keep a record of his or her proceedings, a copy of which, certified by him or her, shall be competent evidence in all courts. Such Director shall make all contracts in the name of the City with reference to the management of such Departments, for the erection or repair of all buildings or improvements in connection therewith, and for the purchase of all supplies necessary for such Departments.

City of Wapakoneta Position Description for Clerk II position that reports to the Office Manager states that the essential functions of the position and other duties and responsibilities are as follows:

- 1) Receives income tax payments; receives payments from utility customers either in-person or by mail; processes payments;
- 2) Prepares invoices and collects receipts from ambulance runs, landfill sales, miscellaneous bills, etc.; posts receipts and invoices; prepares journals;
- 3) Handles inquiries from general public regarding taxes, rates, bills, etc.; registers and writes work orders for new customers and transfers; receives deposits; computes budget billing amounts;
- 4) Performs duties of secretary on an assigned basis; prepares purchase orders; prepares vendor invoices for payment; maintains vendor file; acts as liaison between vendors and City

**FINDING NUMBER 2015-001
(Continued)**

In 2015 the Safety Service Director wages were allocated among the funds as follows: 4% General, 73% Electric, 8% Water, 8% Sewer, and 7% Refuse. Wages for two of the Clerk II employees were allocated to the funds as follows: 55% Electric, 15% Water, 15% Sewer, and 15% Refuse. A third Clerk II wages were allocated to: 25% Street, 50% Refuse, and 25% Electric fund. The fourth Clerk II wages were allocated to the following funds: 25% Electric, 25% Water, 25% Sewer, and 25% Refuse. Documentation was not maintained by the City to support the allocation of wages to each fund.

The failure to allocate wages to funds in proportion to the actual work performed could result in the illegal expenditure of restricted money and the material misstatement of the financial statements. Uncorrected material misstatements would result in a qualified opinion on the annual financial statements.

The City should develop procedures and controls for the allocation of the wages to funds which should be subsequently approved by Council. The City should then review the job descriptions for all employees and then determine if the fund allocation is appropriate. Periodically the Finance Committee should compare the actual allocation of wages to the job descriptions and adopted procedures.

OFFICIALS' RESPONSE: These positions are allocated for payroll according to an agreed to percentage based on resources and a reasonable amount of time each department uses. This distribution has been used for many years and has never been questioned. As more and more resources are eliminated from the State of Ohio, more and more resources will used through other funds.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

CITY OF WAPAKONETA
AUGLAIZE COUNTY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
DECEMBER 31, 2015

Finding Number	Finding Summary	Status	Additional Information
2014-001	Finding initially occurred in 2013 - Significant Deficiency/Noncompliance Citation - City of Wapakoneta Codified Ordinance, Section 242.03(a) & (b) , City of Wapakoneta Position Description for Clerk I position, and City of Wapakoneta Position Description for Clerk II position – allocation of wages in proportion to the actual work performed.	Finding not corrected	Repeated as Finding 2015-001

**CITY OF WAPAKONETA
AUGLAIZE COUNTY**

**CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
DECEMBER 31, 2015**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2015-001	Council members in attendance at the exit conference will bring this issue to the attention of the Finance Committee. The Finance Committee will then present it at the next Council meeting.	As soon as possible but no later than the adoption of the 2017 budget	City Auditor Wilbur Wells

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CITY OF WAPAKONETA, OHIO

Comprehensive Annual Financial Report

For the Year Ended
December 31, 2015

**INTRODUCTORY
SECTION**

CITY OF WAPAKONETA, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2015

Prepared By:

City Auditor

WILBUR WELLS

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CITY OF WAPAKONETA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2015

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Chad A Scott
Director of Public Service and Safety
(419) 738-6111
cscott@wapakoneta.net

August 29, 2016

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, 2015. 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 ensure 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 Auditor's 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 unmodified opinion on the City of Wapakoneta's basic financial statements for the year ended December 31, 2015. The Independent Auditor's 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. 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 has five 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 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 2012, the City completed the entire infrastructure which expands the usefulness of all the sites. This includes industrial width roadways for the industrial park making it 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 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 2015, the available funds 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.

RELEVANT FINANCIAL POLICIES

It is the City’s policy to ensure that current year revenues are sufficient to fund current year expenditures without the use of non-recurring revenues. Appropriations are set based upon available revenues with the City Council determining the level of funding for each department within the City.

The City Auditor manages the investments of the City’s funds by adhering to the Investment Policy that has been approved by the City Council. Any financial institution that holds City funds must adhere to the requirements of the policy. This policy details the objectives and rules for the safekeeping of the City funds.

The goal of the capital asset inventory system and policy is to provide control and accountability over the City’s capital assets and to assist departments in gathering and maintaining information needed for the preparation of the annual financial statements. The City recognizes the importance of preserving the community’s capital assets and to ensure that future needs are met.

MAJOR INITIATIVES

Again in 2015, the City continued to improve its facilities and infrastructure to serve its citizens.

The south interceptor sewer Phase 2 is now complete. Phase 2 involved sewer line installations from the wastewater treatment plant following the river to the lift station located at Harrison and Water streets. We are fortunate that both of these projects were completed under budget.

A Community Development Block Grant was awarded to the City for new sidewalks and handicap ramps. This project is part of an overall larger project of new storm sewers, curbs and gutters, and paving and shall commence in 2016. This project will also utilize revolving loan resources and local funds.

The City was awarded a \$160,000 Safe Routes to School Grant to install sidewalks, ADA curb ramps, and safety measures for safe travel to school. Phase Four has been awarded for 2017.

The City received a Nature Works Grant, in the amount of \$12,397, which was used to convert a storage facility at Harmon Park into a restroom facility with a storage area on the north end. This provided public restrooms to one of our city park facilities.

The City was awarded a Small Cities grant for street reconstruction on West Auglaize Street from Blackhoof Street to Pearl Street. West Auglaize Street is a major thoroughfare through our community. The total award was \$1,840,000. The project includes upgrades to the infrastructure, new curbs and gutters, sidewalks, trees, and new asphalt surface.

The City performs an asphalt overlay program annually to improve and maintain the quality of our streets. This past year twenty-three catch basins were replaced and three streets repaved, Rauthland Street, Cherry Lane, and Wagner Street.

The annual reclamite program was performed in 2015. Reclamite is an asphalt rejuvenator which promotes and extends the life of the existing asphalt surface. Ten streets were sealed; the cost of this project was \$29,500. This is an investment in extending the surface life of our streets.

The City also paired up with our local Apollo Joint Vocational School to build the Optimist Park restroom. Under guidance from one of Apollo's instructors the students were involved with framing, roofing, and assisting with electrical and plumbing work. This was a learning experience for the students and assisted the City in stretching City funds to improve our parks.

The Auglaize traffic lights have been upgraded to an on demand traffic detection system which allows traffic to move in a much safer, efficient manner.

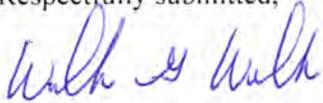
AWARDS AND ACKNOWLEDGEMENTS

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, 2014. This was the twenty-fifth 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,



Wilbur Wells
City Auditor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

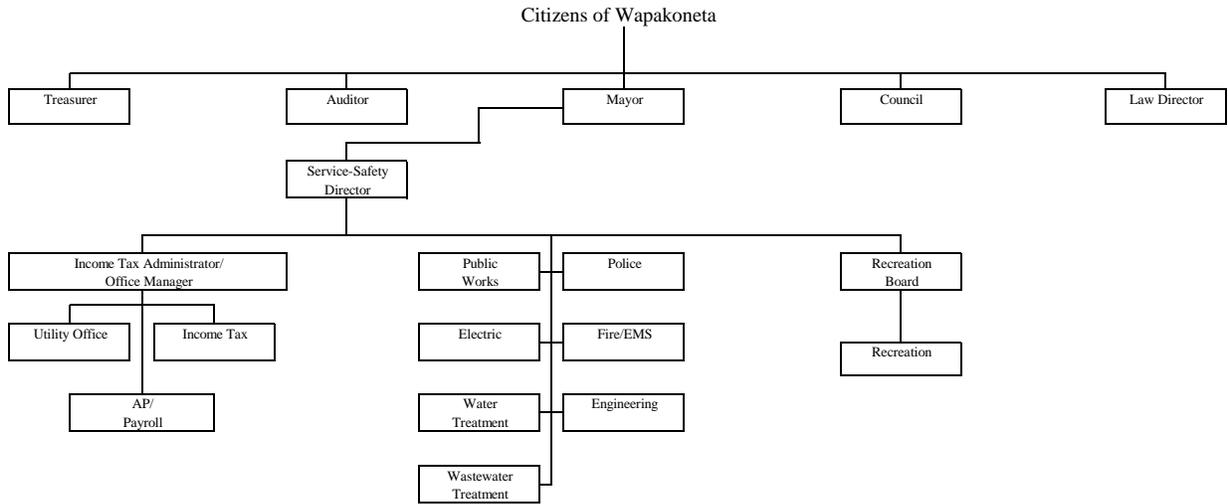
City of Wapakoneta
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

City of Wapakoneta Organizational Chart



CITY OF WAPAKONETA

LIST OF PRINCIPAL OFFICIALS

Mayor	Rodney C. Metz
Director of Public Service and Safety	William Rains
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
Engineering Superintendent	Mary A. Ruck
Auditor	Wilbur Wells
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	Chad Doll
Member of Council	Rachel Barber
Member of Council	Randy L. Fisher
Council Clerk	Terry McDonald
Civil Service Secretary	Peter Noyes

**FINANCIAL
SECTION**



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Members of Council:

Report on the Financial Statements

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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

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, 2015 and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during the year ended December 31, 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB Statement No. 68. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, and schedules of net pension liabilities and pension contributions 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on 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 present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules 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, these statements and schedules are 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2016, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

August 29, 2016

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CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2015
(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, 2015. The intent of this discussion and analysis is to look at the City's financial performance as a whole.

HIGHLIGHTS

Highlights for 2015 are as follows:

In total, the City's net position decreased \$610,904, or less than 1 percent. Governmental activities had an increase in net position of \$306,948 (1 percent) and business-type activities had a decrease in net position of \$917,852 (2 percent).

A review of the enterprise funds reflects an operating income for the water and refuse funds and an operating loss for the electric, sewer, and storm sewer funds. The City's electric rates are determined by contract with the electric provider and these contracts typically are on a 1-5 year cycle. The City's last cost of service study (completed in 2010) determined that the rates being charged for electric are appropriate, therefore, no rate changes are currently 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. Rates were increased for the water and sewer utilities in 2015.

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 position 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 nonmajor 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 position and the statement of activities reflect how the City did financially during 2015. 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, 2015
(Unaudited)

These statements report the City's net position and changes in net position. This change in net position 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 position 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
Management's Discussion and Analysis
For the Year Ended December 31, 2015
(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 nonmajor 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 position for 2015 and 2014.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<u>Assets</u>						
Current and Other Assets	\$6,344,285	\$6,425,670	\$14,369,191	\$16,802,333	\$20,713,476	\$23,228,003
Capital Assets, Net	22,050,999	21,251,903	58,935,537	56,575,517	80,986,536	77,827,420
Total Assets	28,395,284	27,677,573	73,304,728	73,377,850	101,700,012	101,055,423
<u>Deferred Outflows of Resources</u>						
Pension	719,484	461,347	325,108	223,469	1,044,592	684,816

(continued)

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2015
(Unaudited)

Table 1
Net Position
(continued)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<u>Liabilities</u>						
Current and Other Liabilities	\$820,190	\$344,530	\$1,946,719	\$2,895,281	\$2,766,909	\$3,239,811
Long-Term Liabilities						
Pension	5,229,577	4,951,711	1,831,995	1,790,614	7,061,572	6,742,325
Other Amounts	548,221	655,994	27,683,812	25,862,446	28,232,033	26,518,440
Total Liabilities	6,597,988	5,952,235	31,462,526	30,548,341	38,060,514	36,500,576
<u>Deferred Inflows of Resources</u>						
Pension	16,580	0	32,184	0	48,764	0
Other Amounts	468,073	461,506	0	0	468,073	461,506
Total Deferred Inflows of Resources	484,653	461,506	32,184	0	516,837	461,506
<u>Net Position</u>						
Net Investment in Capital Assets	22,020,402	21,180,841	33,120,662	32,786,072	55,141,064	53,966,913
Restricted	1,547,218	2,388,193	1,254,595	1,256,749	2,801,813	3,644,942
Unrestricted (Deficit)	(1,535,493)	(1,843,855)	7,759,869	9,010,157	6,224,376	7,166,302
Total Net Position	\$22,032,127	\$21,725,179	\$42,135,126	\$43,052,978	\$64,167,253	\$64,778,157

During 2015, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions", which significantly revises accounting for pension costs and liabilities. For reasons discussed below, end users of these financial statements will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

GASB standards are national standards and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB Statement No. 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability. GASB Statement No. 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and State law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB Statement No. 68, the net pension liability equals the City's proportionate share of each plan's collective present value of estimated future pension benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2015
(Unaudited)

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange", that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or in the case of compensated absences (i.e. vacation and sick leave) are satisfied through paid time off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability but are outside the control of the City. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB Statement No. 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred outflows/inflows.

As a result of implementing GASB Statement No. 68, the City is reporting a net pension liability and deferred outflows/inflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, from \$70,835,666 to \$64,778,157.

For governmental activities, there was an overall increase in net position of 1 percent. As a result, the only change of note in the above table is the increase in current and other liabilities. This increase is due to outstanding liabilities for contracts and retainage related to the West Auglaize Street reconstruction project which was largely funded with a small cities grant. Also, note a decrease in restricted net position as a result of resources spent for construction activities.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2015
(Unaudited)

Although the overall change in net position for business-type activities was not significant (2 percent decrease), there were several changes of note. The decrease in current and other assets was generally due to a decrease in cash and cash equivalents and primarily related to the Electric Fund. The year end balance of cash decreased over \$2 million from the prior year as the City chose to lower the large cash balance. Note the overall decrease in unrestricted net position as a result. Overall cash balances were further reduced with the acquisition of capital assets. The increase in net capital assets represents both cash acquisitions as well as ongoing construction financed with additional debt proceeds as evidenced by the increase in other long-term liabilities. The decrease in current and other liabilities is related to the City's purchase of power for redistribution through its electric system. At the end of the prior year, the City had a liability for two months of wholesale power whereas for 2015, there was only a one month liability for wholesale power as of year end.

Table 2 reflects the change in net position for 2015 and 2014.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<u>Revenues</u>						
Program Revenues						
Charges for Services	\$911,300	\$768,728	\$21,444,602	\$21,274,040	\$22,355,902	\$22,042,768
Operating Grants, Contributions, and Interest	541,534	509,078	0	0	541,534	509,078
Capital Grants and Contributions	1,537,762	606,014	0	246,836	1,537,762	852,850
Total Program Revenues	2,990,596	1,883,820	21,444,602	21,520,876	24,435,198	23,404,696
General Revenues						
Property Taxes-General Purposes	369,966	362,175	0	0	369,966	362,175
Property Taxes-Recreation	97,698	95,171	0	0	97,698	95,171
Municipal Income Taxes	2,645,764	2,602,279	0	0	2,645,764	2,602,279
Other Local Taxes	1,081,260	722,090	0	0	1,081,260	722,090
Grants and Entitlements	256,699	254,085	0	0	256,699	254,085
Franchise Taxes	79,168	144,915	0	0	79,168	144,915
Interest	10,215	15,376	564	0	10,779	15,376
Gifts and Donations	57,483	1,040	0	0	57,483	1,040
Other	73,657	58,133	65,294	78,660	138,951	136,793
Total General Revenues	4,671,910	4,255,264	65,858	78,660	4,737,768	4,333,924
Total Revenues	7,662,506	6,139,084	21,510,460	21,599,536	29,172,966	27,738,620

(continued)

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2015
(Unaudited)

Table 2
Change in Net Position
(continued)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<u>Program Expenses</u>						
Security of Persons and Property						
Police	\$1,683,537	\$1,613,384	\$0	\$0	\$1,683,537	\$1,613,384
Fire	1,616,058	1,514,617	0	0	1,616,058	1,514,617
Other	2,833	4,426	0	0	2,833	4,426
Public Health	196,477	162,403	0	0	196,477	162,403
Leisure Time Activities	431,140	484,814	0	0	431,140	484,814
Community Environment	91,948	126,153	0	0	91,948	126,153
Transportation	1,341,215	1,911,883	0	0	1,341,215	1,911,883
General Government	539,899	594,323	0	0	539,899	594,323
Interest and Fiscal Charges	10,379	8,219	0	0	10,379	8,219
Electric	0	0	16,353,457	15,259,517	16,353,457	15,259,517
Water	0	0	2,187,437	2,041,383	2,187,437	2,041,383
Sewer	0	0	3,976,364	1,978,245	3,976,364	1,978,245
Storm Sewer	0	0	219,091	155,091	219,091	155,091
Refuse	0	0	1,134,035	1,102,022	1,134,035	1,102,022
Total Expenses	<u>5,913,486</u>	<u>6,420,222</u>	<u>23,870,384</u>	<u>20,536,258</u>	<u>29,783,870</u>	<u>26,956,480</u>
Increase (Decrease) in Net Position Before Transfers	1,749,020	(281,138)	(2,359,924)	1,063,278	(610,904)	782,140
Transfers	(1,442,072)	(26,000)	1,442,072	26,000	0	0
Increase (Decrease) in Net Position	306,948	(307,138)	(917,852)	1,089,278	(610,904)	782,140
Net Position Beginning of Year	<u>21,725,179</u>	<u>n/a</u>	<u>43,052,978</u>	<u>n/s</u>	<u>64,778,157</u>	<u>n/a</u>
Net Position End of Year	<u>\$22,032,127</u>	<u>\$21,725,179</u>	<u>\$42,135,126</u>	<u>\$43,052,978</u>	<u>\$64,167,253</u>	<u>\$64,778,157</u>

The information necessary to restate the 2014 beginning balance and the 2014 pension expense amounts for the effects of the initial implementation of GASB Statement No. 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$684,816 computed under GASB Statement No. 27. GASB Statement No. 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB Statement No. 68, pension expense represents additional amounts earned adjusted by deferred outflows/inflows. The contractually required contribution is no longer a component of pension expense. Under GASB Statement No. 68, 2015 statements report pension expense of \$720,007. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed.

Total 2015 Program Expenses under GASB Statement No. 68	\$29,783,870
Pension Expense under GASB Statement No. 68	(720,007)
2015 Contractually Required Contribution	<u>711,772</u>
Adjusted 2015 Program Expenses	29,775,635
Total 2014 Program Expenses under GASB Statement No. 27	<u>(26,956,480)</u>
Increase in Program Expenses not Related to Pension	<u>\$2,819,155</u>

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2015
(Unaudited)

For governmental activities, there was a sizable increase in program revenues due to grant resources received for street reconstruction (small cities grant for the West Auglaize Street reconstruction). The most significant change for general revenues is the increase in other local taxes due to an increase in the kilowatt tax (based on electric usage) which is required to be apportioned to the City's General Fund. The change in expenses was not significant.

For business-type activities, program revenues in the form of charges for services, continue to fund the operation of the City's utilities. Charges for services revenue was similar to the prior year. The decrease in capital grants and contributions was due to capital assets donated in the prior year. The most significant changes for business-type activities expenses are found in the Electric Fund due to materials and supplies purchases and in the Sewer Fund for depreciation.

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	
	2015	2014	2015	2014
Security of Persons and Property				
Police	\$1,683,537	\$1,613,384	\$1,673,907	\$1,605,294
Fire	1,616,058	1,514,617	1,543,403	1,463,630
Other	2,833	4,426	2,833	4,426
Public Health	196,477	162,403	(280,229)	(239,265)
Leisure Time Activities	431,140	484,814	189,408	247,256
Community Environment	91,948	126,153	79,343	117,348
Transportation	1,341,215	1,911,883	(818,449)	751,319
General Government	539,899	594,323	522,295	578,175
Interest and Fiscal Charges	10,379	8,219	10,379	8,219
Total Expenses	<u>\$5,913,486</u>	<u>\$6,420,222</u>	<u>\$2,922,890</u>	<u>\$4,536,402</u>

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 the public health, leisure time activities, and transportation programs. Public health expenses are primarily funded by EMS and ambulance charges received during the year. The leisure time activities program is funded from gifts and donations as well as usage fees for the swimming pool. The 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.

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.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2015
(Unaudited)

The General Fund reflects a 26 percent increase in fund balance. Revenues increased approximately \$462,000 largely due to the increase in other local taxes, as discussed previously, and there was a very modest decrease in expenditures. In addition, there was a decrease of approximately \$177,000 in resources transferred to other funds to subsidize activities of those funds.

Fund balance in the Street and Sewer Improvement capital projects fund decreased significantly as resources were used for various construction and improvement projects.

BUSINESS-TYPE ACTIVITIES FINANCIAL ANALYSIS

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

The Electric Fund had an operating loss and a 6 percent decrease in net position. As noted earlier, the City is reducing the substantial balance of this fund.

The Water Fund had an operating income and a very modest increase in net position (less than 1 percent). Revenues were similar to the prior year and operating expenses increased slightly. Interest expense on debt decreased over \$256,000.

Although the Sewer Fund had an operating loss and decrease in net position, the fund basically broke even for the year.

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 very modest operating loss for 2015; however, there was an increase in net position due to capital contributions.

The City's Refuse Fund continued to reflect a deficit net position as of year end; however, the deficit was reduced due to an operating income.

BUDGETARY HIGHLIGHTS

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

The City's most significant budgeted fund is the General Fund. For revenues, there was little change from the original budget to the final budget. Actual revenues exceeded budgeted amounts due to conservative budgeting of municipal income taxes and the increase in other local taxes mentioned earlier. For expenditures, there was also little change from the original budget to the final budget; however, actual expenditures were less than amounts budgeted. This is primarily due to conservative budgeting as expenditures were less than amounts budgeted for all programs.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2015
(Unaudited)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The City's investment in capital assets for governmental and business-type activities as of December 31, 2015, was \$22,020,402 and \$33,120,662, respectively (net of accumulated depreciation and related debt). Significant additions for governmental activities included street improvements and new vehicles. Disposals were minimal.

For business-type activities, the most significant additions consisted of continuing infrastructure construction and vehicles. Disposals were minimal. For further information regarding the City's capital assets, refer to Note 10 to the basic financial statements.

Debt - At December 31, 2015, the City had a number of long-term obligations outstanding. Governmental activities obligations consisted of equipment loans. The business-type activities obligations included \$6,780,000 in mortgage revenue bonds, \$18,468,055 in OWDA loans, and \$1,211,600 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, and the net pension liability. For further information regarding the City's debt, refer to Notes 17, 18, and 19 to the basic financial statements.

CURRENT ISSUES

Phase II of the south interceptor sewer project was completed in 2015. The project involved sewer line installation from the wastewater treatment plant to the Harrison and Water streets lift station.

The City received a Community Development Block Grant for new sidewalks and handicap ramps on Gibb Street. This project is part of an overall larger project of new storm sewers, curbs and gutters, and paving over the next three years. This grant did not require any matching funds from the City.

The City was awarded a \$160,000 Safe Routes to School grant to install sidewalks, ADA curb ramps, and safety measures for safe travels to school. This was the third phase of a fully funded grant project that will continue into 2017.

The West Auglaize Street project continued throughout 2015. This was the City's most significant project for the 2015. The project involved a complete reconstruction of the underground utility lines including the gas lines and water and sewer lines, new roadbed, and sidewalks, curbs, and gutters. Trees and some landscape work will be completed in 2016.

Other projects the City is currently working on for 2016 are the annual reclamite program and street repaving.

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 Wilbur Wells, Wapakoneta City Auditor, 701 Parlette Court, P.O. Box 269, Wapakoneta, Ohio 45895.

City of Wapakoneta
Statement of Net Position
December 31, 2015

	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$3,329,006	\$8,265,856	\$11,594,862
Cash and Cash Equivalents with Fiscal Agents	0	1,308,582	1,308,582
Accounts Receivable	304,749	2,880,352	3,185,101
Due from Other Governments	631,878	16,767	648,645
Municipal Income Taxes Receivable	970,573	0	970,573
Other Local Taxes Receivable	6,940	59,172	66,112
Internal Balances	37,694	(37,694)	0
Prepaid Items	34,463	81,613	116,076
Materials and Supplies Inventory	41,525	1,794,543	1,836,068
Accrued Interest Receivable	1,997	0	1,997
Property Taxes Receivable	473,680	0	473,680
Notes Receivable	461,012	0	461,012
Special Assessments Receivable	50,768	0	50,768
Nondepreciable Capital Assets	1,449,852	13,303,507	14,753,359
Depreciable Capital Assets, Net	20,601,147	45,632,030	66,233,177
Total Assets	28,395,284	73,304,728	101,700,012
<u>Deferred Outflows of Resources</u>			
Pension	719,484	325,108	1,044,592
<u>Liabilities</u>			
Accrued Wages Payable	170,942	65,322	236,264
Accounts Payable	79,455	352,143	431,598
Contracts Payable	355,509	1,050,088	1,405,597
Due to Other Governments	101,556	39,864	141,420
Retainage Payable	111,645	0	111,645
Accrued Interest Payable	1,083	185,007	186,090
Refundable Deposits	0	254,295	254,295
Long-Term Liabilities			
Due Within One Year	200,541	993,444	1,193,985
Due in More Than One Year			
Net Pension Liability	5,229,577	1,831,995	7,061,572
Other Amounts Due in More Than One Year	347,680	26,690,368	27,038,048
Total Liabilities	6,597,988	31,462,526	38,060,514
<u>Deferred Inflows of Resources</u>			
Property Taxes	468,073	0	468,073
Pension	16,580	32,184	48,764
Total Deferred Inflows of Resources	484,653	32,184	516,837
<u>Net Position</u>			
Net Investment in Capital Assets	22,020,402	33,120,662	55,141,064
Restricted for			
Debt Service	77	0	77
Capital Projects	132,894	0	132,894
Community Environment	653,241	0	653,241
Recreation	11,136	0	11,136
Street and Highway Maintenance and Repair	701,591	0	701,591
Other Purposes	48,279	0	48,279
Revenue Bond Replacement	0	100,000	100,000
Future Debt Service	0	1,154,595	1,154,595
Unrestricted (Deficit)	(1,535,493)	7,759,869	6,224,376
Total Net Position	\$22,032,127	\$42,135,126	\$64,167,253

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Activities
For the Year Ended December 31, 2015

	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	\$1,683,537	\$6,820	\$2,810	\$0
Fire	1,616,058	50,320	22,335	0
Other	2,833	0	0	0
Public Health	196,477	476,706	0	0
Leisure Time Activities	431,140	211,839	29,893	0
Community Environment	91,948	0	12,605	0
Transportation	1,341,215	148,011	473,891	1,537,762
General Government	539,899	17,604	0	0
Interest and Fiscal Charges	10,379	0	0	0
Total Governmental Activities	<u>5,913,486</u>	<u>911,300</u>	<u>541,534</u>	<u>1,537,762</u>
<u>Business-Type Activities</u>				
Electric	16,353,457	14,861,386	0	0
Water	2,187,437	1,870,405	0	0
Sewer	3,976,364	3,316,260	0	0
Storm Sewer	219,091	161,136	0	0
Refuse	1,134,035	1,235,415	0	0
Total Business-Type Activities	<u>23,870,384</u>	<u>21,444,602</u>	<u>0</u>	<u>0</u>
Total	<u>\$29,783,870</u>	<u>\$22,355,902</u>	<u>\$541,534</u>	<u>\$1,537,762</u>

General Revenues

Property Taxes Levied for General Purposes
Property Taxes Levied for Recreation
Municipal Income Taxes
Other Local Taxes - Kilowatt
Other Local Taxes - Lodging
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 Position

Net Position Beginning of Year - Restated (Note 3)

Net Position End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue
and Change in Net Position

Governmental Activities	Business-Type Activities	Total
(\$1,673,907)	\$0	(\$1,673,907)
(1,543,403)	0	(1,543,403)
(2,833)	0	(2,833)
280,229	0	280,229
(189,408)	0	(189,408)
(79,343)	0	(79,343)
818,449	0	818,449
(522,295)	0	(522,295)
(10,379)	0	(10,379)
(2,922,890)	0	(2,922,890)
0	(1,492,071)	(1,492,071)
0	(317,032)	(317,032)
0	(660,104)	(660,104)
0	(57,955)	(57,955)
0	101,380	101,380
0	(2,425,782)	(2,425,782)
(2,922,890)	(2,425,782)	(5,348,672)
369,966	0	369,966
97,698	0	97,698
2,645,764	0	2,645,764
1,080,171	0	1,080,171
1,089	0	1,089
256,699	0	256,699
79,168	0	79,168
10,215	564	10,779
57,483	0	57,483
73,657	65,294	138,951
4,671,910	65,858	4,737,768
(1,442,072)	1,442,072	0
3,229,838	1,507,930	4,737,768
306,948	(917,852)	(610,904)
21,725,179	43,052,978	64,778,157
\$22,032,127	\$42,135,126	\$64,167,253

City of Wapakoneta
Balance Sheet
Governmental Funds
December 31, 2015

	General	Street and Sewer Improvement	Other Governmental	Total Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,751,812	\$291,877	\$1,236,525	\$3,280,214
Accounts Receivable	280,877	0	23,872	304,749
Due from Other Governments	122,959	268,080	240,839	631,878
Municipal Income Taxes Receivable	970,573	0	0	970,573
Other Local Taxes Receivable	703	0	6,237	6,940
Interfund Receivable	55,030	0	0	55,030
Prepaid Items	25,995	0	6,466	32,461
Materials and Supplies Inventory	17,691	0	21,751	39,442
Accrued Interest Receivable	0	1,997	0	1,997
<u>Restricted Assets</u>				
Equity in Pooled Cash and Cash Equivalents	36,841	0	0	36,841
Property Taxes Receivable	374,011	0	99,669	473,680
Notes Receivable	286,011	0	175,001	461,012
Special Assessments Receivable	0	50,768	0	50,768
Total Assets	\$3,922,503	\$612,722	\$1,810,360	\$6,345,585
<u>Liabilities</u>				
Accrued Wages Payable	\$159,712	\$0	\$6,472	\$166,184
Accounts Payable	69,875	525	8,340	78,740
Contracts Payable	0	350,411	5,098	355,509
Due to Other Governments	93,746	2,835	3,107	99,688
Interfund Payable	6,715	14,412	27,573	48,700
Retainage Payable	0	111,645	0	111,645
Total Liabilities	330,048	479,828	50,590	860,466
<u>Deferred Inflows of Resources</u>				
Property Taxes	369,502	0	98,571	468,073
Unavailable Revenue	1,117,681	122,657	210,215	1,450,553
Total Deferred Inflows of Resources	1,487,183	122,657	308,786	1,918,626
<u>Fund Balance</u>				
Nonspendable	80,527	0	28,217	108,744
Restricted	2,698	10,237	1,191,004	1,203,939
Assigned	765,135	0	233,152	998,287
Unassigned (Deficit)	1,256,912	0	(1,389)	1,255,523
Total Fund Balance	2,105,272	10,237	1,450,984	3,566,493
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$3,922,503	\$612,722	\$1,810,360	\$6,345,585

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
 Reconciliation of Total Governmental Fund Balance
 to Net Position of Governmental Activities
 December 31, 2015

Total Governmental Fund Balance		\$3,566,493
<p>Amounts reported for governmental activities on the statement of net position are different because of the following:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental Activities	22,050,999	
Internal Service Fund	(40,896)	
		22,010,103
<p>Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.</p>		
Accounts Receivable	261,877	
Due from Other Governments	371,083	
Municipal Income Taxes Receivable	759,221	
Delinquent Property Taxes Receivable	5,607	
Special Assessments Receivable	52,765	
		1,450,553
<p>An internal balance is recorded in governmental activities to reflect overpayments to the internal service fund by the business-type activities.</p>		
		11,945
<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>		
		(1,083)
<p>Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Loans Payable	(129,929)	
Capital Leases Payable	(30,597)	
Compensated Absences Payable	(387,695)	
Compensated Absences Payable-Internal Service Fund	12,141	
		(536,080)
<p>The net pension liability is not due and payable in the current period, therefore, the liability and related deferred outflows/inflows are not reported in the governmental funds.</p>		
Deferred Outflows - Pension	719,484	
Deferred Outflows - Pension - Internal Service Fund	(24,629)	
Deferred Inflows - Pension	(16,580)	
Deferred Inflows - Pension - Internal Service Fund	2,438	
Net Pension Liability	(5,229,577)	
Net Pension Liability - Internal Service Fund	138,787	
		(4,410,077)
<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 position.</p>		
		(59,727)
Net Position of Governmental Activities		\$22,032,127

See Accompanying Notes to the Basic Financial Statements

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City of Wapakoneta
Statement of Revenues, Expenditures,
and Change in Fund Balance
Governmental Funds
For the Year Ended December 31, 2015

	General	Street and Sewer Improvement	Other Governmental	Total Governmental Funds
<u>Revenues</u>				
Property Taxes	\$368,248	\$0	\$97,272	\$465,520
Municipal Income Taxes	2,665,795	0	0	2,665,795
Other Local Taxes	1,081,260	0	76,616	1,157,876
Special Assessments	0	27,686	0	27,686
Charges for Services	696,462	0	55,077	751,539
Fees, Licenses, and Permits	113,940	0	0	113,940
Fines and Forfeitures	17,997	0	2,358	20,355
Intergovernmental	295,568	1,469,870	477,214	2,242,652
Interest	11,464	2,874	22,643	36,981
Gifts and Donations	58,903	0	14,125	73,028
Other	34,246	2,905	36,506	73,657
Total Revenues	5,343,883	1,503,335	781,811	7,629,029
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,606,999	0	1,200	1,608,199
Fire	1,557,429	0	169,550	1,726,979
Other	4,504	0	0	4,504
Public Health	177,468	0	0	177,468
Leisure Time Activities	227,546	0	135,594	363,140
Community Environment	82,216	0	11,856	94,072
Transportation	0	3,142,355	492,497	3,634,852
General Government	531,671	0	0	531,671
Debt Service:				
Principal Retirement	68,633	0	11,870	80,503
Interest and Fiscal Charges	10,449	0	525	10,974
Total Expenditures	4,266,915	3,142,355	823,092	8,232,362
Excess of Revenues Over (Under) Expenditures	1,076,968	(1,639,020)	(41,281)	(603,333)
<u>Other Financing Sources (Uses)</u>				
Transfers In	0	625,000	15,000	640,000
Transfers Out	(640,000)	0	0	(640,000)
Total Other Financing Sources (Uses)	(640,000)	625,000	15,000	0
Change in Fund Balance	436,968	(1,014,020)	(26,281)	(603,333)
Fund Balance Beginning of Year	1,668,304	1,024,257	1,477,265	4,169,826
Fund Balance End of Year	<u>\$2,105,272</u>	<u>\$10,237</u>	<u>\$1,450,984</u>	<u>\$3,566,493</u>

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
 Reconciliation of Statement of Revenues, Expenditures,
 and Change in Fund Balance
 of Governmental Funds to Statement of Activities
 For the Year Ended December 31, 2015

Change in Fund Balance - Total Governmental Funds (\$603,333)

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

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

Capital Outlay	1,971,622	
Depreciation	(1,053,969)	
Depreciation-Internal Service Fund	1,873	
		919,526

The cost of the capital assets is removed from the capital asset account on the statement of net position when disposed of resulting in a loss on disposal of capital assets on the statement of activities. (118,557)

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

Delinquent Property Taxes	2,144	
Municipal Income Taxes	(20,031)	
Special Assessments	(23,954)	
Charges for Services	56,567	
Fees, Licenses, and Permits	(32,281)	
Intergovernmental	55,155	
Interest	(4,123)	
		33,477

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

Capital Loans Payable	11,870	
Loans Payable	40,038	
Capital Leases Payable	28,595	
		80,503

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. 595

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	27,270	
Compensated Absences Payable-Internal Service Fund	(632)	
		26,638

(continued)

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, 2015
 (continued)

Except for amounts reported as deferred outflows/inflows, changes in the net pension liability are reported as pension expense on the statement of activities.

Pension Expense	(\$520,723)	
Pension Expense - Internal Service Fund	<u>15,097</u>	(505,626)

Contractually required contributions are reported as expenditures in the governmental funds, however, the statement of net position reports these amounts as deferred outflows.

Contractually Required Contributions	484,414	
Contractually Required Contributions - Internal Service Fund	<u>(17,224)</u>	467,190

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.

6,535

Change in Net Position of Governmental Activities

\$306,948

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, 2015

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<u>Revenues</u>				
Property Taxes	\$350,350	\$368,215	\$368,248	\$33
Municipal Income Taxes	2,450,000	2,459,000	2,663,083	204,083
Other Local Taxes	691,000	775,960	1,086,091	310,131
Charges for Services	685,700	700,455	701,879	1,424
Fees, Licenses, and Permits	87,550	97,250	113,940	16,690
Fines and Forfeitures	11,500	13,000	17,466	4,466
Intergovernmental	245,500	279,362	296,579	17,217
Interest	17,500	7,900	11,752	3,852
Gifts and Donations	2,000	1,700	58,903	57,203
Other	23,350	33,808	54,321	20,513
Total Revenues	4,564,450	4,736,650	5,372,262	635,612
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,769,502	1,749,501	1,642,466	107,035
Fire	1,536,722	1,516,722	1,489,716	27,006
Other	7,100	7,100	4,673	2,427
Public Health	229,533	224,532	192,102	32,430
Leisure Time Activities	273,560	273,560	233,433	40,127
Community Environment	123,094	108,094	77,697	30,397
General Government	720,237	952,437	852,784	99,653
Debt Service:				
Principal Retirement	40,038	40,038	40,038	0
Interest and Fiscal Charges	6,962	6,962	6,306	656
Total Expenditures	4,706,748	4,878,946	4,539,215	339,731
Excess of Revenues Over (Under) Expenditures	(142,298)	(142,296)	833,047	975,343
<u>Other Financing Uses</u>				
Transfers Out	(655,000)	(640,000)	(640,000)	0
Change in Fund Balance	(797,298)	(782,296)	193,047	975,343
Fund Balance Beginning of Year	1,473,574	1,473,574	1,473,574	0
Prior Year Encumbrances Appropriated	56,920	56,920	56,920	0
Fund Balance End of Year	\$733,196	\$748,198	\$1,723,541	\$975,343

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Fund Net Position
Proprietary Funds
December 31, 2015

	Business-Type Activities			
	Electric	Water	Sewer	Storm Sewer
<u>Assets</u>				
<u>Current Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$4,445,250	\$917,569	\$1,371,514	\$743,128
Cash and Cash Equivalents with Fiscal Agents	178,390	0	0	0
Accounts Receivable	2,074,803	259,861	383,397	13,109
Due from Other Governments	840	0	175	0
Other Local Taxes Receivable	59,172	0	0	0
Interfund Receivable	168,817	1,669	443	78
Prepaid Items	42,911	13,984	16,496	0
Materials and Supplies Inventory	1,574,172	171,550	48,821	0
Total Current Assets	8,544,355	1,364,633	1,820,846	756,315
<u>Non-Current Assets</u>				
<u>Restricted Assets</u>				
Equity in Pooled Cash and Cash Equivalents	254,295	0	461,029	0
Cash and Cash Equivalents with Fiscal Agents	0	0	1,130,192	0
Nondepreciable Capital Assets	205,559	560,664	12,209,183	0
Depreciable Capital Assets, Net	14,972,646	15,140,252	11,912,792	2,790,544
Total Non-Current Assets	15,432,500	15,700,916	25,713,196	2,790,544
Total Assets	23,976,855	17,065,549	27,534,042	3,546,859
<u>Deferred Outflows of Resources</u>				
Pension	137,924	49,259	83,740	0
<u>Liabilities</u>				
<u>Current Liabilities</u>				
Accrued Wages Payable	24,568	11,762	16,931	0
Accounts Payable	236,877	31,701	51,623	1,500
Contracts Payable	984,529	0	39,944	0
Due to Other Governments	14,398	4,831	15,647	0
Interfund Payable	55,335	11,865	16,679	52
Accrued Interest Payable	0	157,858	27,149	0
Mortgage Revenue Bonds Payable	0	0	485,000	0
OWDA Loans Payable	0	167,545	0	0
Loans Payable	0	0	105,582	0
Capital Leases Payable	0	0	25,578	25,578
Compensated Absences Payable	32,239	16,490	17,655	0
Landfill Postclosure Costs Payable	0	0	0	0
Total Current Liabilities	1,347,946	402,052	801,788	27,130

Refuse	Total Enterprise Funds	Governmental Activity Internal Service Fund
\$73,071	\$7,550,532	\$11,951
0	178,390	0
149,182	2,880,352	0
15,752	16,767	0
0	59,172	0
477	171,484	19,664
8,222	81,613	2,002
0	1,794,543	2,083
246,704	12,732,853	35,700
0	715,324	0
0	1,130,192	0
328,101	13,303,507	0
815,796	45,632,030	40,896
1,143,897	60,781,053	40,896
1,390,601	73,513,906	76,596
54,185	325,108	24,629
12,061	65,322	4,758
30,442	352,143	715
25,615	1,050,088	0
4,988	39,864	1,868
113,302	197,233	245
0	185,007	0
0	485,000	0
0	167,545	0
0	105,582	0
26,209	77,365	0
14,026	80,410	8,044
77,542	77,542	0
304,185	2,883,101	15,630

(continued)

City of Wapakoneta
Statement of Fund Net Position
Proprietary Funds
December 31, 2015
(continued)

	Business-Type Activities			
	Electric	Water	Sewer	Storm Sewer
<u>Non-Current Liabilities</u>				
Refundable Deposits	\$254,295	\$0	\$0	\$0
Mortgage Revenue Bonds Payable	0	0	6,295,000	0
OWDA Loans Payable	0	7,868,621	10,431,889	0
Net Pension Liability	777,208	277,576	471,878	0
Loans Payable	0	0	223,932	0
Capital Leases Payable	0	0	172,162	172,162
Compensated Absences Payable	75,909	71,447	71,125	0
Landfill Postclosure Costs Payable	0	0	0	0
Total Non-Current Liabilities	<u>1,107,412</u>	<u>8,217,644</u>	<u>17,665,986</u>	<u>172,162</u>
Total Liabilities	<u>2,455,358</u>	<u>8,619,696</u>	<u>18,467,774</u>	<u>199,292</u>
<u>Deferred Inflows of Resources</u>				
Pension	<u>13,654</u>	<u>4,876</u>	<u>8,290</u>	<u>0</u>
<u>Net Position</u>				
Net Investment in Capital Assets	15,178,205	7,664,750	6,712,346	2,592,804
Restricted for				
Revenue Bond Replacement	0	0	100,000	0
Future Debt Service	0	0	1,154,595	0
Unrestricted (Deficit)	<u>6,467,562</u>	<u>825,486</u>	<u>1,174,777</u>	<u>754,763</u>
Total Net Position (Deficit)	<u>\$21,645,767</u>	<u>\$8,490,236</u>	<u>\$9,141,718</u>	<u>\$3,347,567</u>

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

Net position of business-type activities

See Accompanying Notes to the Basic Financial Statements

Refuse	Total Enterprise Funds	Governmental Activity Internal Service Fund
\$0	\$254,295	\$0
0	6,295,000	0
0	18,300,510	0
305,333	1,831,995	138,787
0	223,932	0
145,131	489,455	0
28,932	247,413	4,097
1,134,058	1,134,058	0
1,613,454	28,776,658	142,884
1,917,639	31,659,759	158,514
5,364	32,184	2,438
972,557	33,120,662	40,896
0	100,000	0
0	1,154,595	0
(1,450,774)	7,771,814	(100,623)
(\$478,217)	42,147,071	(\$59,727)
	(11,945)	
	\$42,135,126	

City of Wapakoneta
Statement of Revenues, Expenses,
and Change in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2015

	Business-Type Activities			
	Electric	Water	Sewer	Storm Sewer
<u>Operating Revenues</u>				
Charges for Services	\$14,808,702	\$1,870,405	\$0	\$161,136
Charges for Services Pledged as Security on Mortgage Revenue Bonds	0	0	3,316,260	0
Licenses and Permits	0	0	0	0
Other	37,445	1,625	0	19,560
Other Pledged as Security on Mortgage Revenue Bonds	0	0	3,748	0
Total Operating Revenues	14,846,147	1,872,030	3,320,008	180,696
<u>Operating Expenses</u>				
Personal Services	1,013,452	482,961	714,110	0
Contractual Services	13,125,215	233,278	344,587	4,934
Materials and Supplies	1,531,482	775,011	361,935	107,276
Depreciation	629,306	324,018	1,896,153	86,837
Other	54,084	0	12,421	20,580
Total Operating Expenses	16,353,539	1,815,268	3,329,206	219,627
Operating Income (Loss)	(1,507,392)	56,762	(9,198)	(38,931)
<u>Non-Operating Revenues (Expenses)</u>				
Other Local Taxes	52,684	0	0	0
Loss on Disposal of Capital Assets	0	(10,607)	(13,015)	0
Interest Revenue	0	0	564	0
Interest Expense	0	(361,611)	(634,846)	(264)
Total Non-Operating Revenues (Expenses)	52,684	(372,218)	(647,297)	(264)
Income (Loss) before Contributions	(1,454,708)	(315,456)	(656,495)	(39,195)
Capital Contributions	0	361,330	592,152	488,590
Change in Net Position	(1,454,708)	45,874	(64,343)	449,395
Net Position (Deficit) Beginning of Year - Restated (Note 3)	23,100,475	8,444,362	9,206,061	2,898,172
Net Position (Deficit) End of Year	\$21,645,767	\$8,490,236	\$9,141,718	\$3,347,567

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

Change in net position of business-type activities

See Accompanying Notes to the Basic Financial Statements

Refuse	Total Enterprise Funds	Governmental Activity Internal Service Fund
\$1,235,415	\$18,075,658	\$210,818
0	3,316,260	0
0	0	14,737
2,916	61,546	155
0	3,748	0
1,238,331	21,457,212	225,710
479,898	2,690,421	194,703
512,898	14,220,912	12,011
68,885	2,844,589	8,954
69,522	3,005,836	1,873
0	87,085	0
1,131,203	22,848,843	217,541
107,128	(1,391,631)	8,169
0	52,684	0
0	(23,622)	0
0	564	0
(2,832)	(999,553)	0
(2,832)	(969,927)	0
104,296	(2,361,558)	8,169
0	1,442,072	0
104,296	(919,486)	8,169
(582,513)		(67,896)
(\$478,217)		(\$59,727)
	1,634	
	(\$917,852)	

City of Wapakoneta
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	Business-Type Activities			
	Electric	Water	Sewer	Storm Sewer
Increases (Decreases) in Cash and Cash Equivalents				
<u>Cash Flows from Operating Activities</u>				
Cash Received from Customers	\$14,921,359	\$1,860,964	\$3,304,500	\$161,255
Cash Received from Transactions with Other Funds	0	0	0	0
Cash Received from Utility Deposits	32,120	0	0	0
Cash Received from Other Revenues	73,549	1,625	3,748	19,560
Cash Payments for Personal Services	(1,046,982)	(483,038)	(737,352)	0
Cash Payments for Contractual Services	(14,244,255)	(244,790)	(358,154)	(3,103)
Cash Payments to Vendors	(1,256,798)	(736,942)	(343,194)	(107,092)
Cash Payments for Transactions with Other Funds	(195)	(105)	(1,551)	(1,779)
Cash Payments for Utility Refunds	(15,993)	0	0	0
Cash Payments for Other Expenses	(54,084)	0	(12,421)	(21,560)
Net Cash Provided by (Used for) Operating Activities	(1,591,279)	397,714	1,855,576	47,281
<u>Cash Flows from Noncapital Financing Activities</u>				
Cash Received from Other Local Taxes	52,684	0	0	0
<u>Cash Flows from Capital and Related Financing Activities</u>				
Principal Paid on Mortgage Revenue Bonds	0	0	(470,000)	0
Principal Paid on OWDA Loans	0	(159,564)	(214,787)	0
Principal Paid on Capital Loans	0	0	0	(11,870)
Principal Paid on Loans	0	0	(101,541)	0
Principal Paid on Capital Leases	0	0	0	0
Interest Paid on Mortgage Revenue Bonds	0	0	(314,190)	0
Interest Paid on OWDA Loans	0	(407,209)	(307,288)	0
Interest Paid on Capital Loans	0	0	0	(525)
Interest Paid on Loans	0	0	(15,993)	0
Interest Paid on Capital Leases	0	0	0	0
OWDA Loan Proceeds	0	0	2,314,831	0
Acquisition of Capital Assets	(457,824)	(10,800)	(2,856,142)	0
Net Cash Used for Capital and Related Financing Activities	(457,824)	(577,573)	(1,965,110)	(12,395)
<u>Cash Flows from Investing Activities</u>				
Interst Revenue	0	0	564	0
Net Increase (Decrease) in Cash and Cash Equivalents	(1,996,419)	(179,859)	(108,970)	34,886
Cash and Cash Equivalents Beginning of Year	6,874,354	1,097,428	3,071,705	708,242
Cash and Cash Equivalents End of Year	\$4,877,935	\$917,569	\$2,962,735	\$743,128

	Total Enterprise Funds	Governmental Activity Internal Service
\$1,232,345	\$21,480,423	\$14,737
0	0	191,154
0	32,120	0
2,036	100,518	155
(500,091)	(2,767,463)	(199,490)
(577,987)	(15,428,289)	(12,295)
(109,117)	(2,553,143)	(9,360)
0	(3,630)	0
0	(15,993)	0
0	(88,065)	0
47,186	756,478	(15,099)
0	52,684	0
0	(470,000)	0
0	(374,351)	0
0	(11,870)	0
0	(101,541)	0
(29,241)	(29,241)	0
0	(314,190)	0
0	(714,497)	0
0	(525)	0
0	(15,993)	0
(2,832)	(2,832)	0
0	2,314,831	0
0	(3,324,766)	0
(32,073)	(3,044,975)	0
0	564	0
15,113	(2,235,249)	(15,099)
57,958	11,809,687	27,050
\$73,071	\$9,574,438	\$11,951

(continued)

City of Wapakoneta
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015
(continued)

	Business-Type Activities			
	Electric	Water	Sewer	Storm Sewer
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Operating Income (Loss)	(\$1,507,392)	\$56,762	(\$9,198)	(\$38,931)
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Depreciation	629,306	324,018	1,896,153	86,837
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	113,461	(8,805)	(11,697)	107
(Increase) Decrease in Due from Other Governments	(840)	0	(175)	0
Decrease in Other Local Taxes Receivable	5,427	0	0	0
(Increase) Decrease in Interfund Receivable	36,140	(636)	112	12
Decrease in Prepaid Items	(898)	(555)	(891)	0
(Increase) Decrease in Materials and Supplies Inventory	87,131	38,044	(12,300)	0
Increase in Accrued Wages Payable	3,181	2,274	4,378	0
Increase (Decrease) in Accounts Payable	183,423	(11,254)	15,672	(456)
Increase (Decrease) in Contracts Payable	(1,113,940)	0	(1,631)	(340)
Decrease in Due to Other Governments	(14,837)	(5,607)	(6,496)	0
Increase (Decrease) in Interfund Payable	(4,962)	248	1,777	52
Increase in Refundable Deposits	16,127	0	0	0
Increase (Decrease) in Compensated Absences Payable	(10,695)	7,478	(12,897)	0
Decrease in Landfill Postclosure Costs	0	0	0	0
Decrease in Net Pension Liability	(14,329)	(5,116)	(8,698)	0
Decrease in Deferred Outflows - Pension	8,718	3,113	5,292	0
Decrease in Deferred Inflows - Pension	(6,300)	(2,250)	(3,825)	0
Net Cash Provided by (Used for) Operating Activities	<u>(\$1,591,279)</u>	<u>\$397,714</u>	<u>\$1,855,576</u>	<u>\$47,281</u>

Non-Cash Capital Transactions

During 2015, governmental activities contributed capital assets to the Water, Sewer, and Storm Sewer enterprise funds, in the amount of \$361,330, \$592,152, and \$488,590, respectively.

During 2015, the Sewer, Storm Sewer, and Refuse enterprise funds entered into a new lease for machinery and equipment, in the amount of \$197,740, \$197,740, and \$200,581, respectively.

See Accompanying Notes to the Basic Financial Statements

Refuse	Total Enterprise Funds	Governmental Activity Internal Service
\$107,128	(\$1,391,631)	\$8,169
69,522	3,005,836	1,873
(7,024)	86,042	0
3,216	2,201	0
0	5,427	0
(142)	35,486	(19,664)
(39)	(2,383)	(1)
0	112,875	(257)
1,807	11,640	590
(4,394)	182,991	(433)
11,649	(1,104,262)	0
(6,213)	(33,153)	(2,618)
(37,236)	(40,121)	1
0	16,127	0
(11,224)	(27,338)	(632)
(75,185)	(75,185)	0
(5,629)	(33,772)	(2,560)
3,425	20,548	1,558
(2,475)	(14,850)	(1,125)
\$47,186	\$756,478	(\$15,099)

City of Wapakoneta
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2015

<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$9,516</u>
<u>Liabilities</u>	
Undistributed Assets	<u>\$9,516</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, and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. There were no component units of the City of Wapakoneta in 2015.

The City participates in the Ohio Plan Risk Management, 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. 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 position 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 position 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 position 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 and deferred inflows of resources 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 position, 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 position and changes in net position. 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 2015. 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 position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

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 position. The statement of revenues, expenses, and change in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. 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 outflows and deferred inflows of resources, 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, are 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 Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. For the City, deferred outflows of resources are reported on the government-wide and proprietary funds statement of net position for pension and explained in Note 14 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In addition to liabilities, the statement of financial position may report deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources includes property taxes, unavailable revenue, and pension. Property taxes represent amounts for which there was an enforceable legal claim as of December 31, 2015, but which were levied to finance 2016 operations. This amount has been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes intergovernmental revenue including grants, municipal income taxes, accrued interest, delinquent property taxes, special assessments, and other sources. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. For further details on unavailable revenue, refer to the reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities on page 19. Deferred inflows of resources related to pension are reported on the government-wide and proprietary funds statement of net position and explained in Note 14 to the basic financial statements.

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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”.

During 2015, 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, 2015.

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 2015 was \$11,464, which includes \$10,082 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, 2015, 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.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

J. 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 position 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 position 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 position 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. No interest was capitalized for 2015.

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	6-25 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)

K. 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 position. The only interfund balances which remain on the government-wide statement of net position are those between governmental and business-type activities. These amounts are reflected as “Internal Balances”.

L. 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.

M. 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 and net pension liability 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. Long-term loans and capital leases are recognized as liabilities on the fund financial statements when due.

N. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets 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 position is reported as restricted when there are limitations imposed on its 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 position restricted for other purposes consists of 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 position is available.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. 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) 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) 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.

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. Assigned amounts represent intended uses established by City Council. Fund balance policy of City Council has authorized the Director of Public Service and Safety to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. City Council has also assigned amounts for swimming pool operations and to cover a gap between estimated resources and appropriations in the 2016 budget.

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

P. 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.

Q. Capital Contributions

Capital contributions arise from contributions of capital assets from other funds.

R. 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.

S. Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the pension plans, and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

T. 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.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION

For 2015, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68". GASB Statement No. 68 established standards for measuring and recognizing pension liabilities, deferred outflows and deferred inflows of resources, and pension expenses/expenditures. The implementation of this statement had the following effect on net position as previously reported on December 31, 2014.

	Electric	Water	Sewer	Storm Sewer	Refuse	Internal Service
Net Position at December 31, 2014	\$23,765,324	\$8,681,808	\$9,609,720	\$2,898,172	(\$321,322)	\$50,827
Net Pension Liability Deferred Outflows - Payment Subsequent to Measurement Date	(759,654)	(271,305)	(461,219)	0	(298,436)	(135,653)
Adjusted Net Position at December 31, 2014	<u>94,805</u>	<u>33,859</u>	<u>57,560</u>	<u>0</u>	<u>37,245</u>	<u>16,930</u>
	<u>\$23,100,475</u>	<u>\$8,444,362</u>	<u>\$9,206,061</u>	<u>\$2,898,172</u>	<u>(\$582,513)</u>	<u>(\$67,896)</u>

	Governmental Activities	Business-Type Activity/Enterprise Fund
Net Position December 31, 2014	\$26,191,798	\$44,643,868
Net Pension Liability	(4,816,058)	(1,790,614)
Net Pension Liability - Internal Service Fund	(135,653)	0
Deferred Outflows - Pension	444,417	223,469
Deferred Outflows - Pension Internal Service Fund	16,930	0
Internal Service Fund	23,745	(23,745)
Restated Net Position December 31, 2014	<u>\$21,725,179</u>	<u>\$43,052,978</u>

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred outflows or deferred inflows of resources as the information needed to generate these restatements was not available.

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE

A. Accountability

At December 31, 2015, the Refuse enterprise fund had a deficit net position, in the amount of \$478,217, due to recording landfill postclosure costs. Refuse rates were increased in 2015 to help offset rising costs and to reduce the deficit.

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE (continued)

The internal service fund had a deficit net position, in the amount of \$59,727, due to recording the net pension liability. This amount will be paid by the pension system in future years as individuals retire.

B. Compliance

For the year ended December 31, 2015, the General Fund had expenditures plus encumbrances in excess of appropriations, in the amount of \$4,346, for the fire department personal services account, \$17 for the miscellaneous capital outlay account, and \$4,338 for the Auglaize County contractual services account. The City Auditor will monitor budgetary transactions to ensure expenditures are within amounts appropriated.

The Water enterprise fund had expenses in excess of appropriations, in the amount of \$11,611, for materials and supplies for the year ended December 31, 2015. The City Auditor will monitor budgetary transactions to ensure expenses are within amounts appropriated.

The Refuse enterprise fund had final appropriations in excess of estimated revenues plus available balances, in the amount of \$35,088. The City Auditor will review appropriations to ensure they are within amounts available.

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).

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING (continued)

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	\$436,968
<u>Increases (Decreases) Due To</u>	
Revenue Accruals:	
Accrued 2014, Received in Cash 2015	330,826
Accrued 2015, Not Yet Received in Cash	(316,970)
Expenditure Accruals:	
Accrued 2014, Paid in Cash 2015	(237,321)
Accrued 2015 Not Yet Paid in Cash	330,048
Cash Adjustments	
Unrecorded Activity 2014	1,034
Unrecorded Activity 2015	(500)
Prepaid Items	(1,987)
Materials and Supplies Inventory	1,572
Revolving Loans	
Issued	(300,000)
Payments	13,989
Encumbrances Outstanding at Year End (Budget Basis)	<u>(64,612)</u>
Budget Basis	<u>\$193,047</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.

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio and, with certain limitations, bonds and other obligations of political subdivisions of the State of Ohio;
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) and repurchase agreements secured by such obligations provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

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, \$1,537,376 of the City's bank balance of \$6,182,809 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, 2015, the City had \$1,130,192 invested in mutual funds with an average maturity of 44 days and \$6,759,512 invested in STAR Ohio with an average maturity of 49.4 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, 2015

NOTE 7 - RECEIVABLES

Receivables at December 31, 2015, 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 \$370,172, will not be received within one year. Special assessments receivable, in the amount of \$29,775, will not be received within one year. At December 31, 2015, the amount of delinquent special assessments was \$1,555.

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 2 percent to 6.25 percent and are to be repaid over periods ranging from five to eighteen years.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Homestead and Rollback	\$24,838
Local Government	96,328
Cigarette Taxes	259
Auglaize County	1,534
Total General Fund	122,959
Street and Sewer Improvement	
West Auglaize Street ODOT	265,175
Auglaize County	2,905
Total Street and Sewer Improvement	268,080
Total Major Funds	391,039
Nonmajor Funds	
Street Maintenance	
Gasoline Tax	109,866
Highway Distribution	56,330
Motor Vehicle License Tax	44,291
Ohio Department of Public Safety	1,020
Total Street Maintenance	211,507
State Highway	
Gasoline Tax	8,890
Highway Distribution	4,568
Motor Vehicle License Tax	3,591
Ohio Department of Public Safety	83
Total State Highway	17,132

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 7 - RECEIVABLES (continued)

	Amount
Governmental Activities	
Recreation	
Homestead and Rollback	\$5,662
Auglaize County	6,255
Total Recreation	11,917
Enforcement and Education	
Auglaize County	117
Drug Law Enforcement	
Auglaize County	166
Total Nonmajor Funds	240,839
Total Governmental Activities	\$631,878
 Business-Type Activities	
Electric	
Auglaize County	\$840
Sewer	
Auglaize County	175
Refuse	
Auglaize County	15,752
Total Business Type Funds	\$16,767

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, 2015

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 2015 represent the collection of 2014 taxes. Real property taxes received in 2015 were levied after October 1, 2014, on the assessed values as of January 1, 2014, 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 2015 represent the collection of 2014 taxes. Public utility real and tangible personal property taxes received in 2015 became a lien on December 31, 2013, were levied after October 1, 2014, 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, 2015, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2015 operations is offset to deferred inflows of resources - property taxes. On the accrual basis, delinquent real property taxes have been recorded as a receivable and revenue while on the modified accrual basis, the revenue has been recorded as deferred inflows of resources - unavailable revenue.

The full tax rate for all City operations for the year ended December 31, 2015, was \$3.75 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2015 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	
Agricultural/Residential	\$106,495,310
Commercial/Industrial	44,517,970
Public Utility Real	65,790
Public Utility Personal	1,122,690
Total	<u>\$152,201,760</u>

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 10 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015, was as follows:

	Balance December 31, 2014	Additions	Reductions	Balance December 31, 2015
Governmental Activities:				
Nondepreciable Capital Assets				
Land	\$1,410,446	\$0	\$0	\$1,410,446
Construction in Progress	214,803	1,628,979	(1,804,376)	39,406
Total Nondepreciable Capital Assets	<u>1,625,249</u>	<u>1,628,979</u>	<u>(1,804,376)</u>	<u>1,449,852</u>
Depreciable Capital Assets				
Land Improvements	3,031,111	0	0	3,031,111
Buildings	3,599,947	0	0	3,599,947
Equipment	636,902	0	0	636,902
Vehicles	2,941,124	169,550	0	3,110,674
Streets	25,999,774	1,977,469	(284,537)	27,692,706
Total Depreciable Capital Assets	<u>36,208,858</u>	<u>2,147,019</u>	<u>(284,537)</u>	<u>38,071,340</u>
Less Accumulated Depreciation for				
Land Improvements	(627,934)	(83,606)	0	(711,540)
Buildings	(873,123)	(53,303)	0	(926,426)
Equipment	(480,162)	(18,254)	0	(498,416)
Vehicles	(1,865,512)	(118,772)	0	(1,984,284)
Streets	(12,735,473)	(780,034)	(165,980)	(13,349,527)
Total Accumulated Depreciation	<u>(16,582,204)</u>	<u>(1,053,969)</u>	<u>(165,980)</u>	<u>(17,470,193)</u>
Total Depreciable Capital Assets, Net	<u>19,626,654</u>	<u>1,093,050</u>	<u>(118,557)</u>	<u>20,601,147</u>
Governmental Activities Capital Assets, Net	<u>\$21,251,903</u>	<u>\$2,722,029</u>	<u>(\$1,922,933)</u>	<u>\$22,050,999</u>

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 10 - CAPITAL ASSETS (continued)

	Balance December 31, 2014	Additions	Reductions	Balance December 31, 2015
Business-Type Activities:				
Nondepreciable Capital Assets				
Land	\$1,171,268	\$0	\$0	\$1,171,268
Construction in Progress	9,262,214	2,870,025	0	12,132,239
Total Nondepreciable Capital Assets	<u>10,433,482</u>	<u>2,870,025</u>	<u>0</u>	<u>13,303,507</u>
Depreciable Capital Assets				
Buildings	20,247,000	0	0	20,247,000
Equipment	1,024,597	94,666	0	1,119,263
Vehicles	3,378,391	789,165	0	4,167,556
Electric, Water, Sewer, and Storm Sewer Lines	44,476,744	1,635,622	(78,742)	46,033,624
Total Depreciable Capital Assets	<u>69,126,732</u>	<u>2,519,453</u>	<u>(78,742)</u>	<u>71,567,443</u>
Less Accumulated Depreciation for				
Buildings	(2,508,521)	(269,435)	0	(2,777,956)
Equipment	(631,450)	(28,087)	0	(659,537)
Vehicles	(1,967,685)	(202,641)	0	(2,170,326)
Electric, Water, Sewer, and Storm Sewer Lines	(17,877,041)	(2,505,673)	55,120	(20,327,594)
Total Accumulated Depreciation	<u>(22,984,697)</u>	<u>(3,005,836)</u>	<u>55,120</u>	<u>(25,935,413)</u>
Total Depreciable Capital Assets, Net	<u>46,142,035</u>	<u>(486,383)</u>	<u>(23,622)</u>	<u>45,632,030</u>
Business-Type Activities Capital Assets, Net	<u>\$56,575,517</u>	<u>\$2,383,642</u>	<u>(\$23,622)</u>	<u>\$58,935,537</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Security of Persons and Property - Police	\$43,677
Security of Persons and Property - Fire	86,018
Public Health	18,827
Leisure Time Activities	70,260
Transportation	821,227
General Government	13,960
Total Depreciation Expense - Governmental Activities	<u>\$1,053,969</u>

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 11 - INTERFUND BALANCES

Interfund balances at December 31, 2015, consisted of the following individual fund receivables and payables:

Due to General Fund from:

Electric	\$55,030
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Due to Electric Fund from:

General	\$1,999
Other Governmental	26,515
Water	11,836
Sewer	15,082
Refuse	113,235
Internal Service	150
Total Electric Fund	<u>\$168,817</u>

Due to Water Fund from:

General	\$35
Other Governmental	53
Electric	36
Sewer	1,525
Refuse	10
Internal Service	10
Total Water Fund	<u>\$1,669</u>

Due to Sewer Fund from:

General	\$77
Other Governmental	138
Electric	122
Refuse	53
Internal Service	53
Total Sewer Fund	<u>\$443</u>

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 11 - INTERFUND BALANCES (continued)

Due to Storm Sewer from:

General	\$4
Other Governmental	8
Electric	14
Sewer	44
Refuse	4
Internal Service	4
Total Storm Sewer Fund	<u>\$78</u>

Due to Refuse from:

General	\$81
Other Governmental	178
Electric	133
Water	29
Sewer	28
Internal Service	28
Total Refuse Fund	<u>\$477</u>

Due to Internal Service Fund from:

General	\$4,519
Street and Sewer Improvement	14,412
Other Governmental	681
Storm Sewer	52
Total Internal Service Fund	<u>\$19,664</u>

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.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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 2015, the City contracted with the Ohio Plan Risk Management, an insurance pool, for the following coverage:

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
Property	\$66,571,704	\$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
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	1,581,690	1,000
Electronic Data Processing	350,773	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.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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, 2015:

Vendor	Contract Amount	Amount Paid as of 12/31/15	Outstanding Balance
American Municipal Power	\$3,010,000	\$0	\$3,010,000
Choice One Engineering Corp	248,060	233,994	14,066
Choice One Engineering Corp	52,380	45,444	6,936
CTL Engineering, Inc.	24,721	18,059	6,662
Helms & Sons Excavating	4,295,555	3,995,955	299,600
PAB Construction	77,308	77,049	259
Peterson Construction Co.	6,216,233	6,173,040	43,193
The Shelly Company	16,800	0	16,800

At year end, the significant encumbrances expected to be honored upon performance by the vendor in 2015 are as follows:

General	\$64,612
Street and Sewer Improvement	592,565
Total	\$657,177

NOTE 14 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions, between an employer and its employees, of salaries and benefits for employee services. Pensions are provided to an employee on a deferred payment basis as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables including estimated average life expectancies, earnings on investments, cost of living adjustments, and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation, including pension.

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

GASB Statement No. 68 assumes the liability is solely the obligation of the employer because (1) they benefit from employee services, and (2) State statute requires all funding to come from the employers. All contributions to date have come solely from the employer (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within thirty years. If the amortization period exceeds thirty years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually required pension contribution outstanding at the end of the year is included as an intergovernmental payable on both the accrual and modified accrual basis of accounting.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information, and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS' CAFR referenced above for additional information).

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013, or five years after January 7, 2013	20 years of service credit prior to January 7, 2013, or eligible to retire ten years after January 7, 2013	Members not in other groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35 years
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years

Final average salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for twelve months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index capped at 3 percent.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows.

	State and Local	Public Safety	Law Enforcement
2015 Statutory Maximum Contribution Rates			
Employer	14.0%	18.1%	18.1%
Employee	10.0 %	*	**
2015 Actual Contribution Rates			
Employer			
Pension	12.0 %	16.1 %	16.1 %
Postemployment Health Care Benefits	2.0	2.0	2.0
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Total Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

* This rate is determined by OPERS' Board and has no maximum rate established by the ORC.

** This rate is also determined by OPERS' Board but is limited by the ORC to not more than 2 percent greater than the public safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$344,483 for 2015. Of this amount, \$9,805 is reported as an intergovernmental payable.

Plan Description - Ohio Police and Fire Pension Fund (OPF)

Plan Description - Full-time police and firefighters participate in the Ohio Police and Fire Pension Fund (OPF), a cost-sharing multiple-employer defined benefit pension plan administered by OPF. 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 report that includes financial information, required supplementary information, and detailed information about OPF's fiduciary net position that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, an OPF member may retire and receive a lifetime monthly pension. OPF offers four types of service retirement; normal, service commuted, age/service commuted, and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

For members hired after July 1, 2013, the minimum retirement age is fifty-two for normal service retirement with at least twenty-five years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is forty-eight for normal service retirement with at least twenty-five years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first twenty years of service credit, 2 percent for each of the next five years of service credit, and 1.5 percent for each year of service credit in excess of twenty-five years. The maximum pension of 72 percent of the allowable average annual salary is paid after thirty-three years of service credit.

Under normal service retirement, retired members who are at least fifty-five years old and have been receiving OPF benefits for at least one year may be eligible for a cost of living allowance adjustment. The age fifty-five provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than fifteen years of service credit on July 1, 2013, will receive a COLA equal to either 3 percent or the percent increase, if any, in the Consumer Price Index over the twelve month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least fifteen years of service credit as of July 1, 2013, is equal to 3 percent of their base pension or disability benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows.

	Police	Firefighters
2015 Statutory Maximum Contribution Rates		
Employer	19.50%	24.00%
Employee		
January 1, 2015, through July 1, 2015	11.50 %	11.50 %
July 2, 2015, through December 31, 2015	12.25 %	12.25 %
2015 Actual Contribution Rates		
Employer		
Pension	19.00 %	23.50 %
Postemployment Health Care Benefits	.50	.50
Total Employer	19.50 %	24.00 %
Employee		
January 1, 2015, through July 1, 2015	11.50 %	11.50 %
July 2, 2015, through December 31, 2015	12.25 %	12.25 %

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution was \$367,289 for 2015. Of this amount, \$64,319 is reported as an intergovernmental payable.

Pension Liability, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pension

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense.

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$2,775,746	\$4,285,826	\$7,061,572
Proportion of the Net Pension Liability	0.02301400%	0.08273130%	
Pension Expense	\$301,945	\$418,062	\$720,007

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources.

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$148,105	\$184,715	\$332,820
City contributions subsequent to the measurement date	<u>344,483</u>	<u>367,289</u>	<u>711,772</u>
Total Deferred Outflows of Resources	<u>\$492,588</u>	<u>\$552,004</u>	<u>\$1,044,592</u>
Deferred Inflows of Resources			
Difference between expected and actual experience	<u>\$48,764</u>	<u>\$0</u>	<u>\$48,764</u>

\$711,772 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as pension expense as follows.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Year Ending December 31,	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
2016	\$14,527	\$46,179	\$60,706
2017	14,526	46,179	60,705
2018	33,262	46,179	79,441
2019	37,026	46,178	83,204
Total	<u>\$99,341</u>	<u>\$184,715</u>	<u>\$284,056</u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement.

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent, including wage inflation
COLA or Ad Hoc COLA	3 percent simple
Investment Rate of Return	8 percent
Actuarial Cost Method	individual entry age

Mortality rates were based on the RP-2000 Mortality Table projected twenty years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 Mortality Table with no projections. For males, 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

The long-term rate of return on defined benefit investment assets was determined using a building block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage adjusted for inflation.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio, and the Defined Contribution portfolio. The Defined Benefits portfolio includes the investment assets of the traditional pension plan, the defined benefit component of the combined plan, the annuitized accounts of the member-directed plan, and the VEBA Trust. Within the Defined Benefits portfolio, contributions into the plans are all recorded at the same time and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money-weighted rate of return, net of investment expenses, for the Defined Benefits portfolio was 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefits portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plan. The table below displays the board approved asset allocation policy for 2014 and the long-term expected real rates of return.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other Investments	18.00	4.59
Total	100.00 %	5.28 %

Discount Rate - The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7 percent) or one percentage point higher (9 percent) than the current rate.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
City's Proportionate Share of the Net Pension Liability	\$5,106,576	\$2,775,746	\$812,624

Actuarial Assumptions - OPF

OPF's total pension liability as of December 31, 2014, is based on the results of an actuarial valuation date of January 1, 2014, and rolled forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67 as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation prepared as of January 1, 2014, are presented below.

Valuation Date	January 1, 2014
Actuarial Cost Method	entry age normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.6 percent and 3 percent

Mortality rates are based on the RP-2000 Combined Table, age adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building block approach and assumes a time horizon as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2014, are summarized below.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	(0.25) %
Domestic Equities	16.00	4.47
Non-U.S. Equities	16.00	4.47
Core Fixed Income*	20.00	1.62
Global Inflation Protected*	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	120.00 %	

* levered 2x

OPF's Board of Trustees has incorporated the "risk parity" concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall total portfolio risk without sacrificing return and creating a more risk balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the total portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate - The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8.25 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate and, to illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 8.25 percent as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent) or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's Proportionate Share of the Net Pension Liability	\$5,927,946	\$4,285,826	\$2,895,450

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 two cost-sharing multiple-employer defined benefit postemployment health care trusts which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a health reimbursement arrangement, and Medicare Part B premium reimbursements to qualifying benefit recipients of both the traditional pension and combined plans. Members of the member-directed plan do not qualify for ancillary benefits including OPERS sponsored health care coverage.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an other postemployment benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board 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/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their 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 earnable salary of active members. In 2015, state and local employers contributed 14 percent of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees and the traditional pension and combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a retiree medical account for member-directed plan members.

NOTE 15 - POSTEMPLOYMENT BENEFITS (continued)

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund the health care plans. The portion of the employer contribution allocated to health care for members in both the traditional pension and combined plans was 2 percent for 2015. As recommended by the OPERS actuary, the portion of the employer contribution allocated to health care beginning January 1, 2016, remained at 2 percent for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the VEBA for participants in the member-directed plan was 4.5 percent for 2015.

Substantially all of the City's contribution allocated to fund postemployment health care benefits relates to the cost-sharing multiple-employer trusts. The corresponding contribution for the years ended December 31, 2015, 2014, and 2013 was \$57,414, \$56,432, and \$27,039, respectively. For 2015, 97 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2014 and 2013.

B. Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OPF. OPF provides health care 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 health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care 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 health care 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 or by visiting the OPF website at www.op-f.org.

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 to contribute to the pension plan at rates expressed as a percentage of the 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.

NOTE 15 - POSTEMPLOYMENT BENEFITS (continued)

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

The Board of Trustees is authorized to allocate a portion of the total employer contribution made to the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2015, the employer contribution allocated to the health care plan was .5 percent of covered payroll. The amount of the employer contribution allocated to the health care 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 health care 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 for the years ended December 31, 2015, 2014, and 2013, was \$375,871, \$354,318, and \$388,780, respectively, of which \$8,582, \$8,093, and \$65,356 was allocated to the health care plan. For 2015, 83 percent has been contributed for both police and firefighters with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2014 and 2013.

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 or utility worker 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 or utility worker 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.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 16 - COMPENSATED ABSENCES (continued)

Firefighters are paid for one-half of their earned unused sick leave up to a maximum of six hundred sixty accrued sick hours (eighty two and one-half days total maximum payment) with fifteen or more years of service. Firefighters will less than fifteen years of service are paid for one-fourth of their earned unused sick leave up to a maximum of four hundred eighty accrued sick hours (sixty days total maximum payment).

NOTE 17 - LONG-TERM OBLIGATIONS

The City's long-term obligations activity for the year ended December 31, 2015, was as follows:

	Restated Balance December 31, 2014	Additions	Reductions	Balance December 31, 2015	Due Within One Year
<u>Governmental Activities</u>					
Other Long-Term Obligations					
Net Pension Liability					
Ohio Public Employees Retirement System	\$922,437	\$21,314	\$0	\$943,751	\$0
Ohio Police and Fire	4,029,274	256,552	0	4,285,826	0
Total Net Pension Liability	4,951,711	277,866	0	5,229,577	0
Capital Loans Payable	11,870	0	11,870	0	0
Loans Payable	169,967	0	40,038	129,929	41,631
Capital Leases Payable	59,192	0	28,595	30,597	30,597
Compensated Absences Payable	414,965	0	27,270	387,695	128,313
Total Governmental Activities	<u>\$5,607,705</u>	<u>\$277,866</u>	<u>\$107,773</u>	<u>\$5,777,798</u>	<u>\$200,541</u>

	Interest Rate	Restated Balance December 31, 2014	Additions	Reductions	Balance December 31, 2015	Due Within One Year
<u>Business-Type Activities</u>						
Mortgage Revenue Bonds						
1998 Sewer System Bonds	3.30 - 4.95%	\$1,170,000	\$0	\$270,000	\$900,000	\$285,000
2006 Sewer System Bonds	4 - 4.25	6,080,000	0	200,000	5,880,000	200,000
Total Mortgage Revenue Bonds		<u>7,250,000</u>	<u>0</u>	<u>470,000</u>	<u>6,780,000</u>	<u>485,000</u>
Other Long-Term Obligations						
OWDA Loans						
Water		8,195,730	0	159,564	8,036,166	167,545
Sewer		8,331,845	2,314,831	214,787	10,431,889	0

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

	Interest Rate	Restated Balance December 31, 2014	Additions	Reductions	Balance December 31, 2015	Due Within One Year
<u>Business-Type Activities</u> (continued)						
Other Long-Term Obligations (continued)						
Net Pension Liability						
Ohio Public Employees Retirement System		\$1,790,614	\$41,381	\$0	\$1,831,995	\$0
Capital Loans Payable		11,870	0	11,870	0	0
Loans Payable		431,055	0	101,541	329,514	105,582
Capital Leases Payable		0	596,061	29,241	566,820	77,365
Compensated Absences Payable		355,161	13,643	40,981	327,823	80,410
Landfill Postclosure Costs		1,286,785	0	75,185	1,211,600	77,542
Total Other Long-Term Obligations		20,403,060	2,965,916	633,169	22,735,807	508,444
Total Business-Type Activities		\$27,653,060	\$2,965,916	\$1,103,169	\$29,515,807	\$993,444

Net Pension Liability - The City pays obligations related to employee compensation from the fund benefitting from their service. For additional information related to the net pension liability, see Note 14 to the basic financial statements.

Capital Loans Payable - Loans were entered into with local banks for the purchase of equipment. The City paid the loans in equal yearly payments over the five year life of the loans. The loans were fully retired during 2015 from resources of the Street Maintenance special revenue fund, and the 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, \$129,929 and \$329,514 was not capitalized for governmental activities and in the Sewer enterprise fund, respectively.

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

Compensated Absences Payable - 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.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

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

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

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

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

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

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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 trustee in accordance with the trust agreement. Restricted assets relating to the sewer system bonds held by the trustee at December 31, 2015, were \$358,110.

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 on December 1, 2016, either in whole or in part, in inverse order of maturity and by lot within any maturity, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

In conjunction with the issuance of the sewer system bonds, the City entered into a trust agreement with a commercial bank. This trust agreement, along with the bond indenture, requires that the City establish various funds for the repayment of debt. The restricted assets in the Sewer enterprise fund segregate funds held by the City from funds held by the trustee in accordance with the trust agreement. Restricted assets relating to the sewer system bonds held by the trustee at December 31, 2015, were \$772,082.

The mortgage revenue bonds will be paid from the gross revenues of the Sewer enterprise fund after provisions for reasonable operating and maintenance expenses. Annual principal and interest payments on the bonds are expected to require less than 100 percent of these net revenues in future years. Principal and interest paid on the bonds from the Sewer enterprise fund during 2015 was \$784,190. Total net revenues for the Sewer enterprise fund were \$1,886,955.

OWDA Loans - OWDA loans consist of money owed to the Ohio Water Development Authority for a new water treatment plant, a wellfield and raw water line improvements, a long-term control plan design, and south inceptor 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 during 2015 was \$566,773 from the Water enterprise fund and \$522,075 from the Sewer enterprise fund. Total net revenues for the Water and Sewer enterprise funds were \$380,780 and \$1,886,955 respectively. The OWDA loans are payable through 2040 from the Water enterprise fund. The loans related to the Sewer enterprise fund are for projects not yet completed and a repayment schedule has not yet been established.

Due to AMP-Ohio - The City of Wapakoneta is a member of American Municipal Power (AMP) and a participant in the American Municipal Power Generating Station Project (AMPGS). This project was intended to develop a pulverized coal power plant in Meigs County, Ohio. 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.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

The AMPGS project required participants to sign “take or pay” contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS project due to projected escalating costs. These costs were, therefore, deemed impaired and participants were obligated to pay costs already incurred. As a result of a March 31, 2014, legal ruling, the AMP Board of Trustees on April 15, 2014, and the AMPGS participants on April 16, 2014, approved the collection of the impaired costs and provided the participants with an estimate of their liability.

The City’s estimated share of the impaired costs at March 31, 2014, was \$860,980. The City received a credit of \$283,700 related to its participation in the AMP Fremont Energy Center (AFEC) project and another credit of \$226,124 related to the AMPGS costs deemed to have future benefit for the project participants leaving a net impaired cost estimate of \$351,156. The City had reported a liability of \$541,378 for its estimated share of the impaired costs at December 31, 2012, which the City paid during 2013. As a result of the payment in excess of the final impaired cost estimate, the City is reporting Cash and Cash Equivalents with Fiscal Agent on the statement of net position in the Electric enterprise fund for the amount still being held on account with AMP. This amount was \$178,390 at December 31, 2015.

Any additional costs or amounts received related to the project may result in a future liability to the City. These amounts will be recorded as they become estimable.

The City’s legal debt margin was \$15,895,572 at December 31, 2015.

The long-term control plan design and south inceptor improvement 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.

Principal and interest requirements to retire governmental activities long-term obligations outstanding at December 31, 2015, were as follows:

Year	Loans	
	Principal	Interest
2016	\$41,631	\$4,713
2017	43,288	3,057
2018	45,010	1,334
	\$129,929	\$9,104

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2015, from the enterprise funds were as follows:

Year	Mortgage Revenue Bonds		OWDA Loans	
	Principal	Interest	Principal	Interest
2016	\$485,000	\$292,825	\$167,545	\$315,825
2017	525,000	270,717	175,932	309,140
2018	540,000	246,868	184,745	302,119
2019	565,000	222,275	194,007	294,746
2020	585,000	198,262	203,740	287,001
2021 to 2025	3,325,000	596,275	1,182,979	1,304,468
2026 to 2030	755,000	32,088	1,512,610	1,043,056
2031 to 2035	0	0	1,935,662	708,401
2036 to 2040	0	0	2,478,946	279,658
Total	<u>\$6,780,000</u>	<u>\$1,859,310</u>	<u>\$8,036,166</u>	<u>\$4,844,414</u>

Year	Loans	
	Principal	Interest
2016	\$105,582	\$11,953
2017	109,782	7,752
2018	114,150	3,384
	<u>\$329,514</u>	<u>\$23,089</u>

NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE

The City has entered into capitalized leases for vehicles and equipment. Principal payments in 2015 were \$28,595 for governmental activities and \$29,241 in the Refuse enterprise fund.

	Governmental Activities	Business-Type Activities
Equipment	\$0	\$71,170
Vehicles	91,929	524,891
Less Accumulated Depreciation	(18,384)	(34,332)
Total	<u>\$73,545</u>	<u>\$561,729</u>

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE (continued)

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2015.

Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2016	\$30,597	\$2,141	\$77,365	\$18,892
2017	0	0	79,945	16,312
2018	0	0	82,614	13,643
2019	0	0	85,371	10,886
2020	0	0	88,222	8,035
2021-2022	0	0	153,303	7,138
Total	\$30,597	\$2,141	\$566,820	\$74,906

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 \$1,211,600 reported as landfill postclosure costs at December 31, 2015, 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.

NOTE 20 - INTERFUND TRANSFERS

During 2015, the General Fund made transfers to the Street and Sewer Improvement capital projects fund, in the amount of \$625,000, as debt payments came due. The General Fund also made transfers to other governmental funds, in the amount of \$15,000 to subsidize activities in other funds.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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	\$17,691	\$0	\$21,751	\$39,442
Prepaid Items	25,995	0	6,466	32,461
Unclaimed Monies	36,841	0	0	36,841
Total Nonspendable	<u>80,527</u>	<u>0</u>	<u>28,217</u>	<u>108,744</u>
Restricted for:				
Debt Retirement	0	0	1,160	1,160
Economic Development	0	0	653,241	653,241
Police Operations	2,698	0	11,438	14,136
Recreation	0	0	1,802	1,802
Street Construction and Maintenance	0	10,237	523,363	533,600
Total Restricted	<u>2,698</u>	<u>10,237</u>	<u>1,191,004</u>	<u>1,203,939</u>
Assigned for:				
Debt Retirement	0	0	233,152	233,152
Swimming Pool Operations	24,056	0	0	24,056
Projected Budget Shortage	706,620	0	0	706,620
Purchases on Order	34,459	0	0	34,459
Total Assigned	<u>765,135</u>	<u>0</u>	<u>233,152</u>	<u>998,287</u>
Unassigned (Deficit)	<u>1,256,912</u>	<u>0</u>	<u>(1,389)</u>	<u>1,255,523</u>
Total Fund Balance	<u><u>\$2,105,272</u></u>	<u><u>\$10,237</u></u>	<u><u>\$1,450,984</u></u>	<u><u>\$3,566,493</u></u>

NOTE 22 - INSURANCE POOL

The City participates in the Ohio Plan Risk Management (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. Each participant enters into an individual agreement with the Plan for insurance coverage and pays annual premiums to the plan based on the types and limits of coverage and deductibles selected by the participant. Membership in the Plan is by written application subject to the approval of the Plan Manager. Financial information may be obtained from the Ohio Plan Risk Management, 1505 Jefferson Avenue, Toledo, Ohio 43603.

NOTE 23 - CONTINGENT LIABILITIES

A. Litigation

The City of Wapakoneta is a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. As of the date of these financial statements, the City management is unable to determine if the disposition of such claims and legal proceedings will have a material effect on the financial condition of the City.

A complaint with jury demand was filed with the United States District Court for the Northern District of Ohio, Western Division on January 9, 2014, alleging unfair termination from employment. The case has proceeded to mediation and offers and counteroffers have been presented and reviewed by all parties; however, a resolution has yet to be accepted and approved by the parties. Management believes an agreement and offer acceptance will be completed prior to the year ending December 31, 2016.

B. Federal and State Grants

For the period January 1, 2015, to December 31, 2015, 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.

City of Wapakoneta
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Public Employees Retirement System - Traditional
 Last Two Years (1)

	2014	2013
City's Proportion of the Net Pension Liability	0.02301400%	0.02301400%
City's Proportionate Share of the Net Pension Liability	\$2,775,746	\$2,713,051
City's Covered Employee Payroll	\$2,821,592	\$2,703,873
City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll	98.38%	100.34%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date which is the prior year end.

City of Wapakoneta
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Police and Fire Pension Fund
 Last Two Years (1)

	2014	2013
City's Proportion of the Net Pension Liability	0.08273130%	0.08273130%
City's Proportionate Share of the Net Pension Liability	\$4,285,826	\$4,029,274
City's Covered Employee Payroll	\$1,618,630	\$1,779,275
City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll	264.78%	226.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date which is the prior year end.

City of Wapakoneta
 Required Supplementary Information
 Schedule of the City's Contributions
 Ohio Public Employees Retirement System - Traditional Plan
 Last Three Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$344,483	\$338,591	\$351,504
Contributions in Relation to the Contractually Required Contribution	<u>(344,483)</u>	<u>(338,591)</u>	<u>(351,504)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Employee Payroll	\$2,870,693	\$2,821,592	\$2,703,873
Contributions as a Percentage of Covered Employee Payroll	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

City of Wapakoneta
 Required Supplementary Information
 Schedule of the City's Contributions
 Ohio Police and Fire Pension Fund
 Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$367,289	\$346,225	\$323,424	\$281,890
Contributions in Relation to the Contractually Required Contribution	<u>(367,289)</u>	<u>(346,225)</u>	<u>(323,424)</u>	<u>(281,890)</u>
Contribution Deficiency (Excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
City Covered Employee Payroll	\$1,716,519	\$1,618,630	\$1,779,275	\$1,888,878
Contributions as a Percentage of Covered Employee Payroll	21.40%	21.39%	18.18%	14.92%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$274,662	\$228,561	\$265,667	\$255,384	\$251,103	\$191,408
<u>(274,662)</u>	<u>(228,561)</u>	<u>(265,667)</u>	<u>(255,384)</u>	<u>(251,103)</u>	<u>(191,408)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,844,755	\$1,510,792	\$1,774,143	\$1,704,421	\$1,678,139	\$1,361,447
14.89%	15.13%	14.97%	14.98%	14.96%	14.06%

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**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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Nonmajor Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources 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)

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 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.

City of Wapakoneta
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,002,213	\$44,316	\$189,996	\$1,236,525
Accounts Receivable	23,872	0	0	23,872
Due from Other Governments	240,839	0	0	240,839
Other Local Taxes Receivable	6,237	0	0	6,237
Prepaid Items	6,466	0	0	6,466
Materials and Supplies Inventory	21,751	0	0	21,751
Property Taxes Receivable	99,669	0	0	99,669
Notes Receivable	175,001	0	0	175,001
Total Assets	\$1,576,048	\$44,316	\$189,996	\$1,810,360
<u>Liabilities</u>				
Accrued Wages Payable	\$6,472	\$0	\$0	\$6,472
Accounts Payable	8,340	0	0	8,340
Contracts Payable	5,098	0	0	5,098
Due to Other Governments	3,107	0	0	3,107
Interfund Payable	27,573	0	0	27,573
Total Liabilities	50,590	0	0	50,590
<u>Deferred Inflows of Resources</u>				
Property Taxes	98,571	0	0	98,571
Unavailable Revenue	210,215	0	0	210,215
Total Deferred Inflows of Resources	308,786	0	0	308,786
<u>Fund Balance</u>				
Nonspendable	28,217	0	0	28,217
Restricted	1,189,844	1,160	0	1,191,004
Assigned	0	43,156	189,996	233,152
Unassigned (Deficit)	(1,389)	0	0	(1,389)
Total Fund Balance	1,216,672	44,316	189,996	1,450,984
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$1,576,048	\$44,316	\$189,996	\$1,810,360

City of Wapakoneta
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015

	Street Maintenance	State Highway	Motor Vehicle Permissive Tax	Community Block Grant
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$133,622	\$277,654	\$74,898	\$480,892
Accounts Receivable	23,872	0	0	0
Due from Other Governments	211,507	17,132	0	0
Other Local Taxes Receivable	0	0	6,237	0
Prepaid Items	5,604	0	0	0
Materials and Supplies Inventory	18,650	0	0	0
Property Taxes Receivable	0	0	0	0
Notes Receivable	0	0	0	175,001
Total Assets	\$393,255	\$294,786	\$81,135	\$655,893
<u>Liabilities</u>				
Accrued Wages Payable	\$5,485	\$0	\$0	\$0
Accounts Payable	5,089	0	0	2,652
Contracts Payable	0	0	5,098	0
Due to Other Governments	1,831	0	0	0
Interfund Payable	601	0	0	0
Total Liabilities	13,006	0	5,098	2,652
<u>Deferred Inflows of Resources</u>				
Property Taxes	0	0	0	0
Unavailable Revenue	189,156	14,299	0	0
Total Deferred Inflows of Resources	189,156	14,299	0	0
<u>Fund Balance</u>				
Nonspendable	24,254	0	0	0
Restricted	166,839	280,487	76,037	653,241
Unassigned (Deficit)	0	0	0	0
Total Fund Balance	191,093	280,487	76,037	653,241
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$393,255	\$294,786	\$81,135	\$655,893

Recreation	Law Enforcement	Enforcement and Education	Drug Law Enforcement	Rudd Park Trust	Total
\$22,190	\$2,486	\$3,938	\$4,731	\$1,802	\$1,002,213
0	0	0	0	0	23,872
11,917	0	117	166	0	240,839
0	0	0	0	0	6,237
862	0	0	0	0	6,466
3,101	0	0	0	0	21,751
99,669	0	0	0	0	99,669
0	0	0	0	0	175,001
<u>\$137,739</u>	<u>\$2,486</u>	<u>\$4,055</u>	<u>\$4,897</u>	<u>\$1,802</u>	<u>\$1,576,048</u>
\$987	\$0	\$0	\$0	\$0	\$6,472
599	0	0	0	0	8,340
0	0	0	0	0	5,098
1,276	0	0	0	0	3,107
26,972	0	0	0	0	27,573
<u>29,834</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,590</u>
98,571	0	0	0	0	98,571
6,760	0	0	0	0	210,215
<u>105,331</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>308,786</u>
3,963	0	0	0	0	28,217
0	2,486	4,055	4,897	1,802	1,189,844
(1,389)	0	0	0	0	(1,389)
<u>2,574</u>	<u>2,486</u>	<u>4,055</u>	<u>4,897</u>	<u>1,802</u>	<u>1,216,672</u>
<u>\$137,739</u>	<u>\$2,486</u>	<u>\$4,055</u>	<u>\$4,897</u>	<u>\$1,802</u>	<u>\$1,576,048</u>

City of Wapakoneta
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2015

	Debt Service	Downtown Debt	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,160	\$43,156	\$44,316
<u>Fund Balance</u>			
Restricted	\$1,160	\$0	\$1,160
Assigned	0	43,156	43,156
Total Fund Balance	\$1,160	\$43,156	\$44,316

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Property Taxes	\$97,272	\$0	\$0	\$97,272
Other Local Taxes	76,616	0	0	76,616
Charges for Services	55,077	0	0	55,077
Fines and Forfeitures	2,358	0	0	2,358
Intergovernmental	477,214	0	0	477,214
Interest	22,643	0	0	22,643
Gifts and Donations	14,125	0	0	14,125
Other	36,506	0	0	36,506
Total Revenues	781,811	0	0	781,811
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,200	0	0	1,200
Fire	0	0	169,550	169,550
Leisure Time Activities	135,594	0	0	135,594
Community Environment	11,856	0	0	11,856
Transportation	492,497	0	0	492,497
Debt Service:				
Principal Retirement	11,870	0	0	11,870
Interest and Fiscal Charges	525	0	0	525
Total Expenditures	653,542	0	169,550	823,092
Excess of Revenues Over (Under) Expenditures	128,269	0	(169,550)	(41,281)
<u>Other Financing Sources</u>				
Transfers In	15,000	0	0	15,000
Change in Fund Balance	143,269	0	(169,550)	(26,281)
Fund Balance Beginning of Year	1,073,403	44,316	359,546	1,477,265
Fund Balance End of Year	\$1,216,672	\$44,316	\$189,996	\$1,450,984

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2015

	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	76,616	0
Charges for Services	55,077	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	430,813	34,932	0	0
Interest	495	3,404	2,251	12,605
Gifts and Donations	0	0	0	0
Other	29,521	0	0	0
Total Revenues	515,906	38,336	78,867	12,605
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	11,856
Transportation	347,654	0	144,843	0
Debt Service:				
Principal Retirement	11,870	0	0	0
Interest and Fiscal Charges	525	0	0	0
Total Expenditures	360,049	0	144,843	11,856
Excess of Revenues Over (Under) Expenditures	155,857	38,336	(65,976)	749
<u>Other Financing Sources</u>				
Transfers In	0	0	0	0
Change in Fund Balance	155,857	38,336	(65,976)	749
Fund Balance (Deficit) Beginning of Year	35,236	242,151	142,013	652,492
Fund Balance End of Year	\$191,093	\$280,487	\$76,037	\$653,241

<u>Recreation</u>	<u>Law Enforcement</u>	<u>Enforcement and Education</u>	<u>Drug Law Enforcement</u>	<u>Rudd Park Trust</u>	<u>Total</u>
\$97,272	\$0	\$0	\$0	\$0	\$97,272
0	0	0	0	0	76,616
0	0	0	0	0	55,077
0	32	684	1,642	0	2,358
11,469	0	0	0	0	477,214
3,888	0	0	0	0	22,643
14,125	0	0	0	0	14,125
6,940	45	0	0	0	36,506
<u>133,694</u>	<u>77</u>	<u>684</u>	<u>1,642</u>	<u>0</u>	<u>781,811</u>
0	0	1,200	0	0	1,200
135,594	0	0	0	0	135,594
0	0	0	0	0	11,856
0	0	0	0	0	492,497
0	0	0	0	0	11,870
0	0	0	0	0	525
<u>135,594</u>	<u>0</u>	<u>1,200</u>	<u>0</u>	<u>0</u>	<u>653,542</u>
(1,900)	77	(516)	1,642	0	128,269
<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,000</u>
13,100	77	(516)	1,642	0	143,269
<u>(10,526)</u>	<u>2,409</u>	<u>4,571</u>	<u>3,255</u>	<u>1,802</u>	<u>1,073,403</u>
<u>\$2,574</u>	<u>\$2,486</u>	<u>\$4,055</u>	<u>\$4,897</u>	<u>\$1,802</u>	<u>\$1,216,672</u>

City of Wapakoneta
 Combining Statement of Revenues, Expenditures,
 and Change in Fund Balance
 Nonmajor Debt Service Funds
 For the Year Ended December 31, 2015

	Debt Service	Downtown Debt	Total
<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	43,156	44,316
Fund Balance End of Year	\$1,160	\$43,156	\$44,316

City of Wapakoneta
Combining Statements - Fiduciary Funds

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

Agency Funds

Dependent Coverage Fund

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

Police Auxiliary Fund

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

City of Wapakoneta
Combining Statement of Change in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2015

	Balance December 31, 2014	Additions	Reductions	Balance December 31, 2015
<u>Dependent Coverage</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,531	\$1,174	\$0	\$2,705
<u>Liabilities</u>				
Undistributed Assets	\$1,531	\$1,174	\$0	\$2,705
<u>Police Auxiliary</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,916	\$3,895	\$0	\$6,811
<u>Liabilities</u>				
Undistributed Assets	\$2,916	\$3,895	\$0	\$6,811
<u>Total - All Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$4,447	\$5,069	\$0	\$9,516
<u>Liabilities</u>				
Undistributed Assets	\$4,447	\$5,069	\$0	\$9,516

**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, 2015

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$350,350	\$368,215	\$368,248	\$33
Municipal Income Taxes	2,450,000	2,459,000	2,663,083	204,083
Other Local Taxes	691,000	775,960	1,086,091	310,131
Charges for Services	685,700	700,455	701,879	1,424
Fees, Licenses, and Permits	87,550	97,250	113,940	16,690
Fines and Forfeitures	11,500	13,000	17,466	4,466
Intergovernmental	245,500	279,362	296,579	17,217
Interest	17,500	7,900	11,752	3,852
Gifts and Donations	2,000	1,700	58,903	57,203
Other	23,350	33,808	54,321	20,513
Total Revenues	4,564,450	4,736,650	5,372,262	635,612
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police Department				
Personal Services	1,483,519	1,483,519	1,449,113	34,406
Contractual Services	176,306	160,305	133,040	27,265
Materials and Supplies	37,559	33,559	22,638	10,921
Capital Outlay	72,118	72,118	37,675	34,443
Total Police Department	1,769,502	1,749,501	1,642,466	107,035
Fire Department				
Personal Services	1,343,000	1,343,000	1,347,346	(4,346)
Contractual Services	98,014	85,814	67,999	17,815
Materials and Supplies	48,121	40,321	31,485	8,836
Capital Outlay	47,587	47,587	42,886	4,701
Total Fire Department	1,536,722	1,516,722	1,489,716	27,006
Safety Director				
Personal Services	5,500	5,500	4,673	827
Materials and Supplies	1,600	1,600	0	1,600
Total Safety Director	7,100	7,100	4,673	2,427
Total Security of Persons and Property	3,313,324	3,273,323	3,136,855	136,468
Public Health				
Emergency Medical				
Personal Services	76,336	76,335	74,695	1,640
Contractual Services	86,870	78,770	64,961	13,809
Materials and Supplies	16,527	16,627	13,217	3,410
Capital Outlay	17,500	32,500	29,220	3,280
Other	4,100	4,100	1,274	2,826
Total Emergency Medical	201,333	208,332	183,367	24,965

(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, 2015
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Miscellaneous				
Contractual Services	\$20,000	\$8,000	\$518	\$7,482
Capital Outlay	8,200	8,200	8,217	(17)
Total Miscellaneous	28,200	16,200	8,735	7,465
Total Public Health	229,533	224,532	192,102	32,430
Leisure Time Activities				
Recreation				
Personal Services	140,900	140,900	112,531	28,369
Contractual Services	34,171	28,777	28,737	40
Materials and Supplies	68,250	73,644	73,609	35
Capital Outlay	30,239	30,239	18,556	11,683
Total Leisure Time Activities	273,560	273,560	233,433	40,127
Community Environment				
Boards and Commissions				
Contractual Services	77,568	77,568	62,926	14,642
Materials and Supplies	30,526	30,526	14,771	15,755
Capital Outlay	15,000	0	0	0
Total Community Environment	123,094	108,094	77,697	30,397
General Government				
Council				
Personal Services	43,300	45,800	45,700	100
Materials and Supplies	10,000	7,500	4,179	3,321
Total Council	53,300	53,300	49,879	3,421
Clerk of Council				
Personal Services	3,900	4,000	4,000	0
Contractual Services	4,754	4,754	4,324	430
Materials and Supplies	100	0	0	0
Total Clerk of Council	8,754	8,754	8,324	430
Administrative				
Personal Services	86,000	90,500	87,521	2,979
Contractual Services	50,035	346,295	346,196	99
Materials and Supplies	89,959	73,899	56,876	17,023
Capital Outlay	7,000	7,000	4,562	2,438
Total Administrative	232,994	517,694	495,155	22,539

(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, 2015
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Finance				
Personal Services	\$34,500	\$35,000	\$35,000	\$0
Contractual Services	62,000	61,500	53,481	8,019
Materials and Supplies	2,500	2,500	256	2,244
Total Finance	99,000	99,000	88,737	10,263
Income Tax				
Personal Services	72,900	80,400	74,381	6,019
Contractual Services	9,377	9,377	6,560	2,817
Materials and Supplies	19,371	19,371	8,992	10,379
Capital Outlay	2,000	2,000	666	1,334
Other	70,200	70,200	69,556	644
Total Income Tax	173,848	181,348	160,155	21,193
Law Director				
Personal Services	26,000	26,000	26,000	0
Contractual Services	1,000	1,000	0	1,000
Materials and Supplies	1,000	1,000	806	194
Total Law Director	28,000	28,000	26,806	1,194
Civil Service				
Personal Services	1,200	1,200	1,000	200
Materials and Supplies	8,000	8,000	525	7,475
Total Civil Service	9,200	9,200	1,525	7,675
Elections				
Contractual Services	7,500	1,400	1,165	235
Auglaize County				
Contractual Services	14,400	10,500	14,838	(4,338)
Administrative Support				
Other	93,241	43,241	6,200	37,041
Total General Government	720,237	952,437	852,784	99,653
Debt Service:				
Principal Retirement	40,038	40,038	40,038	0
Interest and Fiscal Charges	6,962	6,962	6,306	656
Total Debt Service	47,000	47,000	46,344	656
Total Expenditures	4,706,748	4,878,946	4,539,215	339,731
Excess of Revenues Over (Under) Expenditures	(142,298)	(142,296)	833,047	975,343

(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, 2015
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Other Financing Uses</u>				
Transfers Out	(\$655,000)	(\$640,000)	(\$640,000)	\$0
Change in Fund Balance	(797,298)	(782,296)	193,047	975,343
Fund Balance Beginning of Year	1,473,574	1,473,574	1,473,574	0
Prior Year Encumbrances Appropriated	56,920	56,920	56,920	0
Fund Balance End of Year	<u>\$733,196</u>	<u>\$748,198</u>	<u>\$1,723,541</u>	<u>\$975,343</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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Special Assessments	\$43,950	\$27,686	(\$16,264)
Intergovernmental	3,024,050	1,300,688	(1,723,362)
Interest	0	2,874	2,874
Total Revenues	<u>3,068,000</u>	<u>1,331,248</u>	<u>(1,736,752)</u>
<u>Expenditures</u>			
Current:			
Transportation			
Street and Sewer Improvement			
Contractual Services	179,239	161,437	17,802
Materials and Supplies	4,000	3,942	58
Capital Outlay	4,177,052	3,142,902	1,034,150
Other	23,500	0	23,500
Total Expenditures	<u>4,383,791</u>	<u>3,308,281</u>	<u>1,075,510</u>
Excess of Revenues Under Expenditures	(1,315,791)	(1,977,033)	(661,242)
<u>Other Financing Sources</u>			
Transfers In	625,000	625,000	0
Change in Fund Balance	(690,791)	(1,352,033)	(661,242)
Fund Balance Beginning of Year	851,054	851,054	0
Prior Year Encumbrances Appropriated	<u>200,291</u>	<u>200,291</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u><u>\$360,554</u></u>	<u><u>(\$300,688)</u></u>	<u><u>(\$661,242)</u></u>

City of Wapakoneta
Electric Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$17,909,851	\$14,921,359	(\$2,988,492)
Other Local Taxes	55,000	52,684	(2,316)
Utility Deposits	60,000	32,120	(27,880)
Other	75,361	73,549	(1,812)
Total Revenues	18,100,212	15,079,712	(3,020,500)
<u>Expenses</u>			
Personal Services	1,172,900	1,090,227	82,673
Contractual Services	17,105,154	15,286,789	1,818,365
Materials and Supplies	1,403,503	753,158	650,345
Capital Outlay	2,461,891	2,406,842	55,049
Utility Refunds	60,000	18,820	41,180
Other	2,622,134	54,213	2,567,921
Total Expenses	24,825,582	19,610,049	5,215,533
Excess of Revenues Under Expenses	(6,725,370)	(4,530,337)	2,195,033
Transfers In	1,268,378	0	(1,268,378)
Transfers Out	(1,000,000)	0	1,000,000
Change in Fund Balance	(6,456,992)	(4,530,337)	1,926,655
Fund Balance Beginning of Year	4,176,107	4,176,107	0
Prior Year Encumbrances Appropriated	2,519,581	2,519,581	0
Fund Balance End of Year	\$238,696	\$2,165,351	\$1,926,655

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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$1,837,650	\$1,860,964	\$23,314
Other	1,740	1,625	(115)
Total Revenues	<u>1,839,390</u>	<u>1,862,589</u>	<u>23,199</u>
<u>Expenses</u>			
Personal Services	483,300	483,038	262
Contractual Services	289,097	265,652	23,445
Materials and Supplies	497,497	509,108	(11,611)
Capital Outlay	329,944	319,931	10,013
Other	722,400	0	722,400
Debt Service:			
Principal Retirement	160,000	159,564	436
Interest Expense	411,000	407,209	3,791
Total Expenses	<u>2,893,238</u>	<u>2,144,502</u>	<u>748,736</u>
Change in Fund Balance	(1,053,848)	(281,913)	771,935
Fund Balance Beginning of Year	977,889	977,889	0
Prior Year Encumbrances Appropriated	<u>119,539</u>	<u>119,539</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$43,580</u></u>	<u><u>\$815,515</u></u>	<u><u>\$771,935</u></u>

City of Wapakoneta
Sewer Enterprise Fund

Schedule of Revenues, Expenses,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$3,474,543	\$3,304,500	(\$170,043)
OWDA Loan Proceeds	4,119,825	2,314,831	(1,804,994)
Interest	366	564	198
Other	3,748	3,748	0
Total Revenues	7,598,482	5,623,643	(1,974,839)
<u>Expenses</u>			
Personal Services	795,550	737,352	58,198
Contractual Services	833,284	631,597	201,687
Materials and Supplies	355,157	255,725	99,432
Capital Outlay	4,658,989	3,720,016	938,973
Other	240,795	12,421	228,374
Debt Service:			
Principal Retirement	788,828	786,328	2,500
Interest Expense	646,272	637,471	8,801
Total Expenses	8,318,875	6,780,910	1,537,965
Change in Fund Balance	(720,393)	(1,157,267)	(436,874)
Fund Balance Beginning of Year	2,972,170	2,972,170	0
Prior Year Encumbrances Appropriated	99,535	99,535	0
Fund Balance End of Year	\$2,351,312	\$1,914,438	(\$436,874)

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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$161,255	\$161,255	\$0
Other	19,560	19,560	0
Total Revenues	<u>180,815</u>	<u>180,815</u>	<u>0</u>
<u>Expenses</u>			
Contractual Services	28,500	4,882	23,618
Materials and Supplies	13,000	10,399	2,601
Capital Outlay	624,585	134,106	490,479
Other	26,980	21,560	5,420
Debt Service:			
Principal Retirement	11,940	11,870	70
Interest Expense	525	525	0
Total Expenses	<u>705,530</u>	<u>183,342</u>	<u>522,188</u>
Change in Fund Balance	(524,715)	(2,527)	522,188
Fund Balance Beginning of Year	669,132	669,132	0
Prior Year Encumbrances Appropriated	<u>39,110</u>	<u>39,110</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$183,527</u></u>	<u><u>\$705,715</u></u>	<u><u>\$522,188</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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$1,307,324	\$1,232,345	(\$74,979)
Other	470	2,036	1,566
Total Revenues	<u>1,307,794</u>	<u>1,234,381</u>	<u>(73,413)</u>
<u>Expenses</u>			
Personal Services	517,800	500,091	17,709
Contractual Services	715,589	633,830	81,759
Materials and Supplies	80,750	70,264	10,486
Capital Outlay	86,701	72,941	13,760
Total Expenses	<u>1,400,840</u>	<u>1,277,126</u>	<u>123,714</u>
Change in Fund Balance	(93,046)	(42,745)	50,301
Fund Balance (Deficit) Beginning of Year	(3,129)	(3,129)	0
Prior Year Encumbrances Appropriated	<u>61,087</u>	<u>61,087</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u><u>(\$35,088)</u></u>	<u><u>\$15,213</u></u>	<u><u>\$50,301</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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$41,505	\$53,937	\$12,432
Intergovernmental	417,000	431,784	14,784
Interest	495	495	0
Other	7,000	19,525	12,525
Total Revenues	466,000	505,741	39,741
<u>Expenditures</u>			
Current:			
Transportation			
Street Maintenance			
Personal Services	267,575	200,406	67,169
Contractual Services	84,552	76,833	7,719
Materials and Supplies	91,166	79,520	11,646
Capital Outlay	17,983	17,832	151
Total Transportation	461,276	374,591	86,685
Debt Service:			
Principal Retirement	11,875	11,870	5
Interest and Fiscal Charges	525	525	0
Total Debt Service	12,400	12,395	5
Total Expenditures	473,676	386,986	86,690
Change in Fund Balance	(7,676)	118,755	126,431
Fund Balance (Deficit) Beginning of Year	(6,944)	(6,944)	0
Prior Year Encumbrances Appropriated	14,836	14,836	0
Fund Balance End of Year	\$216	\$126,647	\$126,431

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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$34,000	\$35,010	\$1,010
Interest	1,000	3,404	2,404
	<hr/>	<hr/>	<hr/>
Total Revenues	35,000	38,414	3,414
<u>Expenditures</u>			
Current:			
Transportation			
State Highway			
Capital Outlay	274,000	0	274,000
	<hr/>	<hr/>	<hr/>
Total Expenditures	274,000	0	274,000
Change in Fund Balance	(239,000)	38,414	277,414
Fund Balance Beginning of Year	239,240	239,240	0
	<hr/>	<hr/>	<hr/>
Fund Balance End of Year	\$240	\$277,654	\$277,414
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Other Local Taxes	\$75,000	\$76,271	\$1,271
Intergovernmental	50,000	0	(50,000)
Interest	2,500	2,251	(249)
	<hr/>	<hr/>	<hr/>
Total Revenues	127,500	78,522	(48,978)
<u>Expenditures</u>			
Current:			
Transportation			
Motor Vehicle Permissive Tax			
Contractual Services	30,000	0	30,000
Capital Outlay	150,000	144,843	5,157
Other	83,500	0	83,500
	<hr/>	<hr/>	<hr/>
Total Expenditures	263,500	144,843	118,657
Change in Fund Balance	(136,000)	(66,321)	69,679
Fund Balance Beginning of Year	<hr/>	<hr/>	<hr/>
	136,121	136,121	0
Fund Balance End of Year	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$121	\$69,800	\$69,679

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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$1,250	\$6,336	\$5,086
Revolving Loan Payments	41,350	46,321	4,971
	42,600	52,657	10,057
<u>Expenditures</u>			
Current:			
Community Environment			
Community Block Grant			
Contractual Services	480,000	9,204	470,796
	(437,400)	43,453	480,853
Change in Fund Balance			
Fund Balance Beginning of Year	437,439	437,439	0
Fund Balance End of Year	\$39	\$480,892	\$480,853

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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Property Taxes	\$96,550	\$97,272	\$722
Intergovernmental	11,450	11,469	19
Interest	8,000	3,888	(4,112)
Gifts and Donations	15,000	14,125	(875)
Other	4,500	685	(3,815)
Total Revenues	135,500	127,439	(8,061)
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Recreation			
Personal Services	85,500	83,590	1,910
Contractual Services	37,549	33,954	3,595
Materials and Supplies	20,172	17,318	2,854
Capital Outlay	9,769	8,161	1,608
Total Expenditures	152,990	143,023	9,967
Excess of Revenues Under Expenditures	(17,490)	(15,584)	1,906
<u>Other Financing Sources (Uses)</u>			
Transfers In	30,000	15,000	(15,000)
Transfers Out	(12,500)	0	12,500
Total Other Financing Sources (Uses)	17,500	15,000	(2,500)
Change in Fund Balance	10	(584)	(594)
Fund Balance Beginning of Year	14,594	14,594	0
Prior Year Encumbrances Appropriated	7,290	7,290	0
Fund Balance End of Year	\$21,894	\$21,300	(\$594)

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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$105	\$32	(\$73)
Other	\$45	\$45	\$0
Total Revenues	<u>\$150</u>	<u>\$77</u>	<u>(73)</u>
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Law Enforcement			
Personal Services	1,250	0	1,250
Materials and Supplies	1,250	0	1,250
Total Expenditures	2,500	0	2,500
Change in Fund Balance	(2,350)	77	2,427
Fund Balance Beginning of Year	<u>2,409</u>	<u>2,409</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$59</u></u>	<u><u>\$2,486</u></u>	<u><u>\$2,427</u></u>

City of Wapakoneta
Enforcement and Education Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$1,000	\$669	(\$331)
<u>Expenditures</u>			
Current:			
Security of Persons and Property Enforcement and Education			
Materials and Supplies	4,000	1,200	2,800
Capital Outlay	1,250	0	1,250
Total Expenditures	5,250	1,200	4,050
Change in Fund Balance	(4,250)	(531)	3,719
Fund Balance Beginning of Year	4,469	4,469	0
Fund Balance End of Year	\$219	\$3,938	\$3,719

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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$600	\$1,583	\$983
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Drug Law Enforcement			
Materials and Supplies	2,500	0	2,500
Capital Outlay	1,000	0	1,000
Total Expenditures	3,500	0	3,500
Change in Fund Balance	(2,900)	1,583	4,483
Fund Balance Beginning of Year	3,148	3,148	0
Fund Balance End of Year	\$248	\$4,731	\$4,483

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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Gifts and Donations	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Rudd Park			
Materials and Supplies	1,000	0	1,000
Change in Fund Balance	(1,000)	0	1,000
Fund Balance Beginning of Year	1,802	1,802	0
Fund Balance End of Year	\$802	\$1,802	\$1,000

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, 2015

	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, 2015

	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	43,156	43,156	0
Fund Balance End of Year	\$43,156	\$43,156	\$0

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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Fire Department			
Capital Outlay	654,500	169,550	484,950
Excess of Revenues Under Expenditures	(654,500)	(169,550)	484,950
<u>Other Financing Sources</u>			
Transfers In	295,000	0	(295,000)
Change in Fund Balance	(359,500)	(169,550)	189,950
Fund Balance Beginning of Year	189,546	189,546	0
Prior Year Encumbrances Appropriated	170,000	170,000	0
Fund Balance End of Year	<u>\$46</u>	<u>\$189,996</u>	<u>\$189,950</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, 2015

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$197,245	\$191,154	(\$6,091)
Licenses and Permits	15,710	14,737	(973)
Other	145	155	10
Total Revenues	<u>213,100</u>	<u>206,046</u>	<u>(7,054)</u>
<u>Expenses</u>			
Personal Services	212,550	199,490	13,060
Contractual Services	14,938	12,696	2,242
Materials and Supplies	11,214	9,815	1,399
Capital Outlay	1,000	0	1,000
Total Expenses	<u>239,702</u>	<u>222,001</u>	<u>17,701</u>
Change in Fund Balance	(26,602)	(15,955)	10,647
Fund Balance Beginning of Year	25,848	25,848	0
Prior Year Encumbrances Appropriated	<u>1,202</u>	<u>1,202</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$448</u></u>	<u><u>\$11,095</u></u>	<u><u>\$10,647</u></u>

**STATISTICAL
SECTION**

City of Wapakoneta
Statistical Section

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

Contents **Page**

Financial Trends..... S-2

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

Revenue Capacity..... S-12

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

Debt Capacity..... S-32

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

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

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

Operating Information..... S-44

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

Source: Unless otherwise noted the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Wapakoneta
Net Position
Last Ten Years
(Accrual Basis of Accounting)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental Activities				
Net Investment in Capital Assets	\$22,020,402	\$21,180,841	\$21,411,432	\$20,891,574
Restricted for				
Debt Service	77	0	0	0
Capital Projects	132,894	1,103,853	1,175,919	2,039,417
Other Purposes	1,414,247	1,284,340	1,427,570	1,369,753
Unrestricted (Deficit)	<u>(1,535,493)</u>	<u>(1,843,855)</u>	<u>2,484,015</u>	<u>2,885,648</u>
Total Governmental Activities Net Position	<u>22,032,127</u>	<u>21,725,179</u>	<u>26,498,936</u>	<u>27,186,392</u>
Business-Type Activities				
Net Investment in Capital Assets	33,120,662	32,786,072	32,464,606	30,836,570
Restricted	1,254,595	1,256,749	1,258,937	1,259,685
Unrestricted	<u>7,759,869</u>	<u>9,010,157</u>	<u>9,831,047</u>	<u>9,353,383</u>
Total Business-Type Activities Net Position	<u>42,135,126</u>	<u>43,052,978</u>	<u>43,554,590</u>	<u>41,449,638</u>
Primary Government				
Net Investment in Capital Assets	55,141,064	53,966,913	53,876,038	51,728,144
Restricted	2,801,813	3,644,942	3,862,426	4,668,855
Unrestricted	<u>6,224,376</u>	<u>7,166,302</u>	<u>12,315,062</u>	<u>12,239,031</u>
Total Primary Government Net Position	<u>\$64,167,253</u>	<u>\$64,778,157</u>	<u>\$70,053,526</u>	<u>\$68,636,030</u>

Note: The City reported the impact of GASB Statement No. 68 beginning in 2014.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$20,767,868	\$21,307,484	\$19,716,391	\$19,192,324	\$16,550,369	\$15,550,482
0	461,278	533,350	609,944	534,616	440,193
2,166,097	2,630,138	2,684,217	2,534,599	4,691,427	1,020,043
1,375,679	1,433,040	1,660,223	1,904,101	1,651,443	3,001,698
<u>3,266,843</u>	<u>2,788,840</u>	<u>3,115,472</u>	<u>4,051,240</u>	<u>3,718,111</u>	<u>3,002,012</u>
<u>27,576,487</u>	<u>28,620,780</u>	<u>27,709,653</u>	<u>28,292,208</u>	<u>27,145,966</u>	<u>23,014,428</u>
29,921,959	27,291,889	21,792,361	18,991,836	18,277,471	18,054,990
1,114,899	1,108,811	1,141,228	1,170,970	1,236,810	1,164,741
<u>9,881,292</u>	<u>11,761,858</u>	<u>14,886,023</u>	<u>15,898,729</u>	<u>15,364,398</u>	<u>15,117,904</u>
<u>40,918,150</u>	<u>40,162,558</u>	<u>37,819,612</u>	<u>36,061,535</u>	<u>34,878,679</u>	<u>34,337,635</u>
50,689,827	48,599,373	41,508,752	38,184,160	34,827,840	33,605,472
4,656,675	5,633,267	6,019,018	6,219,614	8,114,296	5,626,675
<u>13,148,135</u>	<u>14,550,698</u>	<u>18,001,495</u>	<u>19,949,969</u>	<u>19,082,509</u>	<u>18,119,916</u>
<u>\$68,494,637</u>	<u>\$68,783,338</u>	<u>\$65,529,265</u>	<u>\$64,353,743</u>	<u>\$62,024,645</u>	<u>\$57,352,063</u>

City of Wapakoneta
Change in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2015	2014	2013	2012
<u>Expenses</u>				
Governmental Activities				
Security of Persons and Property				
Police	\$1,683,537	\$1,613,384	\$1,516,675	\$1,545,559
Fire	1,616,058	1,514,617	1,503,565	1,494,511
Other	2,833	4,426	5,004	4,557
Public Health	196,477	162,403	180,131	172,130
Leisure Time Activities	431,140	484,814	463,263	433,670
Community Environment	91,948	126,153	86,893	84,148
Transportation	1,341,215	1,911,883	2,317,993	2,049,319
General Government	539,899	594,323	515,084	510,071
Interest and Fiscal Charges	10,379	8,219	17,988	38,654
Total Governmental Activities Expenses	5,913,486	6,420,222	6,606,596	6,332,619
Business-Type Activities				
Electric	16,353,457	15,259,517	15,277,737	13,550,781
Water	2,187,437	2,041,383	1,813,945	1,758,911
Sewer	3,976,364	1,978,245	2,161,928	2,241,662
Storm Sewer	219,091	155,091	142,646	271,419
Refuse	1,134,035	1,102,022	1,089,290	1,113,500
Total Business-Type Activities Expenses	23,870,384	20,536,258	20,485,546	18,936,273
Total Primary Government Expenses	29,783,870	26,956,480	27,092,142	25,268,892
<u>Program Revenues</u>				
Governmental Activities				
Charges for Services				
Security of Persons and Property				
Police	6,820	5,117	7,004	6,946
Fire	50,320	48,522	50,380	53,961
Public Health	476,706	398,918	523,208	504,789
Leisure Time Activities	211,839	195,415	203,119	259,592
Transportation	148,011	104,608	158,633	83,734
General Government	17,604	16,148	33,287	11,970
Total Charges for Services	911,300	768,728	975,631	920,992
Operating Grants, Contributions, and Interest	541,534	509,078	635,984	524,997
Capital Grants and Contributions	1,537,762	606,014	1,923,549	837,654
Total Governmental Activities Program Revenues	2,990,596	1,883,820	3,535,164	2,283,643
Business-Type Activities				
Charges for Services				
Electric	14,861,386	14,818,934	14,383,981	13,443,956
Water	1,870,405	1,825,871	1,724,995	1,607,652
Sewer	3,316,260	3,258,877	3,127,622	2,716,328
Storm Sewer	161,136	155,904	155,599	154,668
Refuse	1,235,415	1,214,454	1,108,914	1,106,281
Total Charges for Services	21,444,602	21,274,040	20,501,111	19,028,885
Operating Grants, Contributions, and Interest	0	0	0	0
Capital Grants and Contributions	0	246,836	0	0
Total Business-Type Activities Program Revenues	21,444,602	21,520,876	20,501,111	19,028,885
Total Primary Government Program Revenues	24,435,198	23,404,696	24,036,275	21,312,528

2011	2010	2009	2008	2007	2006
\$1,584,868	\$1,443,241	\$1,468,762	\$1,353,354	\$1,283,549	\$1,266,253
1,353,865	1,429,639	1,617,800	1,287,195	1,189,033	1,153,285
8,492	15,744	15,744	27,849	14,584	11,066
177,297	198,272	194,857	231,505	231,311	215,334
492,736	452,815	412,328	304,089	217,175	196,271
116,039	88,867	137,689	109,785	87,005	98,537
2,236,189	1,366,298	1,366,920	1,312,919	1,212,316	1,029,441
512,540	559,760	705,023	496,979	568,638	550,479
49,942	63,692	87,500	70,941	82,806	93,647
<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>	<u>4,614,313</u>
14,371,849	13,905,809	13,411,381	14,456,015	15,018,241	14,306,107
1,843,734	921,970	827,854	1,084,075	1,022,962	1,013,762
2,171,320	2,235,926	2,927,271	2,231,009	2,095,884	2,077,733
114,124	91,075	85,127	83,831	71,239	120,408
1,053,317	1,080,264	1,005,233	1,022,632	1,413,105	1,033,454
<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>	<u>18,551,464</u>
<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>23,165,777</u>
8,473	7,786	9,456	8,911	10,723	9,996
50,157	45,091	43,616	41,361	42,190	49,611
413,758	287,206	380,940	302,651	371,603	296,934
228,629	249,666	197,945	121,592	250	0
94,715	250,147	223,294	231,173	156,627	207,116
23,581	20,145	39,969	36,549	33,621	26,362
<u>819,313</u>	<u>860,041</u>	<u>895,220</u>	<u>742,237</u>	<u>615,014</u>	<u>590,019</u>
582,636	632,254	608,906	863,897	739,172	871,074
572,510	1,493,506	426,237	285,219	2,150,030	161,197
<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>	<u>1,622,290</u>
14,410,686	14,824,354	14,731,146	14,705,519	14,907,663	12,848,899
1,560,401	1,619,474	1,651,348	1,609,240	1,544,797	1,404,361
2,415,413	1,983,565	1,789,863	1,845,275	1,888,360	1,856,922
154,095	155,831	158,771	156,374	155,588	156,184
1,114,270	1,070,336	1,085,472	1,112,113	1,085,587	921,989
<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>	<u>17,188,355</u>
0	0	0	0	0	13,000
0	247,321	0	0	0	0
<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>	<u>17,201,355</u>
<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>18,823,645</u>

City of Wapakoneta
Change in Net Position
Last Ten Years
(continued)
(Accrual Basis of Accounting)

	2015	2014	2013	2012
<u>Net (Expense) Revenue</u>				
Governmental Activities	(\$2,922,890)	(\$4,536,402)	(\$3,071,432)	(\$4,048,976)
Business-Type Activities	(2,425,782)	984,618	15,565	92,612
Total Primary Government Net Expense	<u>(5,348,672)</u>	<u>(3,551,784)</u>	<u>(3,055,867)</u>	<u>(3,956,364)</u>
<u>General Revenues and Other Changes in Net Position</u>				
<u>Governmental Activities</u>				
Property Taxes Levied for General Purposes	369,966	362,175	356,365	373,447
Property Taxes Levied for Recreation	97,698	95,171	92,535	88,625
Municipal Income Taxes	2,645,764	2,602,279	2,590,749	2,280,139
Other Local Taxes	1,081,260	722,090	686,875	651,985
Grants and Entitlements not Restricted to Specific Programs	256,699	254,085	249,320	454,557
Franchise Taxes	79,168	144,915	83,156	86,280
Interest	10,215	15,376	13,721	32,570
Gifts and Donations	57,483	1,040	2,639	1,772
Other	73,657	58,133	80,453	87,243
Gain on Sale of Investment	0	0	0	0
Transfers	(1,442,072)	(26,000)	(1,771,837)	(397,737)
Total Governmental Activities	<u>3,229,838</u>	<u>4,229,264</u>	<u>2,383,976</u>	<u>3,658,881</u>
<u>Business-Type Activities</u>				
Interest	564	0	0	29
Other	65,294	78,660	317,550	41,110
Transfers	1,442,072	26,000	1,771,837	397,737
Total Business-Type Activities	<u>1,507,930</u>	<u>104,660</u>	<u>2,089,387</u>	<u>438,876</u>
Total Primary Government	<u>4,737,768</u>	<u>4,333,924</u>	<u>4,473,363</u>	<u>4,097,757</u>
<u>Change in Net Position</u>				
Governmental Activities	306,948	(307,138)	(687,456)	(390,095)
Business-Type Activities	(917,852)	1,089,278	2,104,952	531,488
Total Primary Government Change in Net Position	<u>(\$610,904)</u>	<u>\$782,140</u>	<u>\$1,417,496</u>	<u>\$141,393</u>

Note: Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

2011	2010	2009	2008	2007	2006
(\$4,557,509)	(\$2,632,527)	(\$4,076,260)	(\$3,303,263)	(\$1,382,201)	(\$2,992,023)
100,521	1,665,837	1,159,734	550,959	(39,436)	(1,350,109)
(4,456,988)	(966,690)	(2,916,526)	(2,752,304)	(1,421,637)	(4,342,132)
369,263	376,810	365,898	376,258	382,346	390,020
92,756	95,200	92,532	100,267	103,445	106,334
2,271,225	2,244,992	2,163,600	2,419,511	2,286,433	2,290,400
642,164	645,090	604,597	666,801	702,847	678,614
550,652	585,145	571,917	736,776	699,524	530,856
83,736	85,710	70,776	67,136	50,369	45,289
35,706	75,658	123,591	522,389	919,480	892,006
1,374	5,663	9,671	59,095	8,352	13,142
48,596	76,118	48,787	47,323	30,384	153,570
0	0	0	0	758,441	0
(582,256)	(646,732)	(557,664)	(546,051)	(427,882)	(266,589)
3,513,216	3,543,654	3,493,705	4,449,505	5,513,739	4,833,642
7	1	2	19,753	59,555	36,694
72,808	30,376	40,677	66,093	93,043	45,061
582,256	646,732	557,664	546,051	427,882	266,589
655,071	677,109	598,343	631,897	580,480	348,344
4,168,287	4,220,763	4,092,048	5,081,402	6,094,219	5,181,986
(1,044,293)	911,127	(582,555)	1,146,242	4,131,538	1,841,619
755,592	2,342,946	1,758,077	1,182,856	541,044	(1,001,765)
(\$288,701)	\$3,254,073	\$1,175,522	\$2,329,098	\$4,672,582	\$839,854

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund				
Reserved	\$0	\$0	\$0	\$0
Unreserved	0	0	0	0
Nonspendable	80,527	86,112	87,798	85,291
Restricted	2,698	10,154	10,154	18,517
Assigned	765,135	709,905	71,374	237,724
Unassigned	<u>1,256,912</u>	<u>862,133</u>	<u>1,671,656</u>	<u>1,603,958</u>
Total General Fund	<u>2,105,272</u>	<u>1,668,304</u>	<u>1,840,982</u>	<u>1,945,490</u>
All Other Governmental Funds				
Reserved	0	0	0	0
Unreserved, Reported in				
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Projects Funds	0	0	0	0
Nonspendable	28,217	30,778	29,308	30,129
Restricted	1,201,241	2,084,349	1,920,873	2,700,149
Assigned	233,152	402,702	277,702	723,004
Unassigned (Deficit)	<u>(1,389)</u>	<u>(16,307)</u>	<u>(126,225)</u>	<u>(456,253)</u>
Total All Other Governmental Funds	<u>1,461,221</u>	<u>2,501,522</u>	<u>2,101,658</u>	<u>2,997,029</u>
Total Governmental Funds	<u><u>\$3,566,493</u></u>	<u><u>\$4,169,826</u></u>	<u><u>\$3,942,640</u></u>	<u><u>\$4,942,519</u></u>

The City implemented GASB Statement No. 54 in 2011.

2011	2010	2009	2008	2007	2006
\$0	\$122,631	\$138,697	\$159,606	\$204,428	\$82,397
0	2,077,148	2,546,481	3,169,890	2,838,888	2,303,358
48,027	n/a	n/a	n/a	n/a	n/a
18,457	n/a	n/a	n/a	n/a	n/a
244,541	n/a	n/a	n/a	n/a	n/a
2,035,875	n/a	n/a	n/a	n/a	n/a
2,346,900	2,199,779	2,685,178	3,329,496	3,043,316	2,385,755
0	811,189	330,711	465,171	1,859,426	485,067
0	1,081,987	1,265,764	1,392,222	1,078,936	2,444,533
0	467,448	539,473	609,729	520,071	413,201
0	1,539,432	2,177,385	1,617,466	1,384,703	688,783
31,950	n/a	n/a	n/a	n/a	n/a
2,954,653	n/a	n/a	n/a	n/a	n/a
698,244	n/a	n/a	n/a	n/a	n/a
0	n/a	n/a	n/a	n/a	n/a
3,684,847	3,900,056	4,313,333	4,084,588	4,843,136	4,031,584
\$6,031,747	\$6,099,835	\$6,998,511	\$7,414,084	\$7,886,452	\$6,417,339

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

	2015	2014	2013	2012
<u>Revenues</u>				
Property Taxes	\$465,520	\$458,036	\$453,266	\$459,863
Municipal Income Taxes	2,665,795	2,594,506	2,415,109	2,262,379
Other Local Taxes	1,157,876	797,205	780,110	705,308
Special Assessments	27,686	39,784	52,670	57,956
Charges for Services	751,539	750,578	711,028	774,341
Fees, Licenses, and Permits	113,940	134,013	103,076	87,538
Fines and Forfeitures	20,355	15,086	18,785	13,412
Intergovernmental	2,242,652	1,169,747	3,247,382	1,272,298
Interest	36,981	25,239	36,097	50,039
Gifts and Donations	73,028	19,171	10,508	16,222
Other	73,657	58,133	72,016	87,243
Total Revenues	7,629,029	6,061,498	7,900,047	5,786,599
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,608,199	1,714,844	1,507,378	1,550,757
Fire	1,726,979	1,481,619	1,927,319	1,461,318
Other	4,504	4,792	4,685	4,592
Public Health	177,468	149,970	159,821	143,550
Leisure Time Activities	363,140	410,517	389,085	357,705
Community Environment	94,072	126,163	93,366	81,344
Transportation	3,634,852	1,341,304	3,916,917	2,396,004
General Government	531,671	579,587	498,250	491,108
Debt Service:				
Principal Retirement	80,503	82,656	273,007	261,167
Interest and Fiscal Charges	10,974	8,789	19,251	28,938
Total Expenditures	8,232,362	5,900,241	8,789,079	6,776,483
Excess of Revenues Over (Under) Expenditures	(603,333)	161,257	(889,032)	(989,884)
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	0	0	26,760	0
Loans Issued	0	0	0	0
Inception of Capital Lease	0	91,929	0	0
Gain on Sale of Investments	0	0	0	0
Transfers In	640,000	791,225	747,893	1,044,156
Transfers Out	(640,000)	(817,225)	(885,500)	(1,143,500)
Total Other Financing Sources (Uses)	0	65,929	(110,847)	(99,344)
Change in Fund Balance	(\$603,333)	\$227,186	(\$999,879)	(\$1,089,228)
Debt Service as a Percentage of Noncapital Expenditures	1.46%	1.64%	4.02%	5.05%

2011	2010	2009	2008	2007	2006
\$467,205	\$472,312	\$454,699	\$475,488	\$485,855	\$494,322
2,230,352	2,171,986	2,138,100	2,343,504	2,330,159	2,186,885
707,507	718,141	744,078	739,543	775,349	750,786
49,364	108,280	79,745	113,600	99,838	127,830
686,888	673,656	624,096	534,173	383,477	394,449
90,097	82,112	98,226	84,803	58,235	49,667
21,706	21,292	21,495	26,414	28,153	26,397
2,111,174	2,385,316	1,985,445	2,352,860	1,429,731	1,112,975
78,486	101,299	167,697	638,987	1,385,496	1,123,113
4,794	30,264	51,756	306,596	29,040	39,358
48,596	76,348	48,557	47,323	29,805	153,570
<u>6,496,169</u>	<u>6,841,006</u>	<u>6,413,894</u>	<u>7,663,291</u>	<u>7,035,138</u>	<u>6,459,352</u>
1,569,832	1,423,412	1,498,398	1,335,039	1,275,070	1,261,097
1,283,633	1,406,482	1,771,274	1,228,768	1,157,457	1,468,411
8,166	15,472	14,842	27,847	14,333	13,040
147,474	172,208	171,546	270,897	218,356	191,798
452,069	389,487	425,862	1,874,381	283,512	209,160
111,158	82,067	136,721	105,721	75,643	113,779
1,635,535	3,037,581	1,651,528	1,790,505	1,128,899	741,257
489,958	536,168	679,793	474,176	1,129,757	533,235
376,099	365,342	358,346	449,624	454,074	448,553
41,045	52,045	74,109	61,042	73,146	84,149
<u>6,114,969</u>	<u>7,480,264</u>	<u>6,782,419</u>	<u>7,618,000</u>	<u>5,810,247</u>	<u>5,064,479</u>
<u>381,200</u>	<u>(639,258)</u>	<u>(368,525)</u>	<u>45,291</u>	<u>1,224,891</u>	<u>1,394,873</u>
0	3,100	1,531	0	4,201	816
0	54,955	368,662	0	0	0
0	0	0	0	0	0
0	0	0	0	758,441	0
1,052,712	919,852	907,759	1,147,341	1,751,741	967,411
<u>(1,502,000)</u>	<u>(1,237,325)</u>	<u>(1,325,000)</u>	<u>(1,665,000)</u>	<u>(2,270,161)</u>	<u>(1,234,000)</u>
<u>(449,288)</u>	<u>(259,418)</u>	<u>(47,048)</u>	<u>(517,659)</u>	<u>244,222</u>	<u>(265,773)</u>
<u>(\$68,088)</u>	<u>(\$898,676)</u>	<u>(\$415,573)</u>	<u>(\$472,368)</u>	<u>\$1,469,113</u>	<u>\$1,129,100</u>
7.81%	7.56%	7.68%	10.18%	11.15%	12.11%

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

Year	Real Property				Public Utility Personal Property		
	Assessed Value		Public Utility	Total Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial					
2015	\$106,495,310	\$44,517,970	\$65,790	\$151,079,070	\$431,654,486	\$1,122,690	\$1,275,784
2014	105,469,010	45,237,190	64,720	150,770,920	430,774,057	1,120,460	1,273,250
2013	104,962,290	46,822,260	62,380	151,846,930	433,848,371	1,055,660	1,199,614
2012	104,390,450	47,087,190	74,990	151,552,630	433,007,514	426,650	484,830
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

Source: Auglaize County Auditor

- (1) Since each type of property has its own direct rate, a weighted average of the separate rates is presented. See S-14 for the direct rate by property type.

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 from general business taxpayers since 2009 or telephone companies since 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 (1)
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$0	\$0	\$152,201,760	\$432,930,270	\$3.46
0	0	151,891,380	432,047,307	3.46
0	0	152,902,590	435,047,985	3.46
0	0	151,979,280	433,492,344	3.44
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

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

Collection Year	2015	2014	2013	2012
Voted Millage				
Recreation				
Effective Millage Rates				
Residential/Agriculture	\$0.6236	\$0.6246	\$0.6274	\$0.6261
Commercial/Industrial	0.9010	0.9011	0.8902	0.8430
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000
Unvoted Millage				
General	2.1500	2.1500	2.1500	2.1500
Fire Pension	0.3000	0.3000	0.3000	0.3000
Police Pension	0.3000	0.3000	0.3000	0.3000
Total Unvoted Millage	2.7500	2.7500	2.7500	2.7500
Total Millage (Total Direct Rate)				
Total Effective Millage by Type of Property				
Residential/Agriculture	3.3736	3.3746	3.3774	3.3761
Commercial/Industrial	3.6510	3.6511	3.6402	3.5930
Tangible/Public Utility Personal	3.7500	3.7500	3.7500	3.7500
Total Weighted Average Tax Rate	3.4584	3.4606	3.4606	3.4445
Auglaize County	12.7500	12.7500	11.7500	11.7500
Wapakoneta City School District	30.6000	31.3000	31.3000	31.3000
Apollo Career Center	3.3400	3.4400	3.4400	2.2000
Duchouquet Township	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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$0.5995	\$0.5995	\$0.5989	\$0.5989	\$0.6299	\$0.6316
0.8555	0.8555	0.8441	0.8693	0.8607	0.8528
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2.1500	2.1500	2.1500	2.1500	2.1500	2.1500
0.3000	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>0.3000</u>
<u>2.7500</u>	<u>2.7500</u>	<u>2.7500</u>	<u>2.7500</u>	<u>2.7500</u>	<u>2.7500</u>
3.3495	3.3495	3.3489	3.3489	3.3799	3.3816
3.6055	3.6055	3.5941	3.6193	3.6107	3.6028
3.7500	3.7500	3.7500	3.7500	3.7500	3.7500
3.4262	3.4276	3.4262	3.4477	3.4719	3.4754
11.7500	11.7500	11.7500	11.7500	11.7500	11.2500
31.3000	31.3000	31.3000	31.3000	31.3000	29.6000
2.2000	2.2000	2.2000	2.2000	2.2000	2.2000
0.2000	0.2000	0.2000	0.2000	0.2000	0.2000

City of Wapakoneta
Real Property Tax Levies and Collections
Last Ten Years

Year	Current Tax Levy (1)	Delinquent Tax Levy (2)	Total Tax Levy	Current Tax Collections	Percentage of Current Tax Collections to Current Tax Levy
2015	\$522,607	\$14,503	\$537,110	\$514,134	98.38%
2014	521,688	138,065	659,753	504,208	95.11
2013	523,622	19,687	543,309	501,674	95.19
2012	519,540	16,967	725,851	504,972	95.96
2011	591,313	19,618	727,166	514,116	94.32
2010	599,891	33,657	724,910	505,905	95.52
2009	610,363	19,274	750,158	493,080	95.14
2008	568,164	37,145	740,663	480,038	97.05
2007	569,746	22,694	592,440	461,866	96.42
2006	548,783	15,931	564,714	446,901	96.42

Source: Auglaize County Auditor

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

(2) Amounts listed include penalties and interest.

Note: The County's current reporting system does not track delinquency tax collections by tax year.
Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent.
Penalties and interest are applied to the total outstanding delinquent balance.
The presentation will be updated as new information becomes available.

Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes (2)	Percentage of Outstanding Delinquent Taxes to Total Tax Levy
\$11,040	\$525,174	97.78%	\$3,463	0.64%
13,355	517,563	91.35	4,490	8.30
10,832	512,506	92.00	8,855	7.03
10,329	515,301	93.61	6,638	6.07
13,130	527,246	72.51	6,489	6.78
21,859	527,764	72.80	11,798	6.08
11,207	504,287	67.22	8,067	5.68
30,116	510,154	68.88	7,030	4.82
15,257	477,123	80.54	7,437	4.55
10,926	457,827	81.07	15,931	4.55

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

Taxpayer	Type of Business	2015		
		Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Wal-Mart Stores East LP	Retail Business	\$2,376,500	1	1.57%
Lowes Home Centers, Inc.	Retail Business	1,726,530	2	1.14
Schlenker Enterprises	Land Developments and Apartments	1,437,440	3	0.95
Ametek, Inc.	Plastic Compounds	1,322,190	4	0.88
Koneta, Inc.	Rubber Truck Accessories Manufacturing	1,232,880	5	0.82
Quaker Run Farms	Warehousing and Distribution	1,154,580	6	0.76
GAMCO Components Group LLC	Automotive Suspension Manufacturing	1,137,500	7	0.75
DW 28 Wapakoneta LLC	Retail Business	1,080,390	8	0.72
Normandy Ridge Limited	Residential Apartments	866,920	9	0.57
Miller's Textile Services, Inc.	Uniform Rentals	827,590	10	0.55
LRV Acquisition	Hotel Properties			
Quaker Run	Residential Apartments			
Dr. L. Y. Soo	Individual Property Owner			
	Total	13,162,520		8.71
	All Other Taxpayers	<u>137,916,550</u>		<u>91.29</u>
	Total Assessed Valuation	<u>\$151,079,070</u>		<u>100.00%</u>

Source: Auglaize County Auditor

2006		
<u>Real Property Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
\$1,161,450	6	0.85%
1,181,020	4	0.87
1,164,360	5	0.85
1,268,870	2	0.93
1,092,510	7	0.80
1,248,060	3	0.91
1,081,660	8	0.79
987,150	9	0.72
<u>735,550</u>	<u>10</u>	<u>0.54</u>
9,920,630		7.25
<u>126,710,470</u>		<u>92.74</u>
<u><u>\$136,631,100</u></u>		<u><u>100.00%</u></u>

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

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes from Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes from Individual Payments</u>	<u>Percentage of Taxes from Individual Payments</u>
2015	1.00%	\$2,645,764	\$2,219,838	83.90%	\$226,223	8.55%	\$199,703	7.55%
2014	1.00	2,602,279	2,459,828	94.53	129,418	4.97	13,033	0.50
2013	1.00	2,590,749	2,015,566	77.80	295,940	11.42	279,243	10.78
2012	1.00	2,280,139	1,986,930	87.14	144,118	6.32	149,091	6.54
2011	1.00	2,271,225	1,693,982	74.59	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

Source: City Records

City of Wapakoneta
Electric Utility Statistics
Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Kilowatt Hours Purchased from:					
American Electric Power	0	0	0	0	0
AMP-Ohio	199,918,896	202,219,618	195,926,166	186,176,513	180,959,049
Solar Planet	3,755,014	3,759,567	1,396,868	0	0
Total Kilowatt Hours Purchased	<u>203,673,910</u>	<u>205,979,185</u>	<u>197,323,034</u>	<u>186,176,513</u>	<u>180,959,049</u>
Payments for Purchased Power to:					
American Electric Power	\$0	\$0	\$0	\$0	\$0
AMP-Ohio	12,101,040	12,388,027	12,125,226	11,076,435	11,968,304
Solar Planet	278,912	268,363	97,781	0	0
Total Payments for Purchased Power	<u>\$12,379,952</u>	<u>\$12,656,390</u>	<u>\$12,223,007</u>	<u>\$11,076,435</u>	<u>\$11,968,304</u>
Kilowatt Hours Sold to Users					
Residential	49,280,300	49,954,412	48,670,513	49,046,019	50,710,995
Commercial	53,645,140	54,550,253	55,505,734	51,663,059	53,536,889
Industrial	91,507,360	90,524,080	81,355,860	74,799,100	68,122,540
Total Kilowatt Hours Sold to Users	<u>194,432,800</u>	<u>195,028,745</u>	<u>185,532,107</u>	<u>175,508,178</u>	<u>172,370,424</u>
Charges for Kilowatt Hours Sold to Users					
Residential	\$4,465,330	\$4,405,323	\$4,247,295	\$4,207,297	\$4,730,277
Commercial	5,233,331	5,175,088	5,239,272	4,837,440	5,390,470
Industrial	6,061,489	5,836,043	5,513,562	5,080,856	5,223,424
Total Dollar Amount of Kilowatt Hours Sold to Users	<u>\$15,760,150</u>	<u>\$15,416,454</u>	<u>\$15,000,129</u>	<u>\$14,125,593</u>	<u>\$15,344,171</u>

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 Change in Fund Net Position.

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

City of Wapakoneta
Water Utility Statistics
Last Ten Years

Type of Customer	2015	2014	2013	2012	2011
Residential	\$1,168,845	\$1,120,415	\$1,090,272	\$1,037,648	\$1,012,829
Industrial	348,555	354,636	313,989	273,445	270,269
Commercial	315,901	302,352	286,194	262,502	263,642
Total Billed	\$1,833,301	\$1,777,403	\$1,690,455	\$1,573,595	\$1,546,740
Billed in Cubic Feet					
Rate in Cubic Feet:					
All Customers					
0 - 200	\$9.87	\$9.40	\$8.95	\$8.52	\$7.72
201 - 1,300	4.15	3.95	3.76	3.58	3.25
1,301 - 6,100	3.46	3.30	3.14	2.99	2.71
6,101 - 22,800	2.81	2.68	2.55	2.43	2.20
22,801 and up	2.55	2.43	2.31	2.19	1.99
Multi Residential					
0 - 200	\$9.87	\$9.40	\$8.95	\$8.52	\$7.72
Each Additional 100	4.02	3.83	3.65	3.48	3.15

Outside Rates 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 Change in Fund Net Position.

2010	2009	2008	2007	2006
\$1,029,780	\$1,048,899	\$977,828	\$931,953	\$845,137
291,804	274,435	312,965	310,036	263,913
277,948	280,266	270,467	271,697	264,331
<u>\$1,599,532</u>	<u>\$1,603,600</u>	<u>\$1,561,260</u>	<u>\$1,513,686</u>	<u>\$1,373,381</u>

\$7.72	\$7.72	\$7.72	\$7.14	\$6.61
3.25	3.25	3.25	3.01	2.79
2.71	2.71	2.71	2.51	2.32
2.20	2.20	2.20	2.04	1.89
1.99	1.99	1.99	1.84	1.70
\$7.72	\$7.72	\$7.72	\$7.14	\$6.61
3.15	3.15	3.15	2.91	2.69

City of Wapakoneta
Sewer Utility Statistics
Last Ten Years

Type of Customer	2015	2014	2013	2012	2011
Residential	\$1,214,430	\$1,184,334	\$1,167,565	\$1,158,891	\$1,123,865
Commercial	338,763	326,180	328,079	308,411	318,190
Industrial	515,794	536,659	420,142	347,512	370,480
Total Billed	\$2,068,987	\$2,047,173	\$1,915,786	\$1,814,814	\$1,812,535

Billed in Cubic Feet

Base Rate for First 200 Cubic Feet:

Residential	\$12.83	\$12.45	\$12.10	\$11.74	\$11.40
Commercial	12.83	12.45	12.10	11.74	11.40
Industrial	12.83	12.45	12.10	11.74	11.40

Additional per 100 Cubic Feet:

Residential	\$3.74	\$3.64	\$3.53	\$3.43	\$3.33
Commercial	4.03	3.91	3.80	3.69	3.58
Industrial	3.74	3.64	3.53	3.43	3.33

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 Change in Fund Net Position.

2010	2009	2008	2007	2006
\$1,081,696	\$1,051,463	\$1,035,296	\$1,045,093	\$1,013,454
307,324	291,326	300,312	318,508	348,872
393,287	400,621	473,693	512,977	471,939
<u>\$1,782,307</u>	<u>\$1,743,410</u>	<u>\$1,809,301</u>	<u>\$1,876,578</u>	<u>\$1,834,265</u>

\$11.07	\$10.20	\$10.05	\$9.90	\$9.75
11.07	10.20	10.05	9.90	9.75
11.07	10.20	10.05	9.90	9.75

\$3.23	\$2.98	\$2.93	\$2.89	\$2.85
3.48	3.21	3.16	3.11	3.06
3.23	2.98	2.93	2.89	2.85

City of Wapakoneta
Storm Sewer Utility Statistics
Last Ten Years

Type of Customer	2015	2014	2013	2012	2011
Residential	\$99,408	\$89,856	\$89,256	\$88,846	\$87,912
Commercial/Industrial	55,353	64,905	64,883	64,942	65,389
Total Billed	\$154,761	\$154,761	\$154,139	\$153,788	\$153,301

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 Change in Fund Net Position.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$87,960	\$87,722	\$87,772	\$87,348	\$86,742
<u>68,249</u>	<u>68,133</u>	<u>66,802</u>	<u>67,425</u>	<u>67,411</u>
<u>\$156,209</u>	<u>\$155,855</u>	<u>\$154,574</u>	<u>\$154,773</u>	<u>\$154,153</u>

City of Wapakoneta
Refuse Utility Statistics
Last Ten Years

Type of Customer	2015	2014	2013	2012	2011
Residential	\$466,974	\$440,092	\$416,494	\$414,011	\$414,234
Commercial/Industrial	190,931	185,454	186,212	182,251	182,801
Bag Sales (all customers)	331,875	334,125	288,750	288,738	271,437
Total	<u>\$989,780</u>	<u>\$959,671</u>	<u>\$891,456</u>	<u>\$885,000</u>	<u>\$868,472</u>
Amount Paid by City to Waste Management	<u>\$266,651</u>	<u>\$251,869</u>	<u>\$235,714</u>	<u>\$227,332</u>	<u>\$239,428</u>
Amount per Ton Paid to Waste Management	\$68.22	\$68.22	\$66.63	\$65.09	\$65.09
<u>Monthly Base Rate:</u>					
Residential Inside	\$9.00	\$9.00	\$8.50	\$8.50	\$8.50
Residential Outside	13.00	13.00	12.50	12.50	12.50

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 \$1.00 or \$1.50 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 Change in Fund Net Position.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$411,384	\$386,024	\$366,097	\$342,334	\$294,849
190,085	194,305	207,471	203,805	136,612
<u>267,688</u>	<u>254,313</u>	<u>287,938</u>	<u>267,579</u>	<u>236,150</u>
<u>\$869,157</u>	<u>\$834,642</u>	<u>\$861,506</u>	<u>\$813,718</u>	<u>\$667,611</u>
<u>\$223,051</u>	<u>\$206,999</u>	<u>\$215,993</u>	<u>\$220,755</u>	<u>\$219,332</u>
\$61.99	\$59.15	\$55.09	\$53.55	\$51.00
\$8.50	\$8	\$7	\$7	\$6
12.50	12	11	11	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	Capital Leases	General Obligation Bonds	Mortgage Revenue Bonds	Due to Auglaize County
2015	\$0	\$0	\$129,929	\$30,597	\$0	\$6,780,000	\$0
2014	0	11,870	169,967	59,192	0	7,250,000	0
2013	0	23,283	208,473	0	0	7,705,000	0
2012	225,000	34,257	245,506	0	0	8,130,000	1,250
2011	440,000	44,809	281,121	0	0	8,540,000	3,750
2010	750,428	54,955	315,374	0	23,300	8,940,000	6,250
2009	1,071,228	0	348,316	0	45,900	9,315,000	8,750
2008	1,397,951	0	0	0	67,900	9,655,196	11,250
2007	1,805,581	31,024	0	0	89,300	9,986,450	13,750
2006	2,218,912	61,098	0	0	110,300	10,308,232	16,250

Source: City Records

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

Business-Type Activities						
OWDA Loans	Capital Loans	Loans	Capital Leases	Total Debt	Per Capita (1)	Percentage of Personal Income (1)
\$18,468,055	\$0	\$329,514	\$566,820	\$26,304,915	\$2,666	12.64%
16,527,575	11,870	431,055	0	24,461,529	2,481	9.06
12,393,522	71,842	528,711	34,925	20,965,756	2,133	7.79
8,919,074	129,624	622,630	68,563	18,375,904	1,867	7.54
8,833,359	185,295	712,955	100,962	19,142,251	1,940	7.84
8,743,063	266,866	799,824	0	19,900,060	2,103	11.08
4,853,063	280,568	883,369	0	16,806,194	1,781	9.39
1,007	80,256	0	0	11,213,560	1,189	6.27
0	126,906	0	0	12,053,011	1,258	6.63
0	57,749	0	0	12,772,541	1,330	7.01

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
2015	9,867	\$432,930,270	\$0	0.00%	\$0.00
2014	9,861	432,047,307	0	0.00	0.00
2013	9,830	435,047,985	0	0.00	0.00
2012	9,843	433,492,344	225,000	0.05	22.86
2011	9,867	440,725,489	440,000	0.10	44.59
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

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

City of Wapakoneta
 Computation of Direct and Overlapping Debt for Governmental Activities
 December 31, 2015

<u>Jurisdiction</u>	<u>Outstanding Debt</u>	<u>Percentage Applicable to City of Wapakoneta (1)</u>	<u>Amount Applicable to City of Wapakoneta</u>
City of Wapakoneta			
Loans	\$129,929	100.00%	\$129,929
Capital Leases	<u>30,597</u>		<u>30,597</u>
	160,526		160,526
Wapakoneta City School District	<u>22,354,894</u>	39.12	<u>8,745,235</u>
 Total	 <u><u>\$22,515,420</u></u>		 <u><u>\$8,905,761</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

	2015	2014	2013	2012
Total Assessed Valuation	<u>\$152,201,760</u>	<u>\$151,891,380</u>	<u>\$152,902,590</u>	<u>\$151,979,280</u>
Overall Debt Limitation - 10.5 Percent of Assessed Valuation	15,981,185	15,948,595	16,054,772	15,957,824
Gross Indebtedness	25,707,498	24,402,337	20,930,831	18,306,091
Less Debt Outside Limitation				
Bond Anticipation Notes	0	0	0	0
General Obligation Bonds	0	0	0	0
Mortgage Revenue Bonds	6,780,000	7,250,000	7,705,000	8,130,000
OWDA Loans	18,468,055	16,527,575	12,393,522	8,919,074
Capital Loans	0	11,870	71,842	129,624
Loans Payable	<u>329,514</u>	<u>431,055</u>	<u>528,711</u>	<u>622,630</u>
Net Indebtedness	129,929	181,837	231,756	504,763
Less Fund Balance in Debt Service Fund	<u>44,316</u>	<u>44,316</u>	<u>44,316</u>	<u>144,972</u>
Net Debt Within 10.5 Percent Limitation	<u>85,613</u>	<u>137,521</u>	<u>187,440</u>	<u>359,791</u>
Legal Debt Margin Within 10.5 Percent Limitation	<u>\$15,895,572</u>	<u>\$15,811,074</u>	<u>\$15,867,332</u>	<u>\$15,598,033</u>
Legal Debt Margin as a Percentage of the Overall Debt Limitation	99.46%	99.14%	98.83%	97.75%
Unvoted Debt Limitation - 5.5 Percent of Assessed Valuation	\$8,371,097	\$8,354,026	\$8,409,642	\$8,358,860
Gross Indebtedness	25,707,498	24,402,337	20,930,831	18,306,091
Less Debt Outside Limitation				
Bond Anticipation Notes	0	0	0	0
General Obligation Bonds	0	0	0	0
Mortgage Revenue Bonds	6,780,000	7,250,000	7,705,000	8,130,000
OWDA Loans	18,468,055	16,527,575	12,393,522	8,919,074
Capital Loans	0	11,870	71,842	129,624
Loans Payable	<u>329,514</u>	<u>431,055</u>	<u>528,711</u>	<u>622,630</u>
Net Indebtedness	129,929	181,837	231,756	504,763
Less Fund Balance in Debt Service Fund	<u>44,316</u>	<u>44,316</u>	<u>44,316</u>	<u>144,972</u>
Net Debt Within 5.5 Percent Limitation	<u>85,613</u>	<u>137,521</u>	<u>187,440</u>	<u>359,791</u>
Legal Debt Margin Within 5.5 Percent Limitation	<u>\$8,285,484</u>	<u>\$8,216,505</u>	<u>\$8,222,202</u>	<u>\$7,999,069</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	98.98%	98.35%	97.77%	95.70%

Source: City Records

2011	2010	2009	2008	2007	2006
<u>\$154,502,190</u>	<u>\$154,310,590</u>	<u>\$157,185,780</u>	<u>\$148,055,772</u>	<u>\$151,729,644</u>	<u>\$151,223,339</u>
16,222,730	16,202,612	16,504,507	15,545,856	15,931,613	15,878,451
19,037,539	19,915,082	17,130,316	11,861,263	13,112,930	14,313,847
0	0	300,000	600,000	990,000	1,450,000
0	23,300	45,900	67,900	89,300	110,300
8,540,000	8,940,000	9,315,000	9,670,000	10,015,000	10,350,000
8,833,359	8,743,063	4,853,063	1,007	0	0
185,295	266,866	280,568	80,256	157,930	118,847
<u>712,955</u>	<u>799,824</u>	<u>883,369</u>	<u>0</u>	<u>0</u>	<u>0</u>
765,930	1,142,029	1,452,416	1,442,100	1,860,700	2,284,700
245,212	467,448	539,473	609,729	520,071	413,201
520,718	674,581	912,943	832,371	1,340,629	1,871,499
<u>\$15,702,012</u>	<u>\$15,528,031</u>	<u>\$15,591,564</u>	<u>\$14,713,485</u>	<u>\$14,590,984</u>	<u>\$14,006,952</u>
96.79%	95.84%	94.47%	94.65%	91.59%	88.21%
\$8,497,620	\$8,487,082	\$8,645,218	\$8,143,067	\$8,345,130	\$8,317,284
19,037,539	19,915,082	17,130,316	11,861,263	13,112,930	14,313,847
0	0	300,000	600,000	990,000	1,450,000
0	23,300	45,900	67,900	89,300	110,300
8,540,000	8,940,000	9,315,000	9,670,000	10,015,000	10,350,000
8,833,359	8,743,063	4,853,063	1,007	0	0
185,295	266,866	280,568	80,256	157,930	118,847
<u>712,955</u>	<u>799,824</u>	<u>883,369</u>	<u>0</u>	<u>0</u>	<u>0</u>
765,930	1,142,029	1,452,416	1,442,100	1,860,700	2,284,700
245,212	467,448	539,473	609,729	520,071	413,201
520,718	674,581	912,943	832,371	1,340,629	1,871,499
<u>\$7,976,902</u>	<u>\$7,812,501</u>	<u>\$7,732,275</u>	<u>\$7,310,696</u>	<u>\$7,004,501</u>	<u>\$6,445,785</u>
93.87%	92.05%	89.44%	89.78%	83.94%	77.50%

City of Wapakoneta
Pledged Revenue
Water Fund
Last Seven Years

Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
2015	\$1,872,030	\$1,491,250	\$380,780	\$159,564	\$407,209	\$566,773	0.67
2014	1,833,207	1,099,767	733,440	107,093	414,804	521,897	1.41
2013	1,734,258	1,086,316	647,942	183,042	398,689	581,731	1.11
2012	1,613,831	1,010,596	603,235	136,798	431,735	568,533	1.06
2011	1,563,522	1,093,005	470,517	138,950	455,981	594,931	0.79
2010	1,621,188	720,759	900,429	0	1,188	1,188	757.94
2009	1,653,594	615,127	1,038,467	0	578	578	1,796.66

Source: City Records

- (1) Includes operating revenues and interest.
- (2) Total operating expenses exclusive of depreciation.
- (3) Includes mortgage revenue bonds and OWDA loans.

Note: There was no debt for which there was pledged revenue prior to 2009.

City of Wapakoneta
Pledged Revenue
Sewer Fund
Last Ten Years

Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
2015	\$3,320,572	\$1,433,053	\$1,887,519	\$684,787	\$621,478	\$1,306,265	1.44
2014	3,266,033	1,217,489	2,048,544	455,000	334,812	789,812	2.59
2013	3,138,652	1,371,493	1,767,159	447,787	354,140	801,927	2.20
2012	2,718,422	1,174,231	1,544,191	432,900	372,773	805,673	1.92
2011	2,418,291	1,315,509	1,102,782	422,900	390,909	813,809	1.36
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

Source: City Records

- (1) Includes operating revenues and interest.
- (2) Total operating expenses exclusive of depreciation.
- (3) Includes mortgage revenue bonds and OWDA loans.

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City of Wapakoneta
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rate Auglaize County (5)</u>
2015	9,867	\$208,134,498	\$21,094	3,062	3.60%
2014	9,861	270,122,373	27,393	3,144	3.50
2013	9,830	269,273,190	27,393	3,133	4.60
2012	9,843	243,673,308	24,756	3,062	4.80
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

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 Nine Years Ago

Employer	Type of Business	2015		
		Number of Employees	Rank	Percentage of Total Employment
Auglaize County	Government	454	1	9.10%
General Aluminum Manufacturing Company	Aluminum Manufacturing	316	2	6.34
Wapakoneta City School District	Government	289	3	5.80
Wal-Mart Stores East LP	Retail Business	240	4	4.81
American Trim Limited	Metal Stamping	168	5	3.37
Miller's Textile Services, Inc.	Uniform Rentals	155	6	3.11
Trupointe	Agricultural Commodities Supplier	119	7	2.39
GA Wintzer & Son Company	Manufacturing	119	8	2.39
City of Wapakoneta	Government	81	9	1.62
Koneta, Inc.	Rubber Truck Accessories Manufacturing	75	10	1.50
Auglaize Provico	Agricultural Commodities Supplier			
Ametek, Inc.	Plastic Compounds			
Frost & Company	Contractor			
Total		2,016		40.43%
Total Employment Within the City		4,987		

Source: City Records

2006		
<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
516	1	10.88%
130	7	2.74
324	2	6.84
233	3	4.92
115	9	2.43
132	6	2.79
202	4	4.26
165	5	3.48
116	8	2.45
<u>100</u>	10	<u>2.11</u>
<u>2,033</u>		<u>42.90%</u>
<u>4,739</u>		

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

Function/Program	2015	2014	2013	2012
General Government				
Mayor	1.00	1.00	1.00	1.00
Council	8.00	8.00	8.00	8.00
Clerk of Council	0.50	0.50	0.50	0.50
Auditor	1.00	1.00	1.00	1.00
Treasurer	1.00	1.00	1.00	1.00
Income Tax Administrator	1.00	1.00	1.00	1.00
Income Tax Clerk	1.00	1.00	1.00	1.00
Law Director	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Security of Persons and Property				
Police	14.00	13.00	14.00	14.00
Police - Dispatchers	5.00	5.00	5.00	5.00
Police - Auxiliary	9.00	10.00	12.00	15.00
Fire	13.00	13.00	14.00	14.00
Fire - Auxiliary	8.00	10.00	10.00	12.00
Safety Director	1.00	1.00	1.00	1.00
Public Health				
Emergency Medical Services	2.00	6.00	6.00	6.00
Leisure Time Activities				
Recreation Director	1.00	1.00	1.00	1.00
Transportation				
Public Works	9.00	9.00	10.00	10.00
Basic Utility Services				
Engineering	3.00	3.00	3.00	3.00
Utility Clerks	4.00	4.00	4.00	4.00
Electric	10.00	10.00	11.00	11.00
Water	6.00	6.00	6.00	6.00
Sewer	4.00	4.00	4.00	4.00
Refuse	4.00	6.00	6.00	6.00
Total	<u>108.50</u>	<u>116.50</u>	<u>122.50</u>	<u>127.50</u>

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

Source: City Payroll Records

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
1.00	1.00	1.00	1.00	1.00	1.00
8.00	8.00	8.00	8.00	8.00	8.00
0.50	0.50	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	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
14.00	14.00	14.00	14.00	13.00	14.00
5.00	5.00	5.00	5.00	5.00	5.00
17.00	16.00	14.00	15.00	14.00	15.00
14.00	15.00	15.00	15.00	14.00	14.00
12.00	11.00	13.00	11.00	11.00	11.00
1.00	1.00	1.00	1.00	1.00	1.00
7.00	7.00	7.00	9.00	14.00	14.00
1.00	1.00	1.00	1.00	0.50	0.50
10.00	10.00	10.00	10.00	10.00	10.00
3.00	3.00	3.00	3.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00	2.00
11.00	11.00	11.00	12.00	13.00	11.00
6.00	6.00	6.00	4.00	4.00	4.00
4.00	5.00	5.00	6.00	6.00	6.00
6.00	7.00	7.00	6.00	6.00	7.00
<u>128.50</u>	<u>129.50</u>	<u>129.50</u>	<u>129.50</u>	<u>131.00</u>	<u>132.00</u>

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

Function/Program	2015	2014	2013	2012
Security of Persons and Property-Police				
Vehicle Mileage	115,612	113,720	118,841	116,181
Number of Traffic Citations and Arrests	1,187	1,023	1,143	797
Number of Parking Tickets Issued	444	291	435	369
Dollar Amount Collected for Tickets	\$4,100	\$2,990	\$4,390	\$3,690
Security of Persons and Property-Fire				
Number of EMS Calls	1,159	1,283	1,260	1,249
Number of Fire Calls	300	39	21	17
Miscellaneous Calls	240	232	219	214
Transportation				
Number of Gallons of R-S-2 Used to Fill Potholes	2,655	0	0	0
Number of Pounds of Crack Sealer Used	0	0	0	0
General Government				
Income Tax				
Number of Individual Accounts	5,198	4,765	5,435	4,996
Number of Business Accounts	803	773	828	862
Number of Business Withholding Accounts	923	880	963	947
Total Receipts Collected	\$2,645,764	\$2,602,279	\$2,590,749	\$2,280,139
Amount of Interest and Penalties Charged	\$13,813	\$31,323	\$26,254	\$26,912
Amount of Interest and Penalties Collected	\$4,668	\$15,910	\$26,293	\$8,504
City Commission				
Number of Ordinances Passed	41	37	33	54
Number of Resolutions Passed	12	4	5	11
Electric Department				
Kilowatt Hours Used	203,673,910	205,979,185	197,323,034	186,176,513
City Cost of Power	\$12,379,952	\$12,656,390	\$12,223,007	\$11,076,435
Water Department				
Number of Wells Operating	6	7	7	7
Millions of Gallons of Finished Water	524.00	543.00	503.00	519.00
Chlorine Used (gallons)	16,556	17,649	15,275	14,695
Phosphate Used (gallons)	2,268	2,138	1,887	2,035
Salt in Tons (regenerates softening units)	2,056	1,861	1,693	1,571
Number of Gallons of Water Able to be Pumped a Day Combined	3,000,000	3,000,000	3,000,000	2,500,000
Daily Average Consumption (gallons)	1,437,000	1,450,000	1,400,000	1,350,000
Maximum Daily Capacity of Treatment Plant (gallons)	2,500,000	2,500,000	2,500,000	2,500,000
Sewer Department				
Number of Gallons of Sewage Treated (in millions)	1,068	1,063	1,101	1,013
Average Daily Flow (millions of gallons per day)	2.92	2.91	3.02	2.76
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)	4,091	3,013	3,273	4,775
Refuse Department				
Number of Tons of Refuse Collected	3,832	3,692	3,621	3,680
Number of Trash Bags Sold (in cases of 250 bags)	988	1,080	1,018	935
Number of Tons of Recycling Collected	713	n/a	n/a	831
Number of Gallons of Used Motor Oil Collected and Recycled	1,700	3,000	4,600	2,900
Engineering				
Number of Registered Contractors	178	192	232	225
Number of Building Permits Issued	252	235	317	254

Source: City Records

2011	2010	2009	2008	2007	2006
107,529	118,129	104,347	100,909	105,005	102,691
961	1,092	1,008	1,239	1,316	1,070
340	489	478	474	457	429
\$3,400	\$4,630	\$4,390	\$4,650	\$4,410	\$3,870
1,074	1,016	928	1,009	966	995
38	41	41	41	34	40
229	240	201	246	186	198
0	2,200	5,250	5,320	2,750	2,760
0	2,000	4,000	4,730	4,928	8,928
4,740	4,713	4,837	4,805	4,697	4,709
827	804	820	805	790	823
925	879	907	856	854	817
\$2,271,225	\$2,244,992	\$2,163,600	\$2,419,511	\$2,286,433	\$2,290,400
\$35,654	\$29,401	\$22,951	\$19,780	\$6,119	\$4,901
\$25,571	\$11,130	\$14,998	\$6,604	\$9,392	\$446
62	46	45	53	63	62
11	9	13	6	7	8
180,959,049	182,091,811	170,099,880	191,475,666	201,810,771	191,596,222
\$11,968,304	\$12,224,095	\$11,750,318	\$12,619,613	\$13,490,659	\$12,707,096
10	7	7	7	7	7
537.00	532.00	523.52	576.70	559.13	530.86
15,799	14,362	13,667	17,424	14,497	13,074
1,755	2,961	2,190	2,649	3,154	2,606
1,296	1,448	1,420	2,150	2,253	1,929
2,700,000	2,700,000	2,700,000	2,000,000	2,000,000	2,000,000
1,470,000	1,579,000	1,576,000	1,576,000	1,530,000	1,540,000
2,560,000	2,722,000	2,722,000	2,722,000	2,722,000	2,722,000
1,332	911	822	1,281	1,242	1,141
3.66	2.49	2.25	3.50	3.40	3.13
6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
3,830	3,152	3,762	4,460	4,242	3,460
3,680	4,119	3,575	3,849	4,169	4,326
962	757	855	966	903	998
816	1,077	1,017	1,305	1,376	1,338
2,900	2,900	5,300	5,600	4,800	4,200
240	239	253	287	245	245
233	213	194	264	223	206

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

Function/Program	2015	2014	2013	2012
Security of Persons and Property-Police				
Stations	1	1	1	1
Vehicles	12	12	9	11
Security of Persons and Property-Fire				
Stations	1	1	1	1
Fire Trucks	7	7	7	7
Trailer	1	1	1	1
Vehicles	4	3	3	2
Public Health				
Vehicles	3	3	3	3
Transportation				
Streets (miles)	46.37	46.37	46.20	46.20
Vehicles	22	22	22	22
General Government				
Vehicles	1	1	1	1
Electric				
Electric Lines (miles)	103.37	103.37	103.37	103.37
Number of Substations	8	8	8	8
Vehicles	14	11	11	10
Water				
Water Lines (miles)	61.28	61.28	61.00	61.00
Number of Treatment Plants	2	2	2	2
Vehicles	9	9	9	8
Sewer				
Sanitary Sewer Lines (miles)	48.39	48.39	48.20	48.20
Storm Sewer Lines (miles)	28.19	28.19	27.93	27.93
Number of Treatment Plants	1	1	1	1
Vehicles	5	4	4	4
Refuse				
Vehicles	6	5	4	4
Recycling				
Vehicles	5	5	5	5
Engineering				
Vehicles	3	3	3	3

Source: City Records

2011	2010	2009	2008	2007	2006
1	1	1	1	1	1
11	10	8	8	8	7
1	1	1	1	1	1
7	5	6	6	6	6
1	1	1	1	1	1
2	2	2	2	2	2
3	3	3	3	3	3
46.16	46.16	46.16	46.16	46.15	46.15
22	19	19	19	19	18
1	1	1	1	1	1
103.37	103.37	102.88	106.37	106.37	106.37
8	8	8	8	8	8
9	9	9	15	15	12
61.00	61.00	59.91	59.91	59.73	59.73
2	1	1	1	1	1
8	5	4	4	4	5
48.20	48.20	48.20	48.20	47.93	47.93
27.93	27.93	27.93	27.93	27.80	27.80
1	1	1	1	1	1
4	4	4	4	4	4
4	4	4	4	4	5
5	4	4	4	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
OCTOBER 11, 2016