



Dave Yost • Auditor of State

CITY OF WAPAKONETA
AUGLAIZE COUNTY

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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, 2012, and the related notes to the financial statements, which collectively comprise the Government's basic financial statements and have issued our report thereon dated June 18, 2013, wherein we noted that the City adopted the provisions of Governmental Accounting Standard No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*; and No. 65, *Items Previously Reported as Assets and Liabilities*.

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. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider significant deficiencies in internal control. We consider findings 2012-01 and 2012-02 to be significant deficiencies.

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 matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2012-02.

Entity's Response to Findings

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

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

June 18, 2013

**CITY OF WAPAKONETA
AUGLAIZE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2012**

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

FINDING NUMBER 2012-01

Significant Deficiency

Approval of Timesheets

Approval of employee timesheet summary reports by department heads or supervisors is an important internal control within the City's payroll function to help provide evidence of the performance of services by employees. Each department was provided a timesheet summary report prior to the corresponding pay period. The timesheet summary reports were to be completed by each department and signed by the department head or supervisor as approval for the hours worked by each employee. The signed timesheet summary reports were then submitted to the payroll clerk for entry into the payroll system.

Twenty-six of the sixty-seven timesheet summary reports, reviewed for the pay period ending September 16, 2012, were not signed by the department head or supervisor. The departments which lacked signatures were the Sewer Collection, Refuse Collection, Recycling, Street Maintenance, Police, Police Auxiliary, and Recreation departments. In addition to reviewing the timesheet summary reports for the aforementioned pay period, timesheet summary reports for the pay periods ending August 4, 2012, August 31, 2012 and September 2, 2012 were scanned. It was noted that the timesheet summary reports for the pay period ending August 4, 2012 were not signed by the Sewer Collection, Refuse Collection, Street Maintenance, Police Auxiliary, and Swimming Pool departments. For the pay period ending August 31, 2012, it was noted that the Recreation and Swimming Pool departments did not sign the timesheet summary reports. For pay period ending September 2, 2012 the timesheet summary reports were not signed for the Sewer Collection, Refuse Collection, Recycling, Street Maintenance, Police, Police Auxiliary, Recreation and Swimming Pool departments. The City did not have any other controls in place to provide evidence that the department head or supervisor reviewed and approved employee timecards to authorize hours worked by employees. The lack of an authorization control for the hours worked by employees increases the risk of errors and/or irregularities such as wages charged to the wrong fund or paid in excess of hours worked. Errors in the recording of wages can result in financial statement reporting errors, or if paid in excess of hours worked, findings against the employee and the employee making the payment of the wages.

City department heads or supervisors should review the timesheets for each of their employees on the timesheet summary reports for completeness and accuracy each pay period. The department heads or supervisors should sign the signature line on the timesheet summary reports to provide evidence of the performance of the control procedure. Periodically Council or a designated committee should review employee timesheet summary reports for evidence of approval.

OFFICIALS' RESPONSE: The City has taken steps to correct the problem of accountability with regards to time sheet approval. As of January 2013, all time cards and time sheets will be either signed or initialed by the appropriate department head or acting department head or the Safety Service Director.

FINDING NUMBER 2012-02

Significant Deficiency/Noncompliance Citation

Ohio Rev. Code Section 5705.10(D) requires that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose. Permissive tax revenue in the amount of \$19,554 was recorded in the Special Revenue Street Maintenance and State Highway funds in the amounts of \$18,087 and \$1,467, respectively, as Intergovernmental Revenue instead of the Special Revenue Motor Vehicle Permissive Tax Fund as Other Local Taxes.

The failure to recorded receipts in the correct fund could result in the illegal expenditure of restricted money or the material misstatement of the financial statements.

The accompany financial statements and accounting records have not been adjusted to correct this error since the error, while material to individual fund balances, is not material to the Other Governmental Funds opinion unit. However, the City should consider adjusting their accounting records to correct this error.

The City Auditor and Council should periodically review the accounting ledgers to help identify receipts that have been recorded in the wrong fund and/or line item. This will allow for the correction of the errors in a timely manner, reduce the potential for illegal use of funds, and give a more accurate presentation of the activity within each fund.

OFFICIALS' RESPONSE: The City will adjust the books to reflect the correction of the error of money in the incorrect accounts in 2013. We will move the money from Street Maintenance & Repair Fund and State Highway fund to the Permissive Tax Fund.

CITY OF WAPAKONETA
AUGLAIZE COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2012

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2011-01	Ohio Rev. Code Sections 117.28, 117.01(C), and 9.24(H)(3), Finding For Recovery - \$892 of swimming pool receipts collected but not accounted for.	Yes	\$892 repaid on 8/1/11, City pay-in receipt number 30892.

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CITY OF WAPAKONETA, OHIO

Comprehensive Annual Financial Report

For the Year Ended
December 31, 2012

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**INTRODUCTORY
SECTION**

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CITY OF WAPAKONETA, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2012

Prepared By:

City Auditor

GAIL E. WALTER

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CITY OF WAPAKONETA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2012

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

June 18, 2013

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, 2012. 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 Auditors' 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, 2012. The Independent Auditors' Report is located at the front of the financial section of this report.

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

PROFILE OF THE CITY

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



701 Parlette Court

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

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

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

LOCAL ECONOMY

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

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

The City has a sizable Community Development Block Grant portfolio and currently 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 new site is designated as the West Central Ohio Industrial Center. The infrastructure projects included extension of sanitary sewer and 69kv electric lines to the site and construction of a railroad spur from the CSX Mainline Rail onto the site. This site is certified under the Ohio Department of Development’s certification standards. In 2012, the City completed all of the 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 received the distinct award of Tree City USA for the 25th year and the growth award for the 14th year. In 2008, the City was made aware of the Emerald Ash Bore problem. We have purchased equipment and chemicals to treat this problem and have employees who are certified to treat the trees. This is an ongoing activity and the City takes the maintenance and planting of trees very seriously. The City has purchased equipment to manage and maintain all the trees in the City by keeping an inventory, a description, and the location of all the trees. It is believed that the tree lined streets are just another asset in the beautiful community.

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 2012, the available funds, while smaller than the City would like, were used for projects including repaving and maintenance of streets, curbs, and sidewalks. The City has always been able to maximize its available resources and grants, and to work with other communities, the County, or the schools and get things done to enhance the community.

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

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

MAJOR INITIATIVES

Again in 2012, the City continued to improve its facilities and infrastructure to serve its citizens.

The City was awarded Issue I monies for phase two of the East Benton Street reconstruction project. Phase one began in 2009 and included the separation of a combination sewer and the installation of new storm sewer and water line. The street was widened with new curbs and gutters, sidewalks, driveway approaches, and alleyways. Phase two extended this reconstruction from Water Street to the railroad.

The City received a Small Cities Grant for the reconstruction of East Auglaize Street from the railroad to Wood Street. This funding, from the Ohio Department of Transportation, provided for 80 percent of the project costs with the City paying the remaining 20 percent. East Auglaize Street will also benefit from a Transportation Enhancement Grant, also from the Ohio Department of Transportation, for streetscape upgrades. The planning and design for this overall project occurred in 2012 with construction to take place in 2013. Construction is anticipated to take approximately nine months. Overall project cost is estimated at over \$2.1 million.

A Scrap Tire Grant, in the amount of \$134,500, was used to pave Wentz Street from the park to Middle Street. This project utilized over six hundred tires in the landfill and created a very friendly environmental project. This is the first time the City has used scrap tire materials. A similar project will take place in 2013 for Wentz Street and Douglas Street at a cost of approximately \$97,600.

Mechanic Street was repaved along with the replacement of curbs and gutters from the railroad to Blackhoof Street in 2011. In 2012, the remainder of Mechanic Street, from Blackhoof Street to West Auglaize Street was repaved, completing Mechanic Street from end to end. This was part of our 10-year overlay paving program.

In 2011, the City added Progress Drive, a connector road in the West Central Ohio Industrial Park. In 2012, Short Street, also in the industrial park, was widened, paved, and new storm sewer was installed. The entire job ready site now has industrial width roadway.

The annual reclamite program work continued in 2012. Reclamite is an asphalt rejuvenator which promotes and extends the life of the existing asphalt surface. Nine streets were sealed in 2012, extending the life of the streets by approximately five to seven years.

The City received a Safe Routes to School Grant of \$433,000 to install sidewalks, ADA curb ramps, and pedestrian signals and to improve safety measures for safe travel to school. The City completed this portion of the project during 2012. For 2013, the City has been awarded another \$475,000 to expand this project. Work has started with the design and environmental study with construction to begin in July 2013.

A Community Development Block Grant was awarded to the City for demolition of slum and blighted properties. Four properties have been removed using a combination of the grant resources, revolving loan monies, and City funds.

The City obtained a Moving Ohio Forward grant, in the amount of \$40,000, also to be used for demolition purposes. One property has been demolished so far with two more planned for 2013.

A Storm Water Pollution Prevention Plan was developed in 2011 requiring a review of plans, permits, and additional inspections. This program continued in 2012 with permits and inspections.

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, 2011. This was the twenty-second consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,

Gail E. Walter
City Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wapakoneta
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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



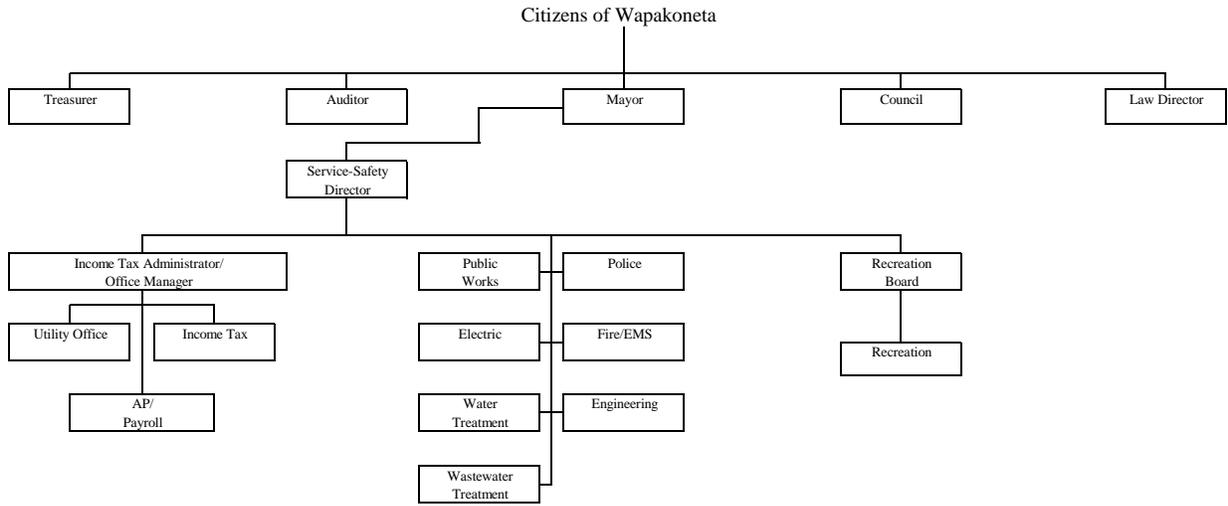
Christopher P. Morinell

President

Jeffrey R. Emer

Executive Director

City of Wapakoneta Organizational Chart



**CITY OF WAPAKONETA
LIST OF PRINCIPAL OFFICIALS**

Mayor	Rodney C. Metz
Director of Public Service and Safety	William Raines
Income Tax Administrator/Office Manager	Diana L. Blackburn
Police Chief	Russel Hunlock
Fire Chief/EMS Director	Kendall J. Krites
Recreation Director	Jack R. Hayzlett
Public Works Superintendent	Meril W. Simpson
Electric Superintendent	Donald E. Schnarre
Water Superintendent	Brent J. Hamel
Wastewater Superintendent	Robert T. Burns
Engineering Superintendent	Mary A. Ruck
Auditor	Gail E. Walter
Treasurer	Barbara Steinke
Law Director	Dennis P. Faller
President of Council	Stephen E. Henderson
Member of Council	Daniel C. Graf
Member of Council	Daniel Lee
Member of Council	Bonnie C. Wurst
Member of Council	James R. Neumeier
Member of Council	Chad Doll
Member of Council	Thomas S. Finkelmeier Jr.
Member of Council	Stephen C. Walter
Council Clerk	Terry McDonald
Civil Service Secretary	Peter Noyes

**FINANCIAL
SECTION**

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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 City of Wapakoneta, Auglaize County, Ohio (the City), as of and for the year ended December 31, 2012, 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, 2012, 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, 2012, the City adopted the provisions of Governmental Accounting Standard No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities*. 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*, 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 financial section's combining statements, individual fund statements and schedules, are management's responsibility, and were derived from and relates 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 this information 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 information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2013, 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

June 18, 2013

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CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(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, 2012. The intent of this discussion and analysis is to look at the City's financial performance as a whole.

HIGHLIGHTS

Highlights for 2012 are as follows:

In total, the City's net position increased \$141,393, or less than 1 percent. Governmental activities had a decrease in net position of \$390,095, or 1 percent, while business-type activities increased \$531,488, or 1 percent.

A review of the enterprise funds reflects an operating income for the electric, water, and sewer funds. The City's electric rates are determined by contract with our electric provider and these contracts typically are on a 1-5 year cycle. In 2010, the City completed a cost of service study which determined that the rates being charged for electric are appropriate, therefore, no rate changes are anticipated. The sewer rates are on a scheduled increase by ordinance every year so the City can anticipate increased costs without a rate study. Rates for all enterprise funds are monitored by the Administration to maintain the revenue needed to operate these activities. In 2009, the City entered into a long-term control plan with the Ohio Environmental Protection Agency for the replacement of the south interceptor sewer. This will be a long and expensive project. Estimated costs are approximately \$25-\$30 million. As a result, the City has determined that an extra fee will be charged to sewer customers for the long-term control plan. This fee will be imposed on customers over a period of years specifically to pay the costs related to this project and will be removed when the project is completed.

USING THIS ANNUAL REPORT

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

The statement of net 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 non-major funds in a single column. The City's major funds are the General, Street and Sewer Improvement, Electric, Water, Sewer, Storm Sewer, and Refuse funds.

REPORTING THE CITY AS A WHOLE

The statement of net position and the statement of activities reflect how the City did financially during 2012. 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, 2012
(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, 2012
(Unaudited)

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

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

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table 1 provides a summary of the City's net position for 2012 and 2011.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Assets						
Current and Other Assets	\$7,812,658	\$8,332,914	\$15,060,522	\$16,155,288	\$22,873,180	\$24,488,202
Capital Assets, Net	21,157,267	21,283,834	48,083,831	47,317,003	69,241,098	68,600,837
Total Assets	<u>28,969,925</u>	<u>29,616,748</u>	<u>63,144,353</u>	<u>63,472,291</u>	<u>92,114,278</u>	<u>93,089,039</u>
Deferred Outflows of Resources						
	0	10,894	0	0	0	10,894
Liabilities						
Current and Other Liabilities	360,515	348,803	1,475,041	1,760,450	1,835,556	2,109,253
Long-Term Liabilities	964,217	1,249,133	20,219,674	20,793,691	21,183,891	22,042,824
Total Liabilities	<u>1,324,732</u>	<u>1,597,936</u>	<u>21,694,715</u>	<u>22,554,141</u>	<u>23,019,447</u>	<u>24,152,077</u>

(continued)

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

Table 1
Net Position
(continued)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
<u>Deferred Inflows of Resources</u>	\$458,801	\$453,219	\$0	\$0	\$458,801	\$453,219
<u>Net Position</u>						
Net Investment in						
Capital Assets	20,891,574	20,767,868	30,836,570	29,921,959	51,728,144	50,689,827
Restricted	3,409,170	3,541,776	1,259,685	1,114,899	4,668,855	4,656,675
Unrestricted	2,885,648	3,266,843	9,353,383	9,881,292	12,239,031	13,148,135
Total Net Position	<u>\$27,186,392</u>	<u>\$27,576,487</u>	<u>\$41,449,638</u>	<u>\$40,918,150</u>	<u>\$68,636,030</u>	<u>\$68,494,637</u>

For governmental activities, there was an overall decrease in net position of 1 percent, which was not significant; however, there were a couple changes of note. There was a decrease in current and other assets, primarily cash and cash equivalents, due to a reduction in local government funding from the State and resources transferred from governmental activities to business-type activities. This decrease is also reflected in the decrease in unrestricted net position. The decrease in long-term liabilities reflects principal payments on debt obligations.

There were also a couple of significant changes related to business-type activities. The first, the decrease in current and other assets resulting from a reduction in cash and cash equivalents as resources were spent on construction. Note the corresponding decrease in unrestricted net position. There was also a decrease in current and other liabilities, primarily related to the payment of construction related obligations.

Table 2 reflects the change in net position for 2012 and 2011

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
<u>Revenues</u>						
Program Revenues						
Charges for Services	\$920,992	\$819,313	\$19,028,885	\$19,654,865	\$19,949,877	\$20,474,178
Operating Grants, Contributions, and Interest	524,997	582,636	0	0	524,997	582,636
Capital Grants and Contributions	837,654	572,510	0	0	837,654	572,510
Total Program Revenues	<u>2,283,643</u>	<u>1,974,459</u>	<u>19,028,885</u>	<u>19,654,865</u>	<u>21,312,528</u>	<u>21,629,324</u>
General Revenues						
Property Taxes-General Purposes	373,447	369,263	0	0	373,447	369,263
Property Taxes-Recreation	88,625	92,756	0	0	88,625	92,756
Municipal Income Taxes	2,280,139	2,271,225	0	0	2,280,139	2,271,225
Other Local Taxes	651,985	642,164	0	0	651,985	642,164
Grants and Entitlements	454,557	550,652	0	0	454,557	550,652
Franchise Taxes	86,280	83,736	0	0	86,280	83,736
Interest	32,570	35,706	29	7	32,599	35,713
Gifts and Donations	1,772	1,374	0	0	1,772	1,374
Other	87,243	48,596	41,110	72,808	128,353	121,404
Total General Revenues	<u>4,056,618</u>	<u>4,095,472</u>	<u>41,139</u>	<u>72,815</u>	<u>4,097,757</u>	<u>4,168,287</u>
Total Revenues	<u>6,340,261</u>	<u>6,069,931</u>	<u>19,070,024</u>	<u>19,727,680</u>	<u>25,410,285</u>	<u>25,797,611</u>

(continued)

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

Table 2
Change in Net position
(continued)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
<u>Program Expenses</u>						
Security of Persons and Property						
Police	\$1,545,559	\$1,584,868	\$0	\$0	\$1,545,559	\$1,584,868
Fire	1,494,511	1,353,865	0	0	1,494,511	1,353,865
Other	4,557	8,492	0	0	4,557	8,492
Public Health	172,130	177,297	0	0	172,130	177,297
Leisure Time Activities	433,670	492,736	0	0	433,670	492,736
Community Environment	84,148	116,039	0	0	84,148	116,039
Transportation	2,049,319	2,236,189	0	0	2,049,319	2,236,189
General Government	510,071	512,540	0	0	510,071	512,540
Interest and Fiscal Charges	38,654	49,942	0	0	38,654	49,942
Electric	0	0	13,550,781	14,371,849	13,550,781	14,371,849
Water	0	0	1,758,911	1,843,734	1,758,911	1,843,734
Sewer	0	0	2,241,662	2,171,320	2,241,662	2,171,320
Storm Sewer	0	0	271,419	114,124	271,419	114,124
Refuse	0	0	1,113,500	1,053,317	1,113,500	1,053,317
Total Expenses	<u>6,332,619</u>	<u>6,531,968</u>	<u>18,936,273</u>	<u>19,554,344</u>	<u>25,268,892</u>	<u>26,086,312</u>
Increase (Decrease) in Net Position Before Transfers	7,642	(462,037)	133,751	173,336	141,93	(288,701)
Transfers	<u>(397,737)</u>	<u>(582,256)</u>	<u>397,737</u>	<u>582,256</u>	<u>0</u>	<u>0</u>
Increase (Decrease) in Net Position	(390,095)	(1,044,293)	531,488	755,592	141,393	(288,701)
Net Position Beginning of Year	<u>27,576,487</u>	<u>28,620,780</u>	<u>40,918,150</u>	<u>40,162,558</u>	<u>68,494,637</u>	<u>68,783,338</u>
Net Position End of Year	<u>\$27,186,392</u>	<u>\$27,576,487</u>	<u>\$41,449,638</u>	<u>\$40,918,150</u>	<u>\$68,636,030</u>	<u>\$68,494,637</u>

For governmental activities, there was an increase in program revenues of almost 16 percent and primarily reflected in capital grants and contributions. This reflects grant resources obtained for street improvement projects. Overall, general revenues remained similar to the prior year with the exception of the decrease in intergovernmental revenue due to the State's reduction in local government funding. Governmental activities expenses also remained similar to the prior year with a slight reduction overall.

For business-type activities, program revenues in the form of charges for services, continue to fund the operation of the City's utilities. Total revenues remained comparable to the prior year; however, there was a decrease in charges for services revenue which is based on user consumption.

In total, expenses for business-type activities reflect a 3 percent decrease with the largest portion of this change related to the Electric Fund and due to a reduction in the costs for purchased power.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

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	
	2012	2011	2012	2011
Security of Persons and Property				
Police	\$1,545,559	\$1,584,868	\$1,530,041	\$1,568,957
Fire	1,494,511	1,353,865	1,440,048	1,302,508
Other	4,557	8,492	4,557	8,492
Public Health	172,130	177,297	(332,659)	(236,461)
Leisure Time Activities	433,670	492,736	141,391	194,523
Community Environment	84,148	116,039	75,502	83,642
Transportation	2,049,319	2,236,189	653,341	1,096,947
General Government	510,071	512,510	498,101	488,959
Interest and Fiscal Charges	38,654	49,942	38,654	49,942
Total Expenses	\$6,332,619	\$6,531,938	\$4,048,976	\$4,557,509

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

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The City's major governmental funds are the General Fund and the Street and Sewer Improvement capital projects fund. Resources in the General Fund have no limitations on their use while the resources of the Street and Sewer Improvement Fund are limited to infrastructure improvements. The General Fund reflects a 17 percent decrease in fund balance. Although there were modest changes in revenues (2 percent decrease) and expenditures (3 percent increase), revenues were still in excess of expenditures. However, as a result of resources transferred to other funds to subsidize the activities of those funds, there was a decrease in fund balance.

The Street and Sewer Improvement capital projects fund reflects a 12 percent decrease in fund balance due to the number and cost of infrastructure improvements during the year.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

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 increase in net position of less than 1 percent in 2012. Both revenues and expenses decreased by a similar percentage from the prior year.

The Water Fund had an operating income; however, a decrease in net position (albeit it less than 1 percent). Revenues for the Water Fund increased slightly from the prior year; there was a 10 percent increase in the water rate in 2012. Expenses were very similar to the prior year. The decrease in net position is mainly due to interest being paid on outstanding debt.

There was a 10 percent increase in net position in the Sewer Fund in 2012. The base rate was increased 3 percent in 2012.

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 an operating loss in 2012, however, there was an increase in net position of less than 1 percent due to capital contributions of over \$116,000. Rate changes for storm sewer are not being considered at this time.

The City's Refuse Fund continued to reflect a deficit net position as of year end, operating expenses exceeded operating revenues for 2012.

BUDGETARY HIGHLIGHTS

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

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

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The City's investment in capital assets for governmental and business-type activities as of December 31, 2012, was \$21,157,267 and \$48,083,831, respectively (net of accumulated depreciation). Significant additions for governmental activities included land, continuing construction projects, vehicles, and street improvements. Disposals consisted of streets that were reconstructed. For business-type activities, the most significant additions were vehicles and the replacement of electric, water, and sewer lines. Disposals were minimal. For further information regarding the City's capital assets, refer to Note 10 to the basic financial statements.

CITY OF WAPAKONETA
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

Debt - At December 31, 2012, the City had a number of long-term obligations outstanding. The governmental activities obligations consisted primarily of \$225,000 in general obligation bonds. The business-type activities obligations included \$8,130,000 in mortgage revenue bonds, \$8,919,074 in OWDA loans, and \$1,426,064 in landfill postclosure costs. In addition to the debt outlined above, the City's long-term obligations also include a loan for energy efficiency improvements, capital leases, compensated absences, a loan due to Auglaize County, and capital loans. The City paid the amount due to AMP-Ohio in 2013. For further information regarding the City's debt, refer to Notes 17, 18, and 19 to the basic financial statements.

CURRENT ISSUES

The biggest construction project for the City in 2013 is the reconstruction of East Auglaize Street. This is an Ohio Department of Transportation project which reconstructs the street from the railroad to Wood Street. The project will take approximately nine months at an estimated cost of over \$2.1 million.

The Safe Routes to School program awarded the City \$475,000 in 2013 to install sidewalks, ADA curb ramps, and pedestrian signals and to improve safety measures for safe travel to school. This is an Ohio Department of Transportation project that was started in 2012. This is the second of four phases with each phase of the grant awarded separately. The City has already applied for the next two phases of the project.

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

REQUEST FOR INFORMATION

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

City of Wapakoneta
Statement of Net Position
December 31, 2012

	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$4,746,218	\$9,138,493	\$13,884,711
Cash and Cash Equivalents with Fiscal Agents	0	1,130,173	1,130,173
Accounts Receivable	251,496	2,530,175	2,781,671
Due from Other Governments	1,198,678	30,283	1,228,961
Municipal Income Taxes Receivable	790,752	0	790,752
Other Local Taxes Receivable	6,199	60,116	66,315
Internal Balances	46,715	(46,715)	0
Prepaid Items	37,134	84,297	121,431
Materials and Supplies Inventory	42,617	2,133,700	2,176,317
Accrued Interest Receivable	5,228	0	5,228
Property Taxes Receivable	467,320	0	467,320
Notes Receivable	100,070	0	100,070
Special Assessments Receivable	120,231	0	120,231
Nondepreciable Capital Assets	1,654,022	2,026,077	3,680,099
Depreciable Capital Assets, Net	19,503,245	46,057,754	65,560,999
Total Assets	28,969,925	63,144,353	92,114,278
<u>Liabilities</u>			
Accrued Wages Payable	62,470	46,260	108,730
Accounts Payable	88,858	163,031	251,889
Contracts Payable	4,376	919,312	923,688
Due to Other Governments	175,335	82,075	257,410
Accrued Interest Payable	3,511	37,403	40,914
Retainage Payable	25,965	18,566	44,531
Refundable Deposits	0	208,394	208,394
Long-Term Liabilities			
Due Within One Year	390,687	1,338,151	1,728,838
Due in More Than One Year	573,530	18,881,523	19,455,053
Total Liabilities	1,324,732	21,694,715	23,019,447
<u>Deferred Inflows of Resources</u>			
Property Taxes	458,801	0	458,801
<u>Net Position</u>			
Net Investment in Capital Assets	20,891,574	30,836,570	51,728,144
Restricted for			
Capital Projects	2,039,417	0	2,039,417
Community Environment	656,877	0	656,877
Other Purposes	712,876	0	712,876
Revenue Bond Replacement	0	100,000	100,000
Future Debt Service	0	1,159,685	1,159,685
Unrestricted	2,885,648	9,353,383	12,239,031
Total Net Position	\$27,186,392	\$41,449,638	\$68,636,030

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Activities
For the Year Ended December 31, 2012

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	
<u>Governmental Activities</u>				
Security of Persons and Property				
Police	\$1,545,559	\$6,946	\$8,572	\$0
Fire	1,494,511	53,961	502	0
Other	4,557	0	0	0
Public Health	172,130	504,789	0	0
Leisure Time Activities	433,670	259,592	32,687	0
Community Environment	84,148	0	8,646	0
Transportation	2,049,319	83,734	474,590	837,654
General Government	510,071	11,970	0	0
Interest and Fiscal Charges	38,654	0	0	0
Total Governmental Activities	6,332,619	920,992	524,997	837,654
<u>Business-Type Activities</u>				
Electric	13,550,781	13,443,956	0	0
Water	1,758,911	1,607,652	0	0
Sewer	2,241,662	2,716,328	0	0
Storm Sewer	271,419	154,668	0	0
Refuse	1,113,500	1,106,281	0	0
Total Business-Type Activities	18,936,273	19,028,885	0	0
Total	\$25,268,892	\$19,949,877	\$524,997	\$837,654

General Revenues

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

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

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
(\$1,530,041)	\$0	(\$1,530,041)
(1,440,048)	0	(1,440,048)
(4,557)	0	(4,557)
332,659	0	332,659
(141,391)	0	(141,391)
(75,502)	0	(75,502)
(653,341)	0	(653,341)
(498,101)	0	(498,101)
(38,654)	0	(38,654)
<u>(4,048,976)</u>	<u>0</u>	<u>(4,048,976)</u>
0	(106,825)	(106,825)
0	(151,259)	(151,259)
0	474,666	474,666
0	(116,751)	(116,751)
0	(7,219)	(7,219)
<u>0</u>	<u>92,612</u>	<u>92,612</u>
<u>(4,048,976)</u>	<u>92,612</u>	<u>(3,956,364)</u>
373,447	0	373,447
88,625	0	88,625
2,280,139	0	2,280,139
651,985	0	651,985
454,557	0	454,557
86,280	0	86,280
32,570	29	32,599
1,772	0	1,772
87,243	41,110	128,353
<u>4,056,618</u>	<u>41,139</u>	<u>4,097,757</u>
<u>(397,737)</u>	<u>397,737</u>	<u>0</u>
<u>3,658,881</u>	<u>438,876</u>	<u>4,097,757</u>
(390,095)	531,488	141,393
<u>27,576,487</u>	<u>40,918,150</u>	<u>68,494,637</u>
<u>\$27,186,392</u>	<u>\$41,449,638</u>	<u>\$68,636,030</u>

City of Wapakoneta
Balance Sheet
Governmental Funds
December 31, 2012

	General	Street and Sewer Improvement	Other Governmental	Total Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,378,905	\$1,591,766	\$1,735,752	\$4,706,423
Accounts Receivable	250,340	0	1,156	251,496
Due from Other Governments	294,552	336,135	567,991	1,198,678
Municipal Income Taxes Receivable	790,752	0	0	790,752
Other Local Taxes Receivable	507	0	5,692	6,199
Interfund Receivable	485,529	0	0	485,529
Prepaid Items	27,768	0	7,211	34,979
Materials and Supplies Inventory	17,873	0	22,918	40,791
Accrued Interest Receivable	723	4,505	0	5,228
<u>Restricted Assets</u>				
Equity in Pooled Cash and Cash Equivalents	39,650	0	0	39,650
Property Taxes Receivable	375,041	0	92,279	467,320
Notes Receivable	0	0	100,070	100,070
Special Assessments Receivable	0	120,231	0	120,231
Total Assets	\$3,661,640	\$2,052,637	\$2,533,069	\$8,247,346
<u>Liabilities</u>				
Accrued Wages Payable	\$54,432	\$0	\$5,136	\$59,568
Accounts Payable	69,163	717	18,433	88,313
Contracts Payable	0	4,376	0	4,376
Due to Other Governments	153,276	8,127	9,259	170,662
Interfund Payable	2,164	0	431,218	433,382
Retainage Payable	0	0	25,965	25,965
Total Liabilities	279,035	13,220	490,011	782,266
<u>Deferred Inflows of Resources</u>				
Property Taxes	368,184	0	90,617	458,801
Unavailable Revenue	1,068,931	460,871	533,958	2,063,760
Total Deferred Inflows of Resources	1,437,115	460,871	624,575	2,522,561
<u>Fund Balance</u>				
Nonspendable	85,291	0	30,129	115,420
Restricted	18,517	1,578,546	1,121,603	2,718,666
Assigned	237,724	0	723,004	960,728
Unassigned (Deficit)	1,603,958	0	(456,253)	1,147,705
Total Fund Balance	1,945,490	1,578,546	1,418,483	4,942,519
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$3,661,640	\$2,052,637	\$2,533,069	\$8,247,346

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, 2012

Total Governmental Fund Balance		\$4,942,519
<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	21,157,267	
Internal Service Fund	(46,514)	
		21,110,753
<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	213,022	
Due from Other Governments	1,121,644	
Municipal Income Taxes Receivable	595,839	
Accrued Interest Receivable	4,505	
Delinquent Property Taxes Receivable	8,519	
Special Assessments Receivable	120,231	
		2,063,760
<p>An internal balance is recorded in governmental activities to reflect overpayments to the internal service fund by the business-type activities.</p>		
		(5,183)
<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>		
		(3,511)
<p>Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:</p>		
General Obligations Bonds Payable	(225,000)	
Capital Loans Payable	(34,257)	
Loans Payable	(245,506)	
Compensated Absences Payable	(459,454)	
Compensated Absences Payable-Internal Service Fund	16,361	
		(947,856)
<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>		
		25,910
Net Position of Governmental Activities		\$27,186,392

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Revenues, Expenditures,
and Change in Fund Balance
Governmental Funds
For the Year Ended December 31, 2012

	General	Street and Sewer Improvement	Other Governmental	Total Governmental Funds
<u>Revenues</u>				
Property Taxes	\$371,688	\$0	\$88,175	\$459,863
Municipal Income Taxes	2,262,379	0	0	2,262,379
Other Local Taxes	651,985	0	53,323	705,308
Special Assessments	0	57,956	0	57,956
Charges for Services	748,184	0	26,157	774,341
Fees, Licenses, and Permits	87,538	0	0	87,538
Fines and Forfeitures	11,922	0	1,490	13,412
Intergovernmental	425,302	358,778	488,218	1,272,298
Interest	32,570	6,218	11,251	50,039
Gifts and Donations	2,003	0	14,219	16,222
Other	62,349	715	24,179	87,243
Total Revenues	4,655,920	423,667	707,012	5,786,599
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,547,057	0	3,700	1,550,757
Fire	1,461,318	0	0	1,461,318
Other	4,592	0	0	4,592
Public Health	143,550	0	0	143,550
Leisure Time Activities	225,017	0	132,688	357,705
Community Environment	63,344	0	18,000	81,344
Transportation	0	1,406,780	989,224	2,396,004
General Government	491,108	0	0	491,108
Debt Service:				
Principal Retirement	35,615	121,844	103,708	261,167
Interest and Fiscal Charges	10,729	9,312	8,897	28,938
Total Expenditures	3,982,330	1,537,936	1,256,217	6,776,483
Excess of Revenues Over (Under) Expenditures	673,590	(1,114,269)	(549,205)	(989,884)
<u>Other Financing Sources (Uses)</u>				
Transfers In	0	894,156	150,000	1,044,156
Transfers Out	(1,075,000)	0	(68,500)	(1,143,500)
Total Other Financing Sources (Uses)	(1,075,000)	894,156	81,500	(99,344)
Change in Fund Balance	(401,410)	(220,113)	(467,705)	(1,089,228)
Fund Balance Beginning of Year	2,346,900	1,798,659	1,886,188	6,031,747
Fund Balance End of Year	<u>\$1,945,490</u>	<u>\$1,578,546</u>	<u>\$1,418,483</u>	<u>\$4,942,519</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, 2012

Change in Fund Balance - Total Governmental Funds (\$1,089,228)

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	1,030,490	
Capital Contributions	90,000	
Depreciation	(922,211)	
Depreciation - Internal Service Fund	<u>2,524</u>	200,803

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. (324,846)

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

Delinquent Property Taxes	2,209	
Municipal Income Taxes	17,760	
Special Assessments	(53,702)	
Charges for Services	71,966	
Fees, Licenses, and Permits	2,438	
Intergovernmental	514,704	
Interest	<u>(1,713)</u>	553,662

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

General Obligation Bonds Payable	215,000	
Capital Loans Payable	10,552	
Loans Payable	<u>35,615</u>	261,167

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. (9,716)

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	23,749	
Compensated Absences Payable-Internal Service Fund	<u>3,660</u>	27,409

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. (9,346)

Change in Net Position of Governmental Activities (\$390,095)

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, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<u>Revenues</u>				
Property Taxes	\$325,564	\$325,564	\$371,688	\$46,124
Municipal Income Taxes	2,250,000	2,250,000	2,270,261	20,261
Other Local Taxes	676,200	676,200	648,747	(27,453)
Charges for Services	633,150	636,150	740,467	104,317
Fees, Licenses, and Permits	88,850	88,850	87,538	(1,312)
Fines and Forfeitures	17,000	17,000	11,466	(5,534)
Intergovernmental	415,500	415,500	486,237	70,737
Interest	40,000	40,000	26,584	(13,416)
Gifts and Donations	1,000	1,000	2,003	1,003
Other	17,900	17,900	68,803	50,903
Total Revenues	4,465,164	4,468,164	4,713,794	245,630
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,660,723	1,664,224	1,632,530	31,694
Fire	1,595,383	1,595,382	1,541,371	54,011
Other	11,600	11,600	4,569	7,031
Public Health	233,629	233,630	154,495	79,135
Leisure Time Activities	266,007	273,507	230,895	42,612
Community Environment	114,254	114,254	69,482	44,772
General Government	769,205	720,704	525,021	195,683
Debt Service:				
Principal Retirement	36,960	36,960	35,615	1,345
Interest and Fiscal Charges	11,040	11,040	10,729	311
Total Expenditures	4,698,801	4,661,301	4,204,707	456,594
Excess of Revenues Over (Under) Expenditures	(233,637)	(193,137)	509,087	702,224
<u>Other Financing Uses</u>				
Advances Out	(155,000)	(155,000)	(150,000)	5,000
Transfers Out	(1,075,000)	(1,120,000)	(1,075,000)	45,000
Total Other Financing Uses	(1,230,000)	(1,275,000)	(1,225,000)	50,000
Change in Fund Balance	(1,463,637)	(1,468,137)	(715,913)	752,224
Fund Balance Beginning of Year	1,979,212	1,979,212	1,979,212	0
Prior Year Encumbrances Appropriated	231,737	231,737	231,737	0
Fund Balance End of Year	\$747,312	\$742,812	\$1,495,036	\$752,224

See Accompanying Notes to the Basic Financial Statements

City of Wapakoneta
Statement of Fund Net Position
Proprietary Funds
December 31, 2012

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
<u>Assets</u>					
<u>Current Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$6,906,958	\$828,372	\$422,333	\$557,079	\$80,922
Accounts Receivable	1,840,930	223,928	314,427	12,848	138,042
Due from Other Governments	0	0	0	0	30,283
Other Local Taxes Receivable	60,116	0	0	0	0
Interfund Receivable	24,072	1,244	438	82	405
Prepaid Items	44,061	15,171	16,490	0	8,575
Materials and Supplies Inventory	1,840,419	258,583	30,347	0	4,351
Total Current Assets	10,716,556	1,327,298	784,035	570,009	262,578
<u>Non-Current Assets</u>					
Restricted Assets					
Equity in Pooled Cash and Cash Equivalents	208,394	0	134,435	0	0
Cash and Cash Equivalents with Fiscal Agents	0	0	1,130,173	0	0
Nondepreciable Capital Assets	205,559	560,664	931,753	0	328,101
Depreciable Capital Assets, Net	15,390,839	14,997,511	13,196,138	1,828,290	644,976
Total Non-Current Assets	15,804,792	15,558,175	15,392,499	1,828,290	973,077
Total Assets	26,521,348	16,885,473	16,176,534	2,398,299	1,235,655
<u>Liabilities</u>					
<u>Current Liabilities</u>					
Accrued Wages Payable	18,752	7,310	11,322	0	8,876
Accounts Payable	43,335	22,592	19,554	1,794	75,756
Contracts Payable	919,312	0	0	0	0
Due to Other Governments	29,690	10,287	29,093	0	13,005
Interfund Payable	55,536	8,872	13,109	0	622
Accrued Interest Payable	0	0	35,399	752	1,252
Retainage Payable	18,566	0	0	0	0
Mortgage Revenue Bonds Payable	0	0	425,000	0	0
Due to Auglaize County	0	0	1,250	0	0
OWDA Loans Payable	0	29,665	0	0	0
Capital Loans Payable	0	0	16,763	10,974	30,045
Loans Payable	0	0	93,919	0	0
Capital Leases Payable	0	0	0	0	33,638
Due to AMP-Ohio	541,378	0	0	0	0
Compensated Absences Payable	33,927	13,248	24,210	0	17,733
Landfill Postclosure Costs Payable	0	0	0	0	66,401
Total Current Liabilities	1,660,496	91,974	669,619	13,520	247,328
<u>Non-Current Liabilities</u>					
Refundable Deposits	208,394	0	0	0	0
Mortgage Revenue Bonds Payable	0	0	7,705,000	0	0
OWDA Loans Payable	0	8,456,200	433,209	0	0
Capital Loans Payable	0	0	17,390	23,283	31,169
Loans Payable	0	0	528,711	0	0
Capital Leases Payable	0	0	0	0	34,925
Compensated Absences Payable	94,719	67,513	89,681	0	40,060
Landfill Postclosure Costs Payable	0	0	0	0	1,359,663
Total Non-Current Liabilities	303,113	8,523,713	8,773,991	23,283	1,465,817
Total Liabilities	1,963,609	8,615,687	9,443,610	36,803	1,713,145

Total Enterprise Funds	Governmental Activity <u>Internal Service Fund</u>
\$8,795,664	\$145
2,530,175	0
30,283	0
60,116	0
26,241	0
84,297	2,155
<u>2,133,700</u>	<u>1,826</u>
<u>13,660,476</u>	<u>4,126</u>
342,829	0
1,130,173	0
2,026,077	0
<u>46,057,754</u>	<u>46,514</u>
<u>49,556,833</u>	<u>46,514</u>
<u>63,217,309</u>	<u>50,640</u>
46,260	2,902
163,031	545
919,312	0
82,075	4,673
78,139	249
37,403	0
18,566	0
425,000	0
1,250	0
29,665	0
57,782	0
93,919	0
33,638	0
541,378	0
89,118	6,207
<u>66,401</u>	<u>0</u>
<u>2,682,937</u>	<u>14,576</u>
208,394	0
7,705,000	0
8,889,409	0
71,842	0
528,711	0
34,925	0
291,973	10,154
<u>1,359,663</u>	<u>0</u>
<u>19,089,917</u>	<u>10,154</u>
<u>21,772,854</u>	<u>24,730</u>

(continued)

City of Wapakoneta
Statement of Fund Net Position
Proprietary Funds
December 31, 2012
(continued)

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
<u>Net Position</u>					
Net Investment in Capital Assets	\$15,596,398	\$7,072,310	\$5,530,529	\$1,794,033	\$843,300
Restricted for					
Revenue Bond Replacement	0	0	100,000	0	0
Future Debt Service	0	0	1,159,685	0	0
Unrestricted (Deficit)	8,961,341	1,197,476	(57,290)	567,463	(1,320,790)
Total Net Position (Deficit)	\$24,557,739	\$8,269,786	\$6,732,924	\$2,361,496	(\$477,490)

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

Total Enterprise Funds	Governmental Activity <u>Internal Service Fund</u>
\$30,836,570	\$46,514
100,000	0
1,159,685	0
<u>9,348,200</u>	<u>(20,604)</u>
41,444,455	<u>\$25,910</u>
<u>5,183</u>	
<u>\$41,449,638</u>	

City of Wapakoneta
Statement of Revenues, Expenses,
and Change in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2012

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
Operating Revenues					
Charges for Services	\$13,386,931	\$1,607,652	\$0	\$154,668	\$1,106,281
Charges for Services Pledged as Security on Mortgage Revenue Bonds	0	0	2,716,328	0	0
Licenses and Permits	0	0	0	0	0
Other	17,546	6,179	0	13,280	2,040
Other Pledged as Security on Mortgage Revenue Bonds	0	0	2,065	0	0
Total Operating Revenues	13,404,477	1,613,831	2,718,393	167,948	1,108,321
Operating Expenses					
Personal Services	912,923	382,285	640,901	0	474,807
Contractual Services	11,518,097	203,102	227,152	29,605	511,942
Materials and Supplies	293,966	425,209	295,857	167,291	74,229
Depreciation	510,346	310,514	396,322	63,485	49,824
Other	57,970	0	10,321	7,840	0
Total Operating Expenses	13,293,302	1,321,110	1,570,553	268,221	1,110,802
Operating Income (Loss)	111,175	292,721	1,147,840	(100,273)	(2,481)
Non-Operating Revenues (Expenses)					
Other Local Taxes	57,025	0	0	0	0
Loss on Disposal of Capital Assets	(346,895)	(6,019)	(7,116)	0	0
Interest Revenue	0	0	29	0	0
Interest Expense	0	(431,735)	(663,900)	(1,586)	(2,698)
Total Non-Operating Revenues (Expenses)	(289,870)	(437,754)	(670,987)	(1,586)	(2,698)
Income (Loss) before Contributions and Transfers	(178,695)	(145,033)	476,853	(101,859)	(5,179)
Capital Contributions	0	110,053	162,122	116,218	0
Transfers In	230,500	0	0	0	0
Transfers Out	(32,789)	(32,789)	(32,789)	0	(32,789)
Change in Net Position	19,016	(67,769)	606,186	14,359	(37,968)
Net Position (Deficit) Beginning of Year	24,538,723	8,337,555	6,126,738	2,347,137	(439,522)
Net Position (Deficit) End of Year	\$24,557,739	\$8,269,786	\$6,732,924	\$2,361,496	(\$477,490)

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 loss of the internal service fund.

Change in net position of business-type activities

See Accompanying Notes to the Basic Financial Statements

Total Enterprise Funds	Governmental Activity <u>Internal Service Fund</u>
\$16,255,532	\$192,711
2,716,328	0
0	10,829
39,045	2,384
2,065	0
<u>19,012,970</u>	<u>205,924</u>
2,410,916	191,287
12,489,898	14,500
1,256,552	9,295
1,330,491	2,524
76,131	0
<u>17,563,988</u>	<u>217,606</u>
<u>1,448,982</u>	<u>(11,682)</u>
57,025	0
(360,030)	0
29	0
<u>(1,099,919)</u>	<u>0</u>
<u>(1,402,895)</u>	<u>0</u>
46,087	(11,682)
388,393	0
230,500	0
<u>(131,156)</u>	<u>0</u>
533,824	(11,682)
	<u>37,592</u>
	<u>\$25,910</u>
<u>(2,336)</u>	
<u>\$531,488</u>	

City of Wapakoneta
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
Increases (Decreases) in Cash and Cash Equivalents					
<u>Cash Flows from Operating Activities</u>					
Cash Received from Customers	\$13,417,519	\$1,578,902	\$2,682,618	\$154,746	\$1,094,002
Cash Received from Transactions with Other Funds	0	0	0	0	0
Cash Received from Utility Deposits	56,120	0	0	0	0
Cash Received from Other Revenues	17,546	6,179	2,065	13,280	2,040
Cash Payments for Personal Services	(902,673)	(394,633)	(667,327)	0	(477,757)
Cash Payments for Contractual Services	(11,573,404)	(201,954)	(353,689)	(32,633)	(524,065)
Cash Payments to Vendors	(367,580)	(387,706)	(311,267)	(165,497)	(74,807)
Cash Payments for Transactions with Other Funds	(584)	(47)	(93)	(1,612)	0
Cash Payments for Utility Refunds	(20,792)	0	0	0	0
Cash Payments for Other Expenses	(57,970)	0	(5,089)	(7,840)	0
Net Cash Provided by (Used for) Operating Activities	568,182	600,741	1,347,218	(39,556)	19,413
<u>Cash Flows from Noncapital Financing Activities</u>					
Cash Received from Other Local Taxes	57,025	0	0	0	0
Transfers In	230,500	0	0	0	0
Transfers Out	(32,789)	(32,789)	(32,789)	0	(32,789)
Net Cash Provided by (Used for) Noncapital Financing Activities	254,736	(32,789)	(32,789)	0	(32,789)
<u>Cash Flows from Capital and Related Financing Activities</u>					
Principal Paid on Mortgage Revenue Bonds	0	0	(410,000)	0	0
Principal Paid on Due to Auglaize County	0	0	(2,500)	0	0
Principal Paid on OWDA Loans	0	(136,798)	(22,900)	0	0
Principal Paid on Capital Loans	0	0	(16,158)	(10,552)	(28,961)
Principal Paid on Loans	0	0	(90,325)	0	0
Principal Paid on Leases	0	0	0	0	(32,399)
Interest Paid on Mortgage Revenue Bonds	0	0	(372,773)	0	0
Interest Paid on OWDA Loans	0	(431,735)	0	0	0
Interest Paid on Capital Loans	0	0	(1,977)	(1,813)	(3,280)
Interest Paid on Loans	0	0	(27,209)	0	0
OWDA Loan Proceeds	0	0	245,413	0	0
Acquisition of Capital Assets	(1,245,700)	(295,311)	(440,707)	(85,290)	0
Net Cash Used for Capital and Related Financing Activities	(1,245,700)	(863,844)	(1,139,136)	(97,655)	(64,640)
<u>Cash Flows from Investing Activities</u>					
Interest	0	0	29	0	0
Net Increase (Decrease) in Cash and Cash Equivalents	(422,782)	(295,892)	175,322	(137,211)	(78,016)
Cash and Cash Equivalents Beginning of Year	7,538,134	1,124,264	1,511,619	694,290	158,938
Cash and Cash Equivalents End of Year	\$7,115,352	\$828,372	\$1,686,941	\$557,079	\$80,922

Total Enterprise Funds	Governmental Activity
	Internal Service
\$18,927,787	\$10,829
0	192,711
56,120	0
41,110	2,384
(2,442,390)	(189,723)
(12,685,745)	(14,702)
(1,306,857)	(9,152)
(2,336)	0
(20,792)	0
(70,899)	0
<u>2,495,998</u>	<u>(7,653)</u>
57,025	0
230,500	0
(131,156)	0
<u>156,369</u>	<u>0</u>
(410,000)	0
(2,500)	0
(159,698)	0
(55,671)	0
(90,325)	0
(32,399)	0
(372,773)	0
(431,735)	0
(7,070)	0
(27,209)	0
245,413	0
(2,067,008)	0
<u>(3,410,975)</u>	<u>0</u>
29	0
(758,579)	(7,653)
<u>11,027,245</u>	<u>7,798</u>
<u>\$10,268,666</u>	<u>\$145</u>

(continued)

City of Wapakoneta
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012
(continued)

	Business-Type Activities				
	Electric	Water	Sewer	Storm Sewer	Refuse
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>					
Operating Income (Loss)	\$111,175	\$292,721	\$1,147,840	(\$100,273)	(\$2,481)
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>					
Depreciation	510,346	310,514	396,322	63,485	49,824
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	26,170	(28,437)	(33,580)	72	(11,747)
Increase in Due from Other Governments	0	0	0	0	(700)
Increase in Other Local Taxes Receivable	(3,424)	0	0	0	0
(Increase) Decrease in Interfund Receivable	4,418	(313)	(130)	6	168
Increase in Prepaid Items	(922)	(303)	(302)	0	(305)
(Increase) Decrease in Materials and Supplies Inventory	80,545	43,702	(4,946)	0	(276)
Increase in Accrued Wages Payable	7,230	1,013	1,765	0	2,241
Increase (Decrease) in Accounts Payable	(93,313)	(3,263)	(77,536)	(2,846)	45,454
Decrease in Contracts Payable	(115,828)	0	(57,886)	0	0
Decrease in Due to Other Governments	(10,323)	(7,204)	(2,551)	0	(6,198)
Increase (Decrease) in Interfund Payable	3,228	(1,299)	(2,366)	0	20
Increase in Refundable Deposits	35,328	0	0	0	0
Increase (Decrease) in Compensated Absences Payable	13,552	(6,390)	(19,412)	0	1,377
Decrease in Landfill Postclosure Costs	0	0	0	0	(57,964)
Net Cash Provided by (Used for) Operating Activities	<u>\$568,182</u>	<u>\$600,741</u>	<u>\$1,347,218</u>	<u>(\$39,556)</u>	<u>\$19,413</u>

Non-Cash Capital Transactions

In 2012, the Street and Sewer Improvement capital projects fund purchased capital assets and donated them to the Water, Sewer, and Storm Sewer enterprise funds, in the amount of \$110,053, \$162,122, and \$116,218, respectively.

In 2012, the Electric enterprise fund purchased capital assets, in the amount of \$90,000, and donated them to governmental funds.

See Accompanying Notes to the Basic Financial Statements

Total Enterprise Funds	Governmental Activity
	Internal Service
\$1,448,982	(\$11,682)
1,330,491	2,524
(47,522)	0
(700)	0
(3,424)	0
4,149	0
(1,832)	(132)
119,025	83
12,249	600
(131,504)	22
(173,714)	0
(26,276)	(2,716)
(417)	(12)
35,328	0
(10,873)	3,660
(57,964)	0
<u>\$2,495,998</u>	<u>(\$7,653)</u>

City of Wapakoneta
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2012

<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$17,374</u>
<u>Liabilities</u>	
Deposits Held and Due to Others	\$964
Undistributed Assets	<u>16,410</u>
Total Liabilities	<u>\$17,374</u>

See Accompanying Notes to the Basic Financial Statements

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

A. The City

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

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

B. Reporting Entity

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. There were no component units of the City of Wapakoneta in 2012.

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Wapakoneta have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. 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 2012. 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 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, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within thirty-one days after year end.

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

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

Deferred 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. The City did not report any deferred outflows of resources for 2012.

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 as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources includes property taxes and unavailable revenue. Property taxes represent amounts for which there was an enforceable legal claim as of December 31, 2012, but which were levied to finance 2013 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, and special assessments. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available.

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 2012, 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, 2012.

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 2012 was \$32,570, which includes \$27,118 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, 2012, 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, 2012

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.

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 that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. General obligation bonds and loans are recognized as liabilities on the fund financial statements when due.

N. Net Position

Net position represents the difference between all other elements in 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 includes activities for construction, repair, and maintenance of streets and highways and various police department grants and programs. The City’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net 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. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. Assigned amounts represent intended uses established by City Council.

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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. Estimates

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

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES

For 2012, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements", Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements", Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions-an amendment of GASB Statement No. 53", Statement No. 65, "Items Previously Reported as Assets and Liabilities", and Statement No. 66, "Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62".

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES (continued)

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements which are a type of public-public or public-private partnership. The implementation of this statement did not result in any change to the City's financial statements.

GASB Statement No. 62 incorporates into GASB's authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change to the City's financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in the statement of financial position and related note disclosures. These changes were incorporated in the City's 2012 financial statements; however, there was no effect on beginning net position and/or fund balance.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change to the City's financial statements.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets or liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets or liabilities as inflows of resources (revenues) or outflows of resources (expenses or expenditures). These changes were incorporated in the City's 2012 financial statements; however, there was no effect on beginning net position and/or fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and, thereby, enhance the usefulness of the financial reports. The implementation of this statement did not result in any change to the City's financial statements.

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE

A. Accountability

At December 31, 2012, the Issue I capital projects fund had a deficit fund balance, in the amount of \$456,253. The deficit resulted from adjustments for accrued liabilities. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

The deficit net position in the Refuse enterprise fund, in the amount of \$477,490, is the result of recording landfill postclosure costs. Refuse rates were increased in 2010 to help offset rising costs.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE (continued)

B. Compliance

For the year ended December 31, 2012, the Refuse enterprise fund had final appropriations in excess of estimated resources plus available balances, in the amount of \$2,250. The City will review appropriations to ensure they are within available resources.

The following accounts had expenditures plus encumbrances in excess of appropriations for the year ended December 31, 2012.

Fund/Program Department/Object	Appropriations	Expenditures Plus Encumbrances	Excess
General Fund			
Security of Persons and Property			
Police Department			
Personal Services	\$1,350,599	\$1,351,820	\$1,221
Capital Outlay	78,973	82,058	3,085
General Government			
Civil Service			
Materials and Supplies	2,050	2,265	215
Elections			
Contractual Services	3,109	6,605	3,496
Administrative Support			
Contractual Services	0	17	17
Materials and Supplies	0	5,909	5,909
Street and Sewer Improvement			
Transportation			
Street and Sewer Improvement			
Contractual Services	474,005	493,051	19,046

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

Change in Fund Balance	
GAAP Basis	(\$401,410)
<u>Increases (Decreases) Due To</u>	
Revenue Accruals:	
Accrued 2011, Received in Cash 2012	394,278
Accrued 2012, Not Yet Received in Cash	(330,041)
Expenditure Accruals:	
Accrued 2011, Paid in Cash 2012	(301,091)
Accrued 2012, Not Yet Paid in Cash	279,035
Cash Adjustments	
Unrecorded Activity 2012	(6,363)
Prepaid Items	(1,154)
Materials and Supplies Inventory	(1,723)
Advances Out	(150,000)
Encumbrances Outstanding at Year End (Budget Basis)	<u>(197,444)</u>
Budget Basis	<u><u>(\$715,913)</u></u>

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

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

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

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

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

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

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$1,530,737 of the City's bank balance of \$7,823,644 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, 2012, the City had \$1,130,173 invested in mutual funds with an average maturity of 43 days and \$8,000,610 invested in STAR Ohio with an average maturity of 55.4 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, 2012

NOTE 7 - RECEIVABLES

Receivables at December 31, 2012, 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 \$79,035, will not be received within one year. Special assessments receivable, in the amount of \$78,763, will not be received within one year. At December 31, 2012, the amount of delinquent special assessments was \$4,428.

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

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Homestead and Rollback	\$24,703
Local Government	112,836
Tangible Personal Property Reimbursement	432
Cigarette Taxes	318
Estate Taxes	152,441
Ohio Department of Justice	2,880
Auglaize County	942
Total General Fund	294,552
Street and Sewer Improvement	
Ohio Department of Development	164,520
Ohio Department of Transportation	171,615
Total Street and Sewer Improvement	336,135
Total Major Funds	630,687
Nonmajor Funds	
Street Maintenance	
Gasoline Tax	108,892
Highway Distribution	55,283
Motor Vehicle License Tax	49,682
Ohio Department of Public Safety	947
Total Street Maintenance	214,804
	(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 7 - RECEIVABLES (continued)

	Amount
Governmental Activities (continued)	
Nonmajor Funds (continued)	
State Highway	
Gasoline Tax	\$8,829
Highway Distribution	4,483
Motor Vehicle License Tax	4,029
Ohio Department of Public Safety	77
Total State Highway	17,418
Recreation	
Homestead and Rollback	5,656
Enforcement and Education	
Auglaize County	85
Issue I	
Ohio Public Works Commission	330,028
Total Nonmajor Funds	567,991
Total Governmental Activities	\$1,198,678
Business-Type Activities	
Refuse	
Auglaize County	\$30,283

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, 2012

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 2012 represent the collection of 2011 taxes. Real property taxes received in 2012 were levied after October 1, 2011, on the assessed values as of January 1, 2011, 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 2012 represent the collection of 2011 taxes. Public utility real and tangible personal property taxes received in 2012 became a lien on December 31, 2010, were levied after October 1, 2011, 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, 2012, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2012 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, 2012, was \$3.75 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2012 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	
Agricultural/Residential	\$104,390,450
Commercial/Industrial	47,087,190
Public Utility Real	74,990
Public Utility Personal	426,650
Total	<u>\$151,979,280</u>

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 10 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012, was as follows:

	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012
Governmental Activities:				
Nondepreciable Capital Assets				
Land	\$1,320,446	\$90,000	\$0	\$1,410,446
Construction in Progress	57,840	632,947	(447,211)	243,576
Total Nondepreciable Capital Assets	<u>1,378,286</u>	<u>722,947</u>	<u>(447,211)</u>	<u>1,654,022</u>
Depreciable Capital Assets				
Land Improvements	3,031,111	0	0	3,031,111
Buildings	3,599,947	0	0	3,599,947
Equipment	620,352	0	0	620,352
Vehicles	2,539,100	57,425	0	2,596,525
Streets	24,727,063	787,329	(696,099)	24,818,293
Total Depreciable Capital Assets	<u>34,517,573</u>	<u>844,754</u>	<u>(696,099)</u>	<u>34,666,228</u>
Less Accumulated Depreciation for				
Land Improvements	(375,435)	(85,157)	0	(460,592)
Buildings	(713,213)	(53,303)	0	(766,516)
Equipment	(410,678)	(25,728)	0	(436,406)
Vehicles	(1,829,216)	(95,979)	0	(1,925,195)
Streets	(11,283,483)	(662,044)	371,253	(11,574,274)
Total Accumulated Depreciation	<u>(14,612,025)</u>	<u>(922,211)</u>	<u>371,253</u>	<u>(15,162,983)</u>
Total Depreciable Capital Assets, Net	<u>19,905,548</u>	<u>(77,457)</u>	<u>(324,846)</u>	<u>19,503,245</u>
Governmental Activities Capital Assets, Net	<u>\$21,283,834</u>	<u>\$645,490</u>	<u>(\$772,057)</u>	<u>\$21,157,267</u>

During 2012, governmental funds accepted contributions of capital assets from business-type activities, in the amount of \$90,000.

	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012
Business-Type Activities:				
Nondepreciable Capital Assets				
Land	\$947,720	\$313,548	(\$90,000)	\$1,171,268
Construction in Progress	2,924,082	1,184,821	(3,254,094)	854,809
Total Nondepreciable Capital Assets	<u>3,871,802</u>	<u>1,498,369</u>	<u>(3,344,094)</u>	<u>2,026,077</u>

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 10 - CAPITAL ASSETS (continued)

	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012
Business-Type Activities (continued):				
Depreciable Capital Assets				
Buildings	\$20,247,000	\$0	\$0	\$20,247,000
Equipment	1,024,597	0	0	1,024,597
Vehicles	2,821,821	192,654	0	3,014,475
Electric, Water, Sewer, and Storm Sewer Lines	38,568,773	4,020,420	(592,935)	41,996,258
Total Depreciable Capital Assets	<u>62,662,191</u>	<u>4,213,074</u>	<u>(592,935)</u>	<u>66,282,330</u>
Less Accumulated Depreciation for				
Buildings	(1,700,375)	(269,355)	0	(1,969,730)
Equipment	(563,435)	(22,918)	0	(586,353)
Vehicles	(1,554,856)	(154,869)	0	(1,709,725)
Electric, Water, Sewer, and Storm Sewer Lines	(15,398,324)	(883,349)	322,905	(15,958,768)
Total Accumulated Depreciation	<u>(19,216,990)</u>	<u>(1,330,491)</u>	<u>322,905</u>	<u>(20,224,576)</u>
Total Depreciable Capital Assets, Net	<u>43,445,201</u>	<u>2,882,583</u>	<u>(270,030)</u>	<u>46,057,754</u>
Business-Type Activities Capital Assets, Net	<u><u>\$47,317,003</u></u>	<u><u>\$4,380,952</u></u>	<u><u>(\$3,614,124)</u></u>	<u><u>\$48,083,831</u></u>

During 2012, enterprise funds accepted contributions of capital assets from governmental activities, in the amount of \$388,393.

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Security of Persons and Property - Police	\$30,477
Security of Persons and Property - Fire	56,788
Public Health	29,746
Leisure Time Activities	75,848
Transportation	707,659
General Government	21,693
Total Depreciation Expense - Governmental Activities	<u><u>\$922,211</u></u>

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 11- INTERFUND BALANCES

Interfund balances at December 31, 2012, consisted of the following individual fund receivables and payables:

Due to General Fund from:

Other Governmental	\$430,288
Electric	55,241
	<u>\$485,529</u>

Due to Electric Fund from:

General	\$2,011
Other Governmental	561
Water	8,807
Sewer	11,960
Refuse	567
Internal Service	166
Total Electric Fund	<u>\$24,072</u>

Due to Water Fund from:

General	\$23
Other Governmental	79
Electric	49
Sewer	1,075
Refuse	9
Internal Service	9
Total Water Fund	<u>\$1,244</u>

Due to Sewer Fund from:

General	\$56
Other Governmental	181
Electric	117
Refuse	42
Internal Service	42
Total Sewer Fund	<u>\$438</u>

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 11 - INTERFUND BALANCES (continued)

Due to Storm Sewer from:

General	\$4
Other Governmental	12
Electric	14
Sewer	44
Refuse	4
Internal Service	4
Total Storm Sewer Fund	\$82

Due to Refuse from:

General	\$70
Other Governmental	97
Electric	115
Water	65
Sewer	30
Internal Service	28
Total Refuse Fund	\$405

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

NOTE 12 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2012, the City contracted with the Ohio Government Risk Management Plan, an insurance pool, for the following coverage:

Type of Coverage	Coverage	Deductible
Property	\$62,420,035	\$1,000
General Liability		
Each Occurrence	7,000,000	0
Aggregate	9,000,000	0
Wrongful Acts		
Each Occurrence	7,000,000	5,000
Aggregate	9,000,000	5,000

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 12 - RISK MANAGEMENT (continued)

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
Law Enforcement Liability		
Each Occurrence	\$7,000,000	\$5,000
Aggregate	9,000,000	5,000
Automobile Liability	7,000,000	250-500
Inland Marine	1,459,753	1,000
Electronic Data Processing	280,740	1,000

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

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

NOTE 13 - SIGNIFICANT CONTRACTUAL COMMITMENTS

The City has several outstanding contracts for professional services. The following amounts remain on these contracts as of December 31, 2012:

<u>Vendor</u>	<u>Contract Amount</u>	<u>Amount Paid as of 12/31/12</u>	<u>Outstanding Balance</u>
Choice One Engineering Corp	\$276,670	\$48,670	\$228,000
E Lee Construction	83,820	14,626	69,194
GE Industrial Services	233,813	180,852	52,961
GE International Incorporated	49,710	18,848	30,862
Shinn Brothers	480,100	454,135	25,965

NOTE 14 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the traditional plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

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

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll. For the year ended December 31, 2012, members in state and local classifications contributed 10 percent of covered payroll. For 2012, member and employer contribution rates were consistent across all three plans.

The City's 2012 contribution rate was 14 percent. The portion of the City's contribution used to fund pension benefits is net of postemployment health care benefits. The portion of the City's contribution allocated to health care for members in the traditional plan was 4 percent for 2012. The portion of the employer contribution allocated to health care for members in the combined plan was 6.05 for 2012. Employer contribution rates are actuarially determined.

The City's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2012, 2011, and 2010 was \$250,383, \$254,248, and \$239,889, respectively. For 2012, 89 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010. Contributions to the member-directed plan for 2012 were \$960 made by the City and \$1,343 made by the plan members.

B. Ohio Police and Fire Pension Fund

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

NOTE 15 - POSTEMPLOYMENT BENEFITS

Funding Policy - The Ohio Revised Code requires plan members to contribute 10 percent of their annual covered salary while employers are required to contribute 19.5 percent for police officers and 24 percent for firefighters. The OPF pension fund is authorized by the Ohio Revised Code to allocate a portion of the employer contribution to retiree health care benefits. For 2012, the portion of the City's contribution used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters. The City's contribution to OPF for police and firefighters pension was \$124,501 and \$157,389 for the year ended December 31, 2012, \$123,415 and \$151,247 for the year ended December 31, 2011, and \$90,810 and \$137,751 for the year ended December 31, 2010. For 2012, 78 percent has been contributed for police and 75 percent has been contributed for firefighters with the balance for both police and fire being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

A. Ohio Public Employees Retirement System

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

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

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

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

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, state and local employers contributed 14 percent of covered payroll. This is the maximum employer contribution rate permitted by the Ohio Revised Code.

NOTE 15 - POSTEMPLOYMENT BENEFITS (continued)

Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of the employer contribution allocated to health care for members in the traditional plan was 4 percent for 2012. The portion of the employer contribution allocated to health care for members in the combined plan was 6.05 for 2012. Effective January 1, 2013, the portion of the employer contribution allocated to health care was lowered to 1 percent for both plans as recommended by the OPERS actuary.

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

The City's contribution allocated to fund postemployment health care benefits for the years ended December 31, 2012, 2011, and 2010 was \$100,690, \$101,957, and \$137,249, respectively. For 2012, 89 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 9, 2012, with a transition plan commencing on January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contribution toward the health care fund after the end of the transition period.

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 survivor benefit check, 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.

NOTE 15 - POSTEMPLOYMENT BENEFITS (continued)

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

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

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 the year ended December 31, 2012, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of 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 which was allocated to fund postemployment health care benefits for police and firefighters was \$65,912 and \$61,587 for the year ended December 31, 2012, \$65,337 and \$59,184 for the year ended December 31, 2011, and \$48,076 and \$53,902 for the year ended December 31, 2010. For 2012, 78 percent has been contributed for police and 75 percent has been contributed for firefighters with the balance for both police and fire being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

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).

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 16 - COMPENSATED ABSENCES (continued)

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

NOTE 17 - LONG-TERM OBLIGATIONS

The City's long-term obligations activity for the year ended December 31, 2012, was as follows:

	Interest Rate	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012	Due Within One Year
<u>Governmental Activities</u>						
General Obligation Bonds						
2003 Various Purpose	1.75 - 3.80%	\$440,000	\$0	\$215,000	\$225,000	\$225,000
Other Long-Term Obligations						
Capital Loans Payable		44,809	0	10,552	34,257	10,974
Loans Payable		281,121	0	35,615	245,506	37,033
Compensated Absences Payable		483,203	0	23,749	459,454	117,680
Total Governmental Activities		<u>\$1,249,133</u>	<u>\$0</u>	<u>\$284,916</u>	<u>\$964,217</u>	<u>\$390,687</u>
	Interest Rate	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012	Due Within One Year
<u>Business-Type Activities</u>						
Mortgage Revenue Bonds						
1998 Sewer System Bonds	3.30 - 4.95%	\$1,905,000	\$0	\$235,000	\$1,670,000	\$245,000
2006 Sewer System Bonds	4 - 4.25	6,635,000	0	175,000	6,460,000	180,000
Total Mortgage Revenue Bonds		<u>8,540,000</u>	<u>0</u>	<u>410,000</u>	<u>8,130,000</u>	<u>425,000</u>
Other Long-Term Obligations						
Due to Auglaize County		3,750	0	2,500	1,250	1,250
OWDA Loans						
Water		8,622,663	0	136,798	8,485,865	29,665
Sewer		210,696	245,413	22,900	433,209	0
Capital Loans Payable		185,295	0	55,671	129,624	57,782
Loans Payable		712,955	0	90,325	622,630	93,919
Capital Leases Payable		100,962	0	32,399	68,563	33,638
Due to AMP-Ohio		541,378	0	0	541,378	541,378
Compensated Absences Payable		391,964	44,376	55,249	381,091	89,118
Landfill Postclosure Costs		1,484,028	0	57,964	1,426,064	66,401
Total Other Long-Term Obligations		<u>12,253,691</u>	<u>289,789</u>	<u>453,806</u>	<u>12,089,674</u>	<u>913,151</u>
Total Business-Type Activities		<u>\$20,793,691</u>	<u>\$289,789</u>	<u>\$863,806</u>	<u>\$20,219,674</u>	<u>\$1,338,151</u>

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

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

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

Loans Payable

In 2009, the City obtained a loan from Energy Systems Group, in the amount of \$1,303,630, for energy efficiency upgrades; \$368,662 at the fire station and \$934,968 at the waste water treatment plant. The loans were obtained for a ten year period with final maturity during 2018. The loans are being retired through the General Fund and the Sewer enterprise fund. Of the total loan amount, \$239,070 and \$622,630 was not capitalized for governmental activities and in the Sewer enterprise fund, respectively.

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.

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

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

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

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

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

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

In conjunction with the issuance of the sewer system bonds, the City entered into a trust agreement with a commercial bank. This trust agreement, along with the bond indenture, requires that the City establish various funds for the repayment of debt. The restricted assets in the Sewer enterprise fund segregate funds held by the City from funds held by the trustee in accordance with the trust agreement. Restricted assets relating to the sewer system bonds held by the trustee at December 31, 2012, were \$357,908.

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

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

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, 2012, were \$772,265.

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

OWDA Loans

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

The OWDA loans will be paid from the gross revenues of the Water and Sewer enterprise funds after provisions for reasonable operating and maintenance expenses. Annual principal and interest payments on the loans are expected to require less than 100 percent of these net revenues in future years. Principal and interest paid on the loans from the Water and Sewer enterprise funds during 2012 was \$568,553 and \$22,900, respectively. Total net revenues for the Water and Sewer enterprise funds were \$603,235 and \$1,544,162 respectively.

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

Due to AMP-Ohio

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

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

The take or pay contract executed by the participants requires the participants of the project to pay any costs incurred on the project. To date, the final costs to project participants have not been finalized. At December 31, 2012, AMP has a regulatory asset for the recovery of the abandoned construction costs. Based on an allocation to the City of Wapakoneta of 5000 kW and the allocation methodology approved by the AMP Board of Trustees, the City of Wapakoneta has a potential stranded costs obligation of \$817,776 for the AMPGS project as of December 31, 2012.

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

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

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

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

The City has determined its accounting treatment of this obligation based on advice of the City's Law Director, information provided by AMP and its legal counsel, and City management. As of December 31, 2012, the City had not made any payment on this obligation; however, intends to pay the full amount of the liability during 2013 from the existing fund balance of the Electric enterprise fund. This was paid on March 29, 2013.

The City's legal debt margin was \$15,598,033 at December 31, 2012.

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

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

Principal and interest requirements to retire governmental activities long-term obligations outstanding at December 31, 2012, were as follows:

Year	General Obligation Bonds		Capital Loans		Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$225,000	\$8,550	\$10,974	\$1,370	\$37,033	\$9,312
2014	0	0	11,413	931	38,506	7,838
2015	0	0	11,870	475	40,038	6,306
2016	0	0	0	0	41,631	4,713
2017	0	0	0	0	43,288	3,057
2018	0	0	0	0	45,010	1,334
	<u>\$225,000</u>	<u>\$8,550</u>	<u>\$34,257</u>	<u>\$2,776</u>	<u>\$245,506</u>	<u>\$32,560</u>

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2012, from the enterprise funds were as follows:

Year	Mortgage Revenue Bonds		Due to Auglaize County	OWDA Loans	
	Principal	Interest	Principal	Principal	Interest
2013	\$425,000	\$354,140	\$1,250	\$29,665	\$52,383
2014	455,000	334,813	0	30,773	51,275
2015	470,000	314,190	0	31,922	50,126
2016	485,000	292,825	0	33,114	48,934
2017	525,000	270,717	0	34,351	47,697
2018 to 2022	2,935,000	988,280	0	191,979	218,259
2023 to 2027	2,835,000	307,488	0	230,604	179,635
2028 to 2032	0	0	0	276,998	133,242
2033 to 2037	0	0	0	332,727	77,512
2038 to 2041	0	0	0	230,960	15,183
Total	<u>\$8,130,000</u>	<u>\$2,862,453</u>	<u>\$1,250</u>	<u>\$1,423,093</u>	<u>\$874,246</u>

Year	Capital Loans Payable		Loans Payable	
	Principal	Interest	Principal	Interest
2013	\$57,782	\$4,939	\$93,919	\$23,616
2014	59,972	931	97,656	19,878
2015	11,870	475	101,541	15,993
2016	0	0	105,582	11,953
2017	0	0	109,782	7,752
2018	0	0	114,150	3,384
	<u>\$129,624</u>	<u>\$6,345</u>	<u>\$622,630</u>	<u>\$82,576</u>

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE

The City has entered into a capitalized lease for a vehicle. Principal payments in 2012 were \$32,399 in the Refuse enterprise fund.

	Business-Type Activities
Vehicles	\$140,962
Less Accumulated Depreciation	(14,096)
Carrying Value, December 31, 2012	\$126,866

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of December 31, 2012.

	Business-Type Activities	
Year	Principal	Interest
2013	\$33,638	\$2,622
2014	34,925	1,335
	\$68,563	\$3,957

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 \$1,426,064, reported as landfill postclosure costs at December 31, 2012, 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 2012, the General Fund made transfers to the Street and Sewer Improvement capital projects fund, in the amount of \$725,000, as debt payments came due. The General Fund also made transfers to other governmental funds, in the amount of \$150,000; \$125,000 as debt payments came due and \$25,000 to subsidize activities in other funds. In addition, the General Fund transferred \$200,000 to the Electric enterprise fund to subsidize operations.

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 20 - INTERFUND TRANSFERS (continued)

Other governmental funds transferred \$38,000 to the Street and Sewer Improvement capital projects fund as debt payments came due. In addition, other governmental funds transferred \$30,500 to the Electric enterprise fund to subsidize operations.

The Electric enterprise fund transferred \$32,789 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Water enterprise fund transferred \$32,789 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Sewer enterprise fund transferred \$32,789 to the Street and Sewer Improvement capital projects fund as debt payments came due.

The Refuse enterprise fund transferred \$32,789 to the Street and Sewer Improvement capital projects fund as debt payments came due.

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	\$17,873	\$0	\$22,918	\$40,791
Prepaid Items	27,768	0	7,211	34,979
Unclaimed Monies	39,650	0	0	39,650
Total Nonspendable	85,291	0	30,129	115,420
Restricted for:				
Ambulance Operations	16,580	0	0	16,580
Debt Retirement	0	0	1,160	1,160
Economic Development	0	0	656,877	656,877
Police Operations	1,698	0	8,850	10,548
Recreation	0	0	18,500	18,500
Swimming Pool Operations	239	0	0	239
Street Construction and Maintenance	0	1,578,546	436,216	2,014,762
Total Restricted	18,517	1,578,546	1,121,603	2,718,666

(continued)

City of Wapakoneta
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 21 - FUND BALANCE (continued)

Fund Balance	General	Street and Sewer Improvement	Other Governmental	Total
Assigned for:				
Debt Retirement	\$0	\$0	\$723,004	\$723,004
Swimming Pool Operations	87,418	0	0	87,418
Unpaid Obligations	150,306	0	0	150,306
Total Assigned	<u>237,724</u>	<u>0</u>	<u>723,004</u>	<u>960,728</u>
Unassigned (Deficit)	1,603,958	0	(456,253)	1,147,705
Total Fund Balance	<u>\$1,945,490</u>	<u>\$1,578,546</u>	<u>\$1,418,483</u>	<u>\$4,942,519</u>

NOTE 22 - INSURANCE POOL

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

NOTE 23 - CONTINGENT LIABILITIES

A. Litigation

There are currently no matters in litigation with the City as defendant.

B. Federal and State Grants

For the period January 1, 2012, to December 31, 2012, 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.

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

Downtown Debt Fund

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

Nonmajor Capital Projects Funds

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

Issue I Fund

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

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, 2012

	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	\$1,011,588	\$144,972	\$579,192	\$1,735,752
Accounts Receivable	1,156	0	0	1,156
Due from Other Governments	237,963	0	330,028	567,991
Other Local Taxes Receivable	5,692	0	0	5,692
Prepaid Items	7,211	0	0	7,211
Materials and Supplies Inventory	22,918	0	0	22,918
Property Taxes Receivable	92,279	0	0	92,279
Notes Receivable	100,070	0	0	100,070
Total Assets	\$1,478,877	\$144,972	\$909,220	\$2,533,069
<u>Liabilities</u>				
Accrued Wages Payable	\$5,136	\$0	\$0	\$5,136
Accounts Payable	18,433	0	0	18,433
Due to Other Governments	9,259	0	0	9,259
Interfund Payable	930	0	430,288	431,218
Retainage Payable	0	0	25,965	25,965
Total Liabilities	33,758	0	456,253	490,011
<u>Deferred Inflows of Resources</u>				
Property Taxes	90,617	0	0	90,617
Unavailable Revenue	203,930	0	330,028	533,958
Total Deferred Inflows of Resources	294,547	0	330,028	624,575
<u>Fund Balance</u>				
Nonspendable	30,129	0	0	30,129
Restricted	1,120,443	1,160	0	1,121,603
Assigned	0	143,812	579,192	723,004
Unassigned (Deficit)	0	0	(456,253)	(456,253)
Total Fund Balance	1,150,572	144,972	122,939	1,418,483
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$1,478,877	\$144,972	\$909,220	\$2,533,069

City of Wapakoneta
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012

	Street Maintenance	State Highway	Motor Vehicle Permissive Tax	Community Block Grant
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$146,785	\$183,664	\$92,201	\$556,807
Accounts Receivable	1,077	0	0	0
Due from Other Governments	214,804	17,418	0	0
Other Local Taxes Receivable	0	0	5,692	0
Prepaid Items	6,156	0	0	0
Materials and Supplies Inventory	19,314	0	0	0
Property Taxes Receivable	0	0	0	0
Notes Receivable	0	0	0	100,070
Total Assets	<u>\$388,136</u>	<u>\$201,082</u>	<u>\$97,893</u>	<u>\$656,877</u>
<u>Liabilities</u>				
Accrued Wages Payable	\$4,721	\$0	\$0	\$0
Accounts Payable	17,745	0	0	0
Due to Other Governments	5,685	0	0	0
Interfund Payable	662	0	0	0
Total Liabilities	<u>28,813</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Deferred Inflows of Resources</u>				
Property Taxes	0	0	0	0
Unavailable Revenue	181,865	14,747	0	0
Total Deferred Inflows of Resources	<u>181,865</u>	<u>14,747</u>	<u>0</u>	<u>0</u>
<u>Fund Balance</u>				
Nonspendable	25,470	0	0	0
Restricted	151,988	186,335	97,893	656,877
Total Fund Balance	<u>177,458</u>	<u>186,335</u>	<u>97,893</u>	<u>656,877</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$388,136</u>	<u>\$201,082</u>	<u>\$97,893</u>	<u>\$656,877</u>

Recreation	Law Enforcement	Enforcement and Education	Drug Law Enforcement	Rudd Park Trust	Total
\$22,047	\$1,644	\$5,148	\$1,973	\$1,319	\$1,011,588
79	0	0	0	0	1,156
5,656	0	85	0	0	237,963
0	0	0	0	0	5,692
1,055	0	0	0	0	7,211
3,604	0	0	0	0	22,918
92,279	0	0	0	0	92,279
0	0	0	0	0	100,070
<u>\$124,720</u>	<u>\$1,644</u>	<u>\$5,233</u>	<u>\$1,973</u>	<u>\$1,319</u>	<u>\$1,478,877</u>
\$415	\$0	\$0	\$0	\$0	\$5,136
688	0	0	0	0	18,433
3,574	0	0	0	0	9,259
268	0	0	0	0	930
<u>4,945</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>33,758</u>
90,617	0	0	0	0	90,617
7,318	0	0	0	0	203,930
<u>97,935</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>294,547</u>
4,659	0	0	0	0	30,129
17,181	1,644	5,233	1,973	1,319	1,120,443
<u>21,840</u>	<u>1,644</u>	<u>5,233</u>	<u>1,973</u>	<u>1,319</u>	<u>1,150,572</u>
<u>\$124,720</u>	<u>\$1,644</u>	<u>\$5,233</u>	<u>\$1,973</u>	<u>\$1,319</u>	<u>\$1,478,877</u>

City of Wapakoneta
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2012

	Debt Service	Downtown Debt	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,160	\$143,812	\$144,972
<u>Fund Balance</u>			
Restricted	1,160	0	1,160
Assigned	0	143,812	143,812
Total Fund Balance	1,160	143,812	144,972

City of Wapakoneta
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012

	Issue I	Capital Fire Truck	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$0	\$579,192	\$579,192
Due from Other Governments	330,028	0	330,028
Total Assets	<u>330,028</u>	<u>579,192</u>	<u>909,220</u>
<u>Liabilities</u>			
Interfund Payable	\$430,288	\$0	\$430,288
Retainage Payable	25,965	0	25,965
Total Liabilities	<u>456,253</u>	<u>0</u>	<u>456,253</u>
<u>Deferred Inflows of Resources</u>			
Unavailable Revenue	330,028	0	330,028
<u>Fund Balance</u>			
Assigned	0	579,192	579,192
Unassigned (Deficit)	(456,253)	0	(456,253)
Total Fund Balance (Deficit)	<u>(456,253)</u>	<u>579,192</u>	<u>122,939</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>330,028</u>	<u>579,192</u>	<u>909,220</u>

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City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Property Taxes	\$88,175	\$0	\$0	\$88,175
Other Local Taxes	53,323	0	0	53,323
Charges for Services	26,157	0	0	26,157
Fines and Forfeitures	1,490	0	0	1,490
Intergovernmental	488,218	0	0	488,218
Interest	11,251	0	0	11,251
Gifts and Donations	14,219	0	0	14,219
Other	24,179	0	0	24,179
Total Revenues	707,012	0	0	707,012
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	3,700	0	0	3,700
Leisure Time Activities	132,688	0	0	132,688
Community Environment	18,000	0	0	18,000
Transportation	532,971	0	456,253	989,224
Debt Service:				
Principal Retirement	10,552	93,156	0	103,708
Interest and Fiscal Charges	1,813	7,084	0	8,897
Total Expenditures	699,724	100,240	456,253	1,256,217
Excess of Revenues Over (Under) Expenditures	7,288	(100,240)	(456,253)	(549,205)
<u>Other Financing Sources (Uses)</u>				
Transfers In	25,000	0	125,000	150,000
Transfers Out	(68,500)	0	0	(68,500)
Total Other Financing Sources (Uses)	(43,500)	0	125,000	81,500
Change in Fund Balance	(36,212)	(100,240)	(331,253)	(467,705)
Fund Balance Beginning of Year	1,186,784	245,212	454,192	1,886,188
Fund Balance End of Year	\$1,150,572	\$144,972	\$122,939	\$1,418,483

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012

	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	53,323	0
Charges for Services	26,157	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	429,277	34,806	6,165	0
Interest	727	908	699	8,646
Gifts and Donations	0	0	0	0
Other	13,910	10,154	0	0
Total Revenues	<u>470,071</u>	<u>45,868</u>	<u>60,187</u>	<u>8,646</u>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	18,000
Transportation	433,383	0	99,588	0
Debt Service:				
Principal Retirement	10,552	0	0	0
Interest and Fiscal Charges	1,813	0	0	0
Total Expenditures	<u>445,748</u>	<u>0</u>	<u>99,588</u>	<u>18,000</u>
Excess of Revenues Over (Under) Expenditures	<u>24,323</u>	<u>45,868</u>	<u>(39,401)</u>	<u>(9,354)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	(38,000)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(38,000)</u>
Change in Fund Balance	24,323	45,868	(39,401)	(47,354)
Fund Balance Beginning of Year	<u>153,135</u>	<u>140,467</u>	<u>137,294</u>	<u>704,231</u>
Fund Balance End of Year	<u><u>\$177,458</u></u>	<u><u>\$186,335</u></u>	<u><u>\$97,893</u></u>	<u><u>\$656,877</u></u>

<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>
\$88,175	\$0	\$0	\$0	\$0	\$88,175
0	0	0	0	0	53,323
0	0	0	0	0	26,157
0	175	769	546	0	1,490
17,970	0	0	0	0	488,218
271	0	0	0	0	11,251
14,031	0	0	0	188	14,219
115	0	0	0	0	24,179
<u>120,562</u>	<u>175</u>	<u>769</u>	<u>546</u>	<u>188</u>	<u>707,012</u>
0	0	2,700	1,000	0	3,700
132,688	0	0	0	0	132,688
0	0	0	0	0	18,000
0	0	0	0	0	532,971
0	0	0	0	0	10,552
0	0	0	0	0	1,813
<u>132,688</u>	<u>0</u>	<u>2,700</u>	<u>1,000</u>	<u>0</u>	<u>699,724</u>
<u>(12,126)</u>	<u>175</u>	<u>(1,931)</u>	<u>(454)</u>	<u>188</u>	<u>7,288</u>
25,000	0	0	0	0	25,000
<u>(30,500)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(68,500)</u>
<u>(5,500)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(43,500)</u>
<u>(17,626)</u>	<u>175</u>	<u>(1,931)</u>	<u>(454)</u>	<u>188</u>	<u>(36,212)</u>
<u>39,466</u>	<u>1,469</u>	<u>7,164</u>	<u>2,427</u>	<u>1,131</u>	<u>1,186,784</u>
<u>\$21,840</u>	<u>\$1,644</u>	<u>\$5,233</u>	<u>\$1,973</u>	<u>\$1,319</u>	<u>\$1,150,572</u>

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended December 31, 2012

	<u>Debt Service</u>	<u>Downtown Debt</u>	<u>Total</u>
<u>Revenues</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Expenditures</u>			
Debt Service:			
Principal Retirement	0	93,156	93,156
Interest and Fiscal Charges	0	7,084	7,084
	<u>0</u>	<u>100,240</u>	<u>100,240</u>
Total Expenditures	0	100,240	100,240
Change in Fund Balance	0	(100,240)	(100,240)
Fund Balance Beginning of Year	<u>1,160</u>	<u>244,052</u>	<u>245,212</u>
Fund Balance End of Year	<u><u>\$1,160</u></u>	<u><u>\$143,812</u></u>	<u><u>\$144,972</u></u>

City of Wapakoneta
Combining Statement of Revenues, Expenditures,
and Change in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012

	<u>Issue I</u>	<u>Capital Fire Truck</u>	<u>Total</u>
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Transportation	456,253	0	456,253
Excess of Revenues Over (Under) Expenditures	(456,253)	0	(456,253)
<u>Other Financing Sources</u>			
Transfers In	0	125,000	125,000
Change in Fund Balance	(456,253)	125,000	(331,253)
Fund Balance Beginning of Year	0	454,192	454,192
Fund Balance (Deficit) End of Year	<u>(\$456,253)</u>	<u>\$579,192</u>	<u>\$122,939</u>

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, 2012

	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012
<u>Dependent Coverage</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,459	\$0	\$495	\$964
<u>Liabilities</u>				
Deposits Held and Due to Others	\$1,459	\$0	\$495	\$964
<u>Police Auxiliary</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$19,582	\$0	\$3,172	\$16,410
<u>Liabilities</u>				
Undistributed Assets	\$19,582	\$0	\$3,172	\$16,410
<u>Total - All Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$21,041	\$0	\$3,667	\$17,374
<u>Liabilities</u>				
Deposits Held and Due to Others	\$1,459	\$0	\$495	\$964
Undistributed Assets	19,582	0	3,172	16,410
Total Liabilities	\$21,041	\$0	\$3,667	\$17,374

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

City of Wapakoneta
General Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2012

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$325,564	\$325,564	\$371,688	\$46,124
Municipal Income Taxes	2,250,000	2,250,000	2,270,261	20,261
Other Local Taxes	676,200	676,200	648,747	(27,453)
Charges for Services	633,150	636,150	740,467	104,317
Fees, Licenses, and Permits	88,850	88,850	87,538	(1,312)
Fines and Forfeitures	17,000	17,000	11,466	(5,534)
Intergovernmental	415,500	415,500	486,237	70,737
Interest	40,000	40,000	26,584	(13,416)
Gifts and Donations	1,000	1,000	2,003	1,003
Other	17,900	17,900	68,803	50,903
Total Revenues	4,465,164	4,468,164	4,713,794	245,630
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police Department				
Personal Services	1,350,598	1,350,599	1,351,820	(1,221)
Contractual Services	191,120	196,150	171,302	24,848
Materials and Supplies	40,032	38,502	27,350	11,152
Capital Outlay	78,973	78,973	82,058	(3,085)
Total Police Department	1,660,723	1,664,224	1,632,530	31,694
Fire Department				
Personal Services	1,324,000	1,324,000	1,288,975	35,025
Contractual Services	102,543	107,242	98,686	8,556
Materials and Supplies	40,038	35,338	27,973	7,365
Capital Outlay	128,802	128,802	125,737	3,065
Total Fire Department	1,595,383	1,595,382	1,541,371	54,011
Safety Director				
Personal Services	5,000	5,000	4,569	431
Contractual Services	5,000	5,000	0	5,000
Materials and Supplies	1,600	1,600	0	1,600
Total Safety Director	11,600	11,600	4,569	7,031
Total Security of Persons and Property	3,267,706	3,271,206	3,178,470	92,736

(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, 2012
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Public Health				
Emergency Medical				
Personal Services	\$91,409	\$91,409	\$72,996	\$18,413
Contractual Services	76,491	75,772	64,197	11,575
Materials and Supplies	11,395	12,115	8,963	3,152
Capital Outlay	6,734	6,734	5,686	1,048
Other	7,600	7,600	2,062	5,538
Total Emergency Medical	193,629	193,630	153,904	39,726
Miscellaneous				
Contractual Services	30,000	30,000	591	29,409
Capital Outlay	10,000	10,000	0	10,000
Total Miscellaneous	40,000	40,000	591	39,409
Total Public Health	233,629	233,630	154,495	79,135
Leisure Time Activities				
Recreation				
Personal Services	130,000	130,000	120,049	9,951
Contractual Services	36,674	31,424	22,182	9,242
Materials and Supplies	85,600	84,350	61,729	22,621
Capital Outlay	13,633	27,633	26,935	698
Other	100	100	0	100
Total Leisure Time Activities	266,007	273,507	230,895	42,612
Community Environment				
Boards and Commissions				
Contractual Services	80,413	80,413	50,454	29,959
Materials and Supplies	23,841	23,841	19,028	4,813
Capital Outlay	10,000	10,000	0	10,000
Total Community Environment	114,254	114,254	69,482	44,772
General Government				
Council				
Personal Services	38,500	38,500	38,500	0
Materials and Supplies	8,020	8,120	6,734	1,386
Total Council	46,520	46,620	45,234	1,386
Clerk of Council				
Personal Services	3,700	4,700	4,628	72
Contractual Services	5,000	10,000	6,368	3,632
Materials and Supplies	100	0	0	0
Total Clerk of Council	8,800	14,700	10,996	3,704
Administrative				
Personal Services	86,500	86,500	78,822	7,678
Contractual Services	61,971	53,971	39,195	14,776
Materials and Supplies	61,245	69,245	58,197	11,048
Capital Outlay	8,209	8,209	1,146	7,063
Total Administrative	217,925	217,925	177,360	40,565

(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, 2012
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Finance				
Personal Services	\$33,500	\$33,500	\$33,500	\$0
Contractual Services	63,275	63,275	62,103	1,172
Materials and Supplies	3,000	3,000	506	2,494
Total Finance	99,775	99,775	96,109	3,666
Income Tax				
Personal Services	67,850	67,850	63,515	4,335
Contractual Services	8,433	8,432	3,403	5,029
Materials and Supplies	23,795	23,795	16,341	7,454
Capital Outlay	1,500	1,500	0	1,500
Other	241,000	182,750	55,415	127,335
Total Income Tax	342,578	284,327	138,674	145,653
Law Director				
Personal Services	26,000	26,000	26,000	0
Contractual Services	2,000	1,000	0	1,000
Materials and Supplies	1,000	2,000	827	1,173
Total Law Director	29,000	29,000	26,827	2,173
Civil Service				
Personal Services	1,200	1,200	1,000	200
Materials and Supplies	1,570	2,050	2,265	(215)
Total Civil Service	2,770	3,250	3,265	(15)
Elections				
Contractual Services	1,570	3,109	6,605	(3,496)
Auglaize County				
Contractual Services	14,867	16,598	14,025	2,573
Administrative Support				
Contractual Services	0	0	17	(17)
Materials and Supplies	0	0	5,909	(5,909)
Other	5,400	5,400	0	5,400
Total Administrative Support	5,400	5,400	5,926	(526)
Total General Government	769,205	720,704	525,021	195,683
Debt Service:				
Principal Retirement	36,960	36,960	35,615	1,345
Interest and Fiscal Charges	11,040	11,040	10,729	311
Total Debt Service	48,000	48,000	46,344	1,656
Total Expenditures	4,698,801	4,661,301	4,204,707	456,594
Excess of Revenues Over (Under) Expenditures	(233,637)	(193,137)	509,087	702,224

(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, 2012
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Other Financing Uses</u>				
Advances Out	(\$155,000)	(\$155,000)	(\$150,000)	\$5,000
Transfers Out	(1,075,000)	(1,120,000)	(1,075,000)	45,000
Total Other Financing Uses	(1,230,000)	(1,275,000)	(1,225,000)	50,000
Change in Fund Balance	(1,463,637)	(1,468,137)	(715,913)	752,224
Fund Balance Beginning of Year	1,979,212	1,979,212	1,979,212	0
Prior Year Encumbrances Appropriated	231,737	231,737	231,737	0
Fund Balance End of Year	<u>\$747,312</u>	<u>\$742,812</u>	<u>\$1,495,036</u>	<u>\$752,224</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, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Special Assessments	\$0	\$57,956	\$57,956
Intergovernmental	688,500	398,131	(290,369)
Interest	0	6,218	6,218
Other	0	715	715
	<hr/>	<hr/>	<hr/>
Total Revenues	688,500	463,020	(225,480)
<u>Expenditures</u>			
Current:			
Transportation			
Street and Sewer Improvement			
Contractual Services	474,005	493,051	(19,046)
Materials and Supplies	6,375	6,090	285
Capital Outlay	1,404,500	1,154,549	249,951
Other	565,000	0	565,000
	<hr/>	<hr/>	<hr/>
Total Expenditures	2,449,880	1,653,690	796,190
Excess of Revenues Under Expenditures	(1,761,380)	(1,190,670)	570,710
<u>Other Financing Sources</u>			
Transfers In	812,000	763,000	(49,000)
	<hr/>	<hr/>	<hr/>
Change in Fund Balance	(949,380)	(427,670)	521,710
Fund Balance Beginning of Year	1,569,886	1,569,886	0
Prior Year Encumbrances Appropriated	200,880	200,880	0
	<hr/>	<hr/>	<hr/>
Fund Balance End of Year	\$821,386	\$1,343,096	\$521,710
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$14,056,000	\$13,417,519	(\$638,481)
Other Local Taxes	55,000	57,025	2,025
Utility Deposits	50,000	56,120	6,120
Other	10,100	17,546	7,446
	<u>14,171,100</u>	<u>13,548,210</u>	<u>(622,890)</u>
<u>Expenses</u>			
Personal Services	979,500	964,324	15,176
Contractual Services	15,492,952	12,681,474	2,811,478
Materials and Supplies	1,294,020	940,859	353,161
Capital Outlay	1,358,584	1,323,997	34,587
Utility Refunds	50,000	20,792	29,208
Other	2,507,067	62,845	2,444,222
Debt Service:			
Principal Retirement	30,500	30,461	39
Interest Expense	4,500	2,328	2,172
	<u>21,717,123</u>	<u>16,027,080</u>	<u>5,690,043</u>
Excess of Revenues Under Expenses	(7,546,023)	(2,478,870)	5,067,153
<u>Other Financing Sources</u>			
Transfers In	230,500	230,500	0
Change in Fund Balance	(7,315,523)	(2,248,370)	5,067,153
Fund Balance Beginning of Year	5,994,981	5,994,981	0
Prior Year Encumbrances Appropriated	1,543,153	1,543,153	0
Fund Balance End of Year	<u>\$222,611</u>	<u>\$5,289,764</u>	<u>\$5,067,153</u>

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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$1,629,300	\$1,578,902	(\$50,398)
Other	1,000	6,179	5,179
Total Revenues	1,630,300	1,585,081	(45,219)
<u>Expenses</u>			
Personal Services	407,300	395,028	12,272
Contractual Services	261,137	222,332	38,805
Materials and Supplies	660,135	482,145	177,990
Capital Outlay	692,129	362,967	329,162
Other	61,000	0	61,000
Debt Service:			
Principal Retirement	167,261	167,259	2
Interest Expense	434,738	434,063	675
Total Expenses	2,683,700	2,063,794	619,906
Change in Fund Balance	(1,053,400)	(478,713)	574,687
Fund Balance Beginning of Year	951,614	951,614	0
Prior Year Encumbrances Appropriated	172,650	172,650	0
Fund Balance End of Year	\$70,864	\$645,551	\$574,687

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, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$2,777,000	\$2,682,618	(\$94,382)
Intergovernmental	230,000	0	(230,000)
Interest	0	29	29
OWDA Loan Proceeds	0	245,413	245,413
Other	0	2,065	2,065
Total Revenues	3,007,000	2,930,125	(76,875)
<u>Expenses</u>			
Personal Services	685,200	667,327	17,873
Contractual Services	860,843	774,235	86,608
Materials and Supplies	320,929	243,543	77,386
Capital Outlay	370,205	234,727	135,478
Other	73,995	10,321	63,674
Debt Service:			
Principal Retirement	575,496	572,344	3,152
Interest Expense	416,614	404,287	12,327
Total Expenses	3,303,282	2,906,784	396,498
Change in Fund Balance	(296,282)	23,341	319,623
Fund Balance Beginning of Year	1,264,741	1,264,741	0
Prior Year Encumbrances Appropriated	246,878	246,878	0
Fund Balance End of Year	\$1,215,337	\$1,534,960	\$319,623

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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$155,000	\$154,746	(\$254)
Other	0	13,280	13,280
	<u>155,000</u>	<u>168,026</u>	<u>13,026</u>
<u>Expenses</u>			
Contractual Services	50,140	34,245	15,895
Materials and Supplies	11,002	3,586	7,416
Capital Outlay	519,325	250,535	268,790
Other	10,000	7,840	2,160
Debt Service:			
Principal Retirement	10,552	10,552	0
Interest Expense	1,813	1,813	0
	<u>602,832</u>	<u>308,571</u>	<u>294,261</u>
Change in Fund Balance	(447,832)	(140,545)	307,287
Fund Balance Beginning of Year	667,293	667,293	0
Prior Year Encumbrances Appropriated	26,997	26,997	0
Fund Balance End of Year	<u>\$246,458</u>	<u>\$553,745</u>	<u>\$307,287</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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$1,097,000	\$1,094,002	(\$2,998)
Other	0	2,040	2,040
Total Revenues	<u>1,097,000</u>	<u>1,096,042</u>	<u>(958)</u>
<u>Expenses</u>			
Personal Services	483,400	477,757	5,643
Contractual Services	676,119	577,606	98,513
Materials and Supplies	70,816	62,886	7,930
Capital Outlay	45,603	45,156	447
Other	15,000	0	15,000
Debt Service:			
Principal Retirement	60,970	59,422	1,548
Interest Expense	6,280	5,608	672
Total Expenses	<u>1,358,188</u>	<u>1,228,435</u>	<u>129,753</u>
Excess of Revenues Under Expenditures	(261,188)	(132,393)	128,795
<u>Other Financing Sources</u>			
Transfers In	<u>100,000</u>	<u>0</u>	<u>(100,000)</u>
Change in Fund Balance	(161,188)	(132,393)	28,795
Fund Balance Beginning of Year	121,948	121,948	0
Prior Year Encumbrances Appropriated	<u>36,990</u>	<u>36,990</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u><u>(\$2,250)</u></u>	<u><u>\$26,545</u></u>	<u><u>\$28,795</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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$27,500	\$26,157	(\$1,343)
Intergovernmental	436,500	426,578	(9,922)
Interest	800	727	(73)
Other	5,200	12,833	7,633
Total Revenues	<u>470,000</u>	<u>466,295</u>	<u>(3,705)</u>
<u>Expenditures</u>			
Current:			
Transportation			
Street Maintenance			
Personal Services	315,600	236,014	79,586
Contractual Services	111,075	101,239	9,836
Materials and Supplies	87,064	58,325	28,739
Capital Outlay	53,105	45,593	7,512
Total Transportation	<u>566,844</u>	<u>441,171</u>	<u>125,673</u>
Debt Service:			
Principal Retirement	10,552	10,552	0
Interest and Fiscal Charges	1,813	1,813	0
Total Debt Service	<u>12,365</u>	<u>12,365</u>	<u>0</u>
Total Expenditures	<u>579,209</u>	<u>453,536</u>	<u>125,673</u>
Change in Fund Balance	(109,209)	12,759	121,968
Fund Balance Beginning of Year	78,729	78,729	0
Prior Year Encumbrances Appropriated	36,674	36,674	0
Fund Balance End of Year	<u>\$6,194</u>	<u>\$128,162</u>	<u>\$121,968</u>

City of Wapakoneta
State Highway Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$34,500	\$34,587	\$87
Interest	1,000	908	(92)
Other	<u>0</u>	<u>10,154</u>	<u>10,154</u>
Total Revenues	35,500	45,649	10,149
<u>Expenditures</u>			
Current:			
Transportation			
State Highway			
Capital Outlay	<u>165,000</u>	<u>0</u>	<u>165,000</u>
Change in Fund Balance	(129,500)	45,649	175,149
Fund Balance Beginning of Year	<u>138,015</u>	<u>138,015</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$8,515</u></u>	<u><u>\$183,664</u></u>	<u><u>\$175,149</u></u>

City of Wapakoneta
Motor Vehicle Permissive Tax Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Other Local Taxes	\$75,000	\$53,172	(\$21,828)
Intergovernmental	92,000	6,165	(85,835)
Interest	2,500	699	(1,801)
	<u>169,500</u>	<u>60,036</u>	<u>(109,464)</u>
<u>Expenditures</u>			
Current:			
Transportation			
Motor Vehicle Permissive Tax			
Capital Outlay	<u>302,368</u>	<u>101,040</u>	<u>201,328</u>
Change in Fund Balance	(132,868)	(41,004)	91,864
Fund Balance Beginning of Year	108,837	108,837	0
Prior Year Encumbrances Appropriated	<u>24,368</u>	<u>24,368</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$337</u></u>	<u><u>\$92,201</u></u>	<u><u>\$91,864</u></u>

City of Wapakoneta
Community Block Grant Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$1,250	\$3,006	\$1,756
Revolving Loan Payments	<u>87,000</u>	<u>75,328</u>	<u>(11,672)</u>
Total Revenues	88,250	78,334	(9,916)
<u>Expenditures</u>			
Current:			
Community Environment Community Block Grant Contractual Services	<u>565,000</u>	<u>18,000</u>	<u>547,000</u>
Excess of Revenues Over (Under) Expenditures	(476,750)	60,334	537,084
<u>Other Financing Uses</u>			
Transfers Out	<u>(38,000)</u>	<u>(38,000)</u>	<u>0</u>
Change in Fund Balance	(514,750)	22,334	537,084
Fund Balance Beginning of Year	<u>534,473</u>	<u>534,473</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$19,723</u></u>	<u><u>\$556,807</u></u>	<u><u>\$537,084</u></u>

City of Wapakoneta
Recreation Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Property Taxes	\$97,561	\$88,175	(\$9,386)
Intergovernmental	51,539	17,970	(33,569)
Interest	300	271	(29)
Gifts and Donations	13,000	14,031	1,031
Other	5,800	36	(5,764)
Total Revenues	168,200	120,483	(47,717)
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Recreation			
Personal Services	76,500	76,448	52
Contractual Services	38,698	36,864	1,834
Materials and Supplies	15,722	14,979	743
Capital Outlay	32,000	4,023	27,977
Total Expenditures	162,920	132,314	30,606
Excess of Revenues Over (Under) Expenditures	5,280	(11,831)	(17,111)
<u>Other Financing Sources (Uses)</u>			
Transfers In	25,000	25,000	0
Transfers Out	(30,500)	(30,500)	0
Total Other Financing Sources (Uses)	(5,500)	(5,500)	0
Change in Fund Balance	(220)	(17,331)	(17,111)
Fund Balance Beginning of Year	38,282	38,282	0
Prior Year Encumbrances Appropriated	220	220	0
Fund Balance End of Year	\$38,282	\$21,171	(\$17,111)

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, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$500	\$175	(\$325)
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Law Enforcement			
Materials and Supplies	1,950	0	1,950
Change in Fund Balance	(1,450)	175	1,625
Fund Balance Beginning of Year	1,469	1,469	0
Fund Balance End of Year	\$19	\$1,644	\$1,625

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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$2,000	\$1,090	(\$910)
<u>Expenditures</u>			
Current:			
Security of Persons and Property Enforcement and Education Materials and Supplies	<u>8,500</u>	<u>2,700</u>	<u>5,800</u>
Change in Fund Balance	(6,500)	(1,610)	4,890
Fund Balance Beginning of Year	<u>6,758</u>	<u>6,758</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$258</u></u>	<u><u>\$5,148</u></u>	<u><u>\$4,890</u></u>

City of Wapakoneta
Drug Law Enforcement Special Revenue Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$600	\$568	(\$32)
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Drug Law Enforcement			
Materials and Supplies	2,500	1,000	1,500
Change in Fund Balance	(1,900)	(432)	1,468
Fund Balance Beginning of Year	2,405	2,405	0
Fund Balance End of Year	\$505	\$1,973	\$1,468

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, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Gifts and Donations	\$0	\$188	\$188
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Rudd Park			
Materials and Supplies	1,100	0	1,100
Change in Fund Balance	(1,100)	188	1,288
Fund Balance Beginning of Year	1,131	1,131	0
Fund Balance End of Year	\$31	\$1,319	\$1,288

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, 2012

	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, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Debt Service:			
Principal Retirement	95,000	93,156	1,844
Interest and Fiscal Charges	7,100	7,084	16
Total Expenditures	102,100	100,240	1,860
Change in Fund Balance	(102,100)	(100,240)	1,860
Fund Balance Beginning of Year	244,052	244,052	0
Fund Balance End of Year	\$141,952	\$143,812	\$1,860

City of Wapakoneta
Issue I Capital Projects Fund

Schedule of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$330,100	\$0	(\$330,100)
<u>Expenditures</u>			
Current:			
Transportation			
Street and Sewer Improvement			
Capital Outlay	480,100	456,253	23,847
Excess of Revenues Under Expenditures	(150,000)	(456,253)	(306,253)
<u>Other Financing Sources</u>			
Advances In	150,000	150,000	0
Change in Fund Balance	0	(306,253)	(306,253)
Fund Balance Beginning of Year	0	0	0
Fund Balance (Deficit) End of Year	\$0	(\$306,253)	(\$306,253)

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, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Fire Department			
Capital Outlay	450,000	189,062	260,938
Excess of Revenues Under Expenditures	(450,000)	(189,062)	260,938
<u>Other Financing Sources</u>			
Transfers In	125,000	125,000	0
Change in Fund Balance	(325,000)	(64,062)	260,938
Fund Balance Beginning of Year	454,192	454,192	0
Fund Balance End of Year	\$129,192	\$390,130	\$260,938

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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$210,000	\$192,711	(\$17,289)
Licenses and Permits	10,400	10,829	429
Other	100	2,384	2,284
	<u>220,500</u>	<u>205,924</u>	<u>(14,576)</u>
<u>Expenses</u>			
Personal Services	192,900	189,723	3,177
Contractual Services	19,735	15,187	4,548
Materials and Supplies	13,280	8,232	5,048
Capital Outlay	2,000	1,254	746
	<u>227,915</u>	<u>214,396</u>	<u>13,519</u>
Change in Fund Balance	(7,415)	(8,472)	(1,057)
Fund Balance Beginning of Year	6,232	6,232	0
Prior Year Encumbrances Appropriated	<u>1,566</u>	<u>1,566</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u><u>\$383</u></u>	<u><u>(\$674)</u></u>	<u><u>(\$1,057)</u></u>

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**STATISTICAL
SECTION**

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City of Wapakoneta
Statistical Section

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

Contents **Page**

Financial Trends..... S-2

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

Revenue Capacity..... S-12

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

Debt Capacity..... S-32

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

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

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

Operating Information..... S-42

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

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

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

	2012	2011	2010	2009	2008
Governmental Activities					
Net Investment in Capital Assets	\$20,891,574	\$20,767,868	\$21,307,484	\$19,716,391	\$19,192,324
Restricted for					
Debt Service	0	0	461,278	533,350	609,944
Capital Projects	2,039,417	2,166,097	2,630,138	2,684,217	2,534,599
Other Purposes	1,369,753	1,375,679	1,433,040	1,660,223	1,904,101
Unrestricted	2,885,648	3,266,843	2,788,840	3,115,472	4,051,240
Total Governmental Activities Net Position	<u>27,186,392</u>	<u>27,576,487</u>	<u>28,620,780</u>	<u>27,709,653</u>	<u>28,292,208</u>
Business-Type Activities					
Net Investment in Capital Assets	30,836,570	29,921,959	27,291,889	21,792,361	18,991,836
Restricted	1,259,685	1,114,899	1,108,811	1,141,228	1,170,970
Unrestricted	9,353,383	9,881,292	11,761,858	14,886,023	15,898,729
Total Business-Type Activities Net Position	<u>41,449,638</u>	<u>40,918,150</u>	<u>40,162,558</u>	<u>37,819,612</u>	<u>36,061,535</u>
Primary Government					
Net Investment in Capital Assets	51,728,144	50,689,827	48,599,373	41,508,752	38,184,160
Restricted	4,668,855	4,656,675	5,633,267	6,019,018	6,219,614
Unrestricted	12,239,031	13,148,135	14,550,698	18,001,495	19,949,969
Total Primary Government Net Position	<u>\$68,636,030</u>	<u>\$68,494,637</u>	<u>\$68,783,338</u>	<u>\$65,529,265</u>	<u>\$64,353,743</u>

2007	2006	2005	2004	2003
\$16,550,369	\$15,550,482	\$14,957,082	\$14,695,619	\$14,325,984
534,616	440,193	344,370	550,261	555,349
4,691,427	1,020,043	842,208	816,352	1,469,441
1,651,443	3,001,698	2,557,353	2,352,316	2,002,016
3,718,111	3,002,012	2,471,796	1,874,180	1,184,646
<u>27,145,966</u>	<u>23,014,428</u>	<u>21,172,809</u>	<u>20,288,728</u>	<u>19,537,436</u>
18,277,471	18,054,990	18,859,104	18,380,759	18,897,701
1,236,810	1,164,741	355,195	396,777	413,447
15,364,398	15,117,904	16,125,101	14,648,742	12,696,857
<u>34,878,679</u>	<u>34,337,635</u>	<u>35,339,400</u>	<u>33,426,278</u>	<u>32,008,005</u>
34,827,840	33,605,472	33,816,186	33,076,378	33,223,685
8,114,296	5,626,675	4,099,126	4,115,706	4,440,253
19,082,509	18,119,916	18,596,897	16,522,922	13,881,503
<u>\$62,024,645</u>	<u>\$57,352,063</u>	<u>\$56,512,209</u>	<u>\$53,715,006</u>	<u>\$51,545,441</u>

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

	2012	2011	2010	2009	2008
<u>Expenses</u>					
Governmental Activities					
Security of Persons and Property					
Police	\$1,545,559	\$1,584,868	\$1,443,241	\$1,468,762	\$1,353,354
Fire	1,494,511	1,353,865	1,429,639	1,617,800	1,287,195
Other	4,557	8,492	15,744	15,744	27,849
Public Health	172,130	177,297	198,272	194,857	231,505
Leisure Time Activities	433,670	492,736	452,815	412,328	304,089
Community Environment	84,148	116,039	88,867	137,689	109,785
Transportation	2,049,319	2,236,189	1,366,298	1,366,920	1,312,919
General Government	510,071	512,540	559,760	705,023	496,979
Interest and Fiscal Charges	38,654	49,942	63,692	87,500	70,941
Total Governmental Activities Expenses	<u>6,332,619</u>	<u>6,531,968</u>	<u>5,618,328</u>	<u>6,006,623</u>	<u>5,194,616</u>
Business-Type Activities					
Electric	13,550,781	14,371,849	13,905,809	13,411,381	14,456,015
Water	1,758,911	1,843,734	921,970	827,854	1,084,075
Sewer	2,241,662	2,171,320	2,235,926	2,927,271	2,231,009
Storm Sewer	271,419	114,124	91,075	85,127	83,831
Refuse	1,113,500	1,053,317	1,080,264	1,005,233	1,022,632
Total Business-Type Activities Expenses	<u>18,936,273</u>	<u>19,554,344</u>	<u>18,235,044</u>	<u>18,256,866</u>	<u>18,877,562</u>
Total Primary Government Expenses	<u>25,268,892</u>	<u>26,086,312</u>	<u>23,853,372</u>	<u>24,263,489</u>	<u>24,072,178</u>
<u>Program Revenues</u>					
Governmental Activities					
Charges for Services					
Security of Persons and Property					
Police	6,946	8,473	7,786	9,456	8,911
Fire	53,961	50,157	45,091	43,616	41,361
Public Health	504,789	413,758	287,206	380,940	302,651
Leisure Time Activities	259,592	228,629	249,666	197,945	121,592
Community Environment	0	0	0	0	0
Transportation	83,734	94,715	250,147	223,294	231,173
General Government	11,970	23,581	20,145	39,969	36,549
Total Charges for Services	<u>920,992</u>	<u>819,313</u>	<u>860,041</u>	<u>895,220</u>	<u>742,237</u>
Operating Grants, Contributions, and Interest	524,997	582,636	632,254	608,906	863,897
Capital Grants and Contributions	837,654	572,510	1,493,506	426,237	285,219
Total Governmental Activities Program Revenues	<u>2,283,643</u>	<u>1,974,459</u>	<u>2,985,801</u>	<u>1,930,363</u>	<u>1,891,353</u>
Business-Type Activities					
Charges for Services					
Electric	13,443,956	14,410,686	14,824,354	14,731,146	14,705,519
Water	1,607,652	1,560,401	1,619,474	1,651,348	1,609,240
Sewer	2,716,328	2,415,413	1,983,565	1,789,863	1,845,275
Storm Sewer	154,668	154,095	155,831	158,771	156,374
Refuse	1,106,281	1,114,270	1,070,336	1,085,472	1,112,113
Total Charges for Services	<u>19,028,885</u>	<u>19,654,865</u>	<u>19,653,560</u>	<u>19,416,600</u>	<u>19,428,521</u>
Operating Grants, Contributions, and Interest	0	0	0	0	0
Capital Grants and Contributions	0	0	247,321	0	0
Total Business-Type Activities Program Revenues	<u>19,028,885</u>	<u>19,654,865</u>	<u>19,900,881</u>	<u>19,416,600</u>	<u>19,428,521</u>
Total Primary Government Program Revenues	<u>21,312,528</u>	<u>21,629,324</u>	<u>22,886,682</u>	<u>21,346,963</u>	<u>21,319,874</u>
<u>Net (Expense) Revenue</u>					
Governmental Activities	(4,048,976)	(4,557,509)	(2,632,527)	(4,076,260)	(3,303,263)
Business-Type Activities	<u>92,612</u>	<u>100,521</u>	<u>1,665,837</u>	<u>1,159,734</u>	<u>550,959</u>
Total Primary Government Net Expense	<u>(3,956,364)</u>	<u>(4,456,988)</u>	<u>(966,690)</u>	<u>(2,916,526)</u>	<u>(2,752,304)</u>

2007	2006	2005	2004	2003
\$1,283,549	\$1,266,253	\$1,221,018	\$1,145,709	\$1,142,760
1,189,033	1,153,285	1,182,460	1,166,485	1,011,846
14,584	11,066	119,623	20,226	56,884
231,311	215,334	212,986	226,206	222,529
217,175	196,271	223,249	165,540	161,832
87,005	98,537	120,691	62,593	99,744
1,212,316	1,029,441	1,439,048	1,596,994	937,128
568,638	550,479	434,292	390,067	441,101
82,806	93,647	103,670	120,857	203,770
<u>4,886,417</u>	<u>4,614,313</u>	<u>5,057,037</u>	<u>4,894,677</u>	<u>4,277,594</u>
15,018,241	14,306,107	7,035,506	6,772,154	6,718,403
1,022,962	1,013,762	813,587	1,196,319	1,072,455
2,095,884	2,077,733	1,736,226	1,540,649	1,426,900
71,239	120,408	102,578	147,612	71,095
1,413,105	1,033,454	872,598	766,336	857,056
<u>19,621,431</u>	<u>18,551,464</u>	<u>10,560,495</u>	<u>10,423,070</u>	<u>10,145,909</u>
<u>24,507,848</u>	<u>23,165,777</u>	<u>15,617,532</u>	<u>15,317,747</u>	<u>14,423,503</u>
10,723	9,996	7,352	9,314	6,203
42,190	49,611	38,084	37,657	41,073
371,603	296,934	295,465	181,748	180,201
0	0	350	1,130	0
250	0	0	0	0
156,627	207,116	322,510	241,842	170,253
33,621	26,362	26,651	35,148	30,855
<u>615,014</u>	<u>590,019</u>	<u>690,412</u>	<u>506,839</u>	<u>428,585</u>
739,172	871,074	1,263,577	778,158	604,227
2,150,030	161,197	29,847	512,480	384,169
<u>3,504,216</u>	<u>1,622,290</u>	<u>1,983,836</u>	<u>1,797,477</u>	<u>1,416,981</u>
14,907,663	12,848,899	7,785,644	7,250,248	7,250,893
1,544,797	1,404,361	1,312,634	1,210,189	1,155,879
1,888,360	1,856,922	1,827,371	1,799,788	1,677,186
155,588	156,184	154,160	151,128	149,247
1,085,587	921,989	924,455	890,986	902,553
19,581,995	17,188,355	12,004,264	11,302,339	11,135,758
0	13,000	0	155,203	50,000
0	0	0	0	0
<u>19,581,995</u>	<u>17,201,355</u>	<u>12,004,264</u>	<u>11,457,542</u>	<u>11,185,758</u>
<u>23,086,211</u>	<u>18,823,645</u>	<u>13,988,100</u>	<u>13,255,019</u>	<u>12,602,739</u>
(1,382,201)	(2,992,023)	(3,073,201)	(3,097,200)	(2,860,613)
(39,436)	(1,350,109)	1,443,769	1,034,472	1,039,849
<u>(1,421,637)</u>	<u>(4,342,132)</u>	<u>(1,629,432)</u>	<u>(2,062,728)</u>	<u>(1,820,764)</u>

(continued)

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

	2012	2011	2010	2009	2008
<u>General Revenues and Other Changes in Net Position</u>					
Governmental Activities					
Property Taxes Levied for General Purposes	\$373,447	\$369,263	\$376,810	\$365,898	\$376,258
Property Taxes Levied for Recreation	88,625	92,756	95,200	92,532	100,267
Municipal Income Taxes	2,280,139	2,271,225	2,244,992	2,163,600	2,419,511
Other Local Taxes	651,985	642,164	645,090	604,597	666,801
Grants and Entitlements not Restricted to Specific Programs	454,557	550,652	585,145	571,917	736,776
Franchise Taxes	86,280	83,736	85,710	70,776	67,136
Interest	32,570	35,706	75,658	123,591	522,389
Gifts and Donations	1,772	1,374	5,663	9,671	59,095
Other	87,243	48,596	76,118	48,787	47,323
Gain on Sale of Investment	0	0	0	0	0
Transfers	(397,737)	(582,256)	(646,732)	(557,664)	(546,051)
Total Governmental Activities	<u>3,658,881</u>	<u>3,513,216</u>	<u>3,543,654</u>	<u>3,493,705</u>	<u>4,449,505</u>
Business-Type Activities					
Interest	29	7	1	2	19,753
Other	41,110	72,808	30,376	40,677	66,093
Transfers	397,737	582,256	646,732	557,664	546,051
Total Business-Type Activities	<u>438,876</u>	<u>655,071</u>	<u>677,109</u>	<u>598,343</u>	<u>631,897</u>
Total Primary Government	<u>4,097,757</u>	<u>4,168,287</u>	<u>4,220,763</u>	<u>4,092,048</u>	<u>5,081,402</u>
<u>Change in Net Position</u>					
Governmental Activities	(390,095)	(1,044,293)	911,127	(582,555)	1,146,242
Business-Type Activities	531,488	755,592	2,342,946	1,758,077	1,182,856
Total Primary Government Change in Net Position	<u>\$141,393</u>	<u>(\$288,701)</u>	<u>\$3,254,073</u>	<u>\$1,175,522</u>	<u>\$2,329,098</u>

2007	2006	2005	2004	2003
\$382,346	\$390,020	\$356,201	\$343,628	\$349,783
103,445	106,334	105,934	102,350	104,731
2,286,433	2,290,400	2,136,920	2,118,637	2,004,839
702,847	678,614	656,921	639,180	641,975
699,524	530,856	483,500	653,985	515,817
50,369	45,289	39,650	37,741	57,486
919,480	892,006	546,259	236,441	260,864
8,352	13,142	7,791	17,348	22,090
30,384	153,570	9,090	24,438	32,297
758,441	0	0	0	0
(427,882)	(266,589)	(384,984)	(325,256)	(554,880)
<u>5,513,739</u>	<u>4,833,642</u>	<u>3,957,282</u>	<u>3,848,492</u>	<u>3,435,002</u>
59,555	36,694	10,904	30,482	2,001
93,043	45,061	73,465	28,063	39,259
<u>427,882</u>	<u>266,589</u>	<u>384,984</u>	<u>325,256</u>	<u>554,880</u>
<u>580,480</u>	<u>348,344</u>	<u>469,353</u>	<u>383,801</u>	<u>596,140</u>
<u>6,094,219</u>	<u>5,181,986</u>	<u>4,426,635</u>	<u>4,232,293</u>	<u>4,031,142</u>
4,131,538	1,841,619	884,081	751,292	574,389
541,044	(1,001,765)	1,913,122	1,418,273	1,635,989
<u>\$4,672,582</u>	<u>\$839,854</u>	<u>\$2,797,203</u>	<u>\$2,169,565</u>	<u>\$2,210,378</u>

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

	2012	2011	2010	2009	2008
General Fund					
Reserved	\$0	\$0	\$122,631	\$138,697	\$159,606
Unreserved	0	0	2,077,148	2,546,481	3,169,890
Nonspendable	85,291	48,027	n/a	n/a	n/a
Restricted	18,517	18,457	n/a	n/a	n/a
Assigned	237,724	244,541	n/a	n/a	n/a
Unassigned	1,603,958	2,035,875	n/a	n/a	n/a
Total General Fund	1,945,490	2,346,900	2,199,779	2,685,178	3,329,496
All Other Governmental Funds					
Reserved	0	0	811,189	330,711	465,171
Unreserved, Reported in					
Special Revenue Funds	0	0	1,081,987	1,265,764	1,392,222
Debt Service Funds	0	0	467,448	539,473	609,729
Capital Projects Funds	0	0	1,539,432	2,177,385	1,617,466
Nonspendable	30,129	31,950	n/a	n/a	n/a
Restricted	2,700,149	2,954,653	n/a	n/a	n/a
Assigned	723,004	698,244	n/a	n/a	n/a
Unassigned (Deficit)	(456,253)	0	n/a	n/a	n/a
Total All Other Governmental Funds	2,997,029	3,684,847	3,900,056	4,313,333	4,084,588
Total Governmental Funds	\$4,942,519	\$6,031,747	\$6,099,835	\$6,998,511	\$7,414,084

The City implemented GASB Statement No. 54 in 2011.

2007	2006	2005	2004	2003
\$204,428	\$82,397	\$40,641	\$38,253	\$59,165
2,838,888	2,303,358	1,731,727	899,035	690,012
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
<u>3,043,316</u>	<u>2,385,755</u>	<u>1,772,368</u>	<u>937,288</u>	<u>749,177</u>
1,859,426	485,067	841,079	298,187	142,587
1,078,936	2,444,533	1,894,745	2,175,390	1,805,603
520,071	413,201	301,980	229,925	161,129
1,384,703	688,783	478,067	831,123	1,364,097
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
<u>4,843,136</u>	<u>4,031,584</u>	<u>3,515,871</u>	<u>3,534,625</u>	<u>3,473,416</u>
<u>\$7,886,452</u>	<u>\$6,417,339</u>	<u>\$5,288,239</u>	<u>\$4,471,913</u>	<u>\$4,222,593</u>

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

	2012	2011	2010	2009	2008
<u>Revenues</u>					
Property Taxes	\$459,863	\$467,205	\$472,312	\$454,699	\$475,488
Municipal Income Taxes	2,262,379	2,230,352	2,171,986	2,138,100	2,343,504
Other Local Taxes	705,308	707,507	718,141	744,078	739,543
Special Assessments	57,956	49,364	108,280	79,745	113,600
Charges for Services	774,341	686,888	673,656	624,096	534,173
Fees, Licenses, and Permits	87,538	90,097	82,112	98,226	84,803
Fines and Forfeitures	13,412	21,706	21,292	21,495	26,414
Intergovernmental	1,272,298	2,111,174	2,385,316	1,985,445	2,352,860
Interest	50,039	78,486	101,299	167,697	638,987
Gifts and Donations	16,222	4,794	30,264	51,756	306,596
Other	87,243	48,596	76,348	48,557	47,323
Total Revenues	5,786,599	6,496,169	6,841,006	6,413,894	7,663,291
<u>Expenditures</u>					
Current:					
Security of Persons and Property					
Police	1,550,757	1,569,832	1,423,412	1,498,398	1,335,039
Fire	1,461,318	1,283,633	1,406,482	1,771,274	1,228,768
Other	4,592	8,166	15,472	14,842	27,847
Public Health	143,550	147,474	172,208	171,546	270,897
Leisure Time Activities	357,705	452,069	389,487	425,862	1,874,381
Community Environment	81,344	111,158	82,067	136,721	105,721
Transportation	2,396,004	1,635,535	3,037,581	1,651,528	1,790,505
General Government	491,108	489,958	536,168	679,793	474,176
Debt Service:					
Principal Retirement	261,167	376,099	365,342	358,346	449,624
Interest and Fiscal Charges	28,938	41,045	52,045	74,109	61,042
Total Expenditures	6,776,483	6,114,969	7,480,264	6,782,419	7,618,000
Excess of Revenues Over (Under) Expenditures	(989,884)	381,200	(639,258)	(368,525)	45,291
<u>Other Financing Sources (Uses)</u>					
Sale of Capital Assets	0	0	3,100	1,531	0
General Obligation Bonds Issued	0	0	0	0	0
General Obligation Refunding Bonds Issued	0	0	0	0	0
Capital Loans Issued	0	0	0	0	0
Loans Issued	0	0	54,955	368,662	0
Gain on Sale of Investments	0	0	0	0	0
Transfers In	1,044,156	1,052,712	919,852	907,759	1,147,341
Transfers Out	(1,143,500)	(1,502,000)	(1,237,325)	(1,325,000)	(1,665,000)
Total Other Financing Sources (Uses)	(99,344)	(449,288)	(259,418)	(47,048)	(517,659)
Change in Fund Balance	(\$1,089,228)	(\$68,088)	(\$898,676)	(\$415,573)	(\$472,368)
Debt Service as a Percentage of Noncapital Expenditures	5.05%	7.81%	7.56%	7.68%	10.18%

2007	2006	2005	2004	2003
\$485,855	\$494,322	\$463,550	\$450,912	\$449,601
2,330,159	2,186,885	2,155,844	2,064,190	2,031,494
775,349	750,786	729,535	712,250	714,371
99,838	127,830	141,800	110,523	122,025
383,477	394,449	314,313	282,566	272,376
58,235	49,667	53,014	54,022	44,452
28,153	26,397	19,469	28,312	25,471
1,429,731	1,112,975	1,932,243	1,319,319	1,202,606
1,385,496	1,123,113	622,515	497,487	304,393
29,040	39,358	33,081	35,090	105,535
29,805	153,570	9,443	24,085	30,794
<u>7,035,138</u>	<u>6,459,352</u>	<u>6,474,807</u>	<u>5,578,756</u>	<u>5,303,118</u>
1,275,070	1,261,097	1,184,347	1,115,067	1,175,836
1,157,457	1,468,411	1,201,714	1,127,628	995,116
14,333	13,040	119,204	20,343	56,880
218,356	191,798	188,684	204,721	315,559
283,512	209,160	284,270	140,660	249,335
75,643	113,779	121,393	133,654	134,590
1,128,899	741,257	1,203,088	1,395,155	995,578
1,129,757	533,235	416,606	374,390	426,549
454,074	448,553	448,060	431,989	3,020,000
73,146	84,149	94,174	118,485	306,967
<u>5,810,247</u>	<u>5,064,479</u>	<u>5,261,540</u>	<u>5,062,092</u>	<u>7,676,410</u>
<u>1,224,891</u>	<u>1,394,873</u>	<u>1,213,267</u>	<u>516,664</u>	<u>(2,373,292)</u>
4,201	816	0	0	1,510
0	0	0	0	288,400
0	0	0	0	2,836,000
0	0	0	0	145,000
0	0	0	0	0
758,441	0	0	0	0
1,751,741	967,411	500,059	876,428	1,225,000
(2,270,161)	(1,234,000)	(897,000)	(1,143,772)	(1,758,500)
<u>244,222</u>	<u>(265,773)</u>	<u>(396,941)</u>	<u>(267,344)</u>	<u>2,737,410</u>
<u>\$1,469,113</u>	<u>\$1,129,100</u>	<u>\$816,326</u>	<u>\$249,320</u>	<u>\$364,118</u>
11.15%	12.11%	11.61%	11.90%	48.13%

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

Year	Real Property				Public Utility Personal Property		
	Assessed Value		Public Utility	Total Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial					
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
2005	85,608,830	33,803,110	76,420	119,488,360	341,395,314	3,715,910	4,222,625
2004	84,027,250	33,452,810	75,780	117,555,840	335,873,829	3,816,660	4,337,114
2003	82,548,700	33,025,070	74,390	115,648,160	330,423,314	3,954,800	4,494,091

Source: Auglaize County Auditor

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

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. Personal property tax was assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of actual value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent of actual value for machinery and equipment and 23 percent for inventory. The general business tangible personal property tax was phased out. The assement 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 utilites 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
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$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
14,938,545	59,754,180	138,142,815	405,372,119	3.55
21,012,884	84,051,536	142,385,384	424,262,479	3.56
22,326,522	89,306,088	141,929,482	424,223,493	3.56

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

Collection Year	2012	2011	2010	2009	2008
Voted Millage					
Recreation					
Effective Millage Rates					
Residential/Agriculture	\$0.6261	\$0.5995	\$0.5995	\$0.5989	\$0.5989
Commercial/Industrial	0.8430	0.8555	0.8555	0.8441	0.8693
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000	1.0000
Unvoted Millage					
General	2.1500	2.1500	2.1500	2.1500	2.1500
Fire Pension	0.3000	0.3000	0.3000	0.3000	0.3000
Police Pension	0.3000	0.3000	0.3000	0.3000	0.3000
Total Unvoted Millage	2.7500	2.7500	2.7500	2.7500	2.7500
Total Millage					
Total Effective Millage by Type of Property					
Residential/Agriculture	3.3761	3.3495	3.3495	3.3489	3.3489
Commercial/Industrial	3.5930	3.6055	3.6055	3.5941	3.6193
Tangible/Public Utility Personal	3.7500	3.7500	3.7500	3.7500	3.7500
Auglaize County	11.7500	11.7500	11.7500	11.7500	11.7500
Wapakoneta City School District	31.3000	31.3000	31.3000	31.3000	31.3000
Apollo Career Center	2.2000	2.2000	2.2000	2.2000	2.2000
Duchouquet Township	0.2000	0.2000	0.2000	0.2000	0.2000

Source: Auglaize County Auditor

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

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

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

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$0.6299	\$0.6316	\$0.7014	\$0.7028	\$0.7035
0.8607	0.8528	0.9316	0.9314	0.9301
<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>
2.1500	2.1500	2.1500	2.1500	2.1500
0.3000	0.3000	0.3000	0.3000	0.3000
<u>0.3000</u>	<u>0.3000</u>	<u>0.3000</u>	<u>0.3000</u>	<u>0.3000</u>
<u>2.7500</u>	<u>2.7500</u>	<u>2.7500</u>	<u>2.7500</u>	<u>2.7500</u>
3.3799	3.3816	3.4514	3.4528	3.4535
3.6107	3.6028	3.6816	3.6814	3.6801
<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>	<u>3.7500</u>
11.7500	11.2500	11.2500	11.2500	9.3700
31.3000	29.6000	29.6000	29.6000	29.8000
2.2000	2.2000	2.2000	2.2000	2.2000
0.2000	0.2000	0.2000	0.2000	0.2000

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City of Wapakoneta
Property Tax Levies and Collections
Last Ten Years

Year	Current Tax Levy (1)	Current Tax Collections	Percent Collected	Total Outstanding Delinquent Taxes	Percent Delinquent
2012	\$523,622	\$508,521	97.12%	\$11,305	2.16%
2011	523,387	514,444	98.29	13,202	2.52
2010	562,605	589,717	104.82	11,496	2.04
2009	567,693	460,924	81.19	11,798	2.08
2008	579,024	565,256	97.62	8,248	1.42
2007	545,199	598,187	109.72	14,151	2.60
2006	553,228	606,765	109.68	12,849	2.32
2005	548,783	583,413	106.31	7,559	1.38
2004	508,913	491,031	96.49	13,257	2.60
2003	502,468	486,704	96.86	20,341	4.05

Source: Auglaize County Auditor

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

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

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

Taxpayer	Type of Business	2012		
		Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Wal-Mart Stores East LP	Retail Business	\$3,370,620	1	2.23%
GAMCO Components Group LLC	Automotive Suspension Manufacturing	1,785,390	2	1.19
Lowes Home Centers, Inc.	Retail Business	1,726,530	3	1.15
Schlenker Enterprises	Land Developments and Apartments	1,566,900	4	1.03
Ametek, Inc.	Plastic Compounds	1,321,360	5	0.87
Koneta, Inc.	Rubber Truck Accessories Manufacturing	1,232,880	6	0.80
Quaker Run Farms	Warehousing and Distribution	1,154,580	7	0.76
DW 28 Wapakoneta LLC	Retail Business	1,080,390	8	0.71
Miller's Textile Services, Inc.	Uniform Rentals	822,590	9	0.54
Midwest Elastomers	Granulated Rubber and Plastic	794,960	10	0.52
LRV Acquisition	Hotel Properties			
Normandy Ridge Limited	Residential Apartments			
Quaker Run	Residential Apartments			
Auglaize Investment Company	Big Bear Department Store			
WGP Holding	Superior Tube			
HCF, Inc.	Nursing Home			
Celebrity House of Wapakoneta	Nursing Home			
	Total	14,856,200		9.80
	All Other Taxpayers	136,696,430		90.20
	Total Assessed Valuation	<u>\$151,552,630</u>		<u>100.00%</u>

Source: Auglaize County Auditor

2003		
<u>Real Property Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
\$1,134,580	1	0.98%
943,650	3	0.82
494,400	10	0.43
975,080	2	0.84
823,200	4	0.71
754,490	5	0.65
665,000	6	0.58
566,250	7	0.49
534,160	8	0.46
<u>523,880</u>	9	<u>0.45</u>
7,414,690		6.41
<u>108,233,470</u>		<u>93.59</u>
<u><u>\$115,648,160</u></u>		<u><u>100.00%</u></u>

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes from Individual Payments	Percentage of Taxes from Individual Payments
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
2005	1.00	2,136,920	1,726,299	80.79	139,636	6.53	270,985	12.68
2004	1.00	2,118,637	1,648,114	77.79	157,669	7.44	312,854	14.77

Source: City Records

Note: Tax years prior to 2004 not available.

City of Wapakoneta
Electric Utility Statistics
Last Ten Years

	2012	2011	2010	2009	2008
Kilowatt Hours Purchased from:					
American Electric Power	0	0	0	0	0
AMP-Ohio	186,176,513	180,959,049	182,091,811	170,099,880	191,475,666
Total Kilowatt Hours Purchased	\$186,176,513	\$180,959,049	\$182,091,811	\$170,099,880	\$191,475,666
Payments for Purchased Power to:					
American Electric Power	\$0	\$0	\$0	\$0	\$11,197
AMP-Ohio	11,076,435	11,968,304	12,224,095	11,750,318	12,608,416
Total Payments for Purchased Power	\$11,076,435	\$11,968,304	\$12,224,095	\$11,750,318	\$12,619,613
Kilowatt Hours Sold to Users					
Residential	49,046,019	50,710,995	51,220,653	48,207,823	49,579,753
Commercial	51,663,059	53,536,889	54,671,941	51,504,966	54,894,606
Industrial	74,799,100	68,122,540	67,158,540	60,748,180	73,796,880
Total Kilowatt Hours Sold to Users	\$175,508,178	\$172,370,424	\$173,051,134	\$160,460,969	\$178,271,239
Charges for Kilowatt Hours Sold to Users					
Residential	\$4,207,297	\$4,730,277	\$4,816,497	\$4,619,968	\$4,420,838
Commercial	4,837,440	5,390,470	5,566,648	5,364,868	5,355,024
Industrial	5,080,856	5,223,424	5,201,984	5,013,166	5,503,887
Total Dollar Amount of Kilowatt Hours Sold to Users	\$14,125,593	\$15,344,171	\$15,585,129	\$14,998,002	\$15,279,749

Rate

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

Source: City Records

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

2007	2006	2005	2004	2003
197,661,771	187,474,222	187,080,998	182,064,625	179,583,038
4,149,000	4,122,000	4,096,736	4,172,642	4,749,257
<u>\$201,810,771</u>	<u>\$191,596,222</u>	<u>\$191,177,734</u>	<u>\$186,237,267</u>	<u>\$184,332,295</u>
\$13,344,311	\$12,570,995	\$5,252,736	\$5,035,490	\$4,939,067
146,348	136,101	165,854	97,896	115,651
<u>\$13,490,659</u>	<u>\$12,707,096</u>	<u>\$5,418,590</u>	<u>\$5,133,386</u>	<u>\$5,054,718</u>
50,710,462	48,981,563	51,072,037	48,335,392	47,658,779
59,434,626	62,709,278	61,528,576	56,617,209	55,814,108
78,444,120	70,704,980	63,297,900	65,596,500	68,457,100
<u>\$188,589,208</u>	<u>\$182,395,821</u>	<u>\$175,898,513</u>	<u>\$170,549,101</u>	<u>\$171,929,987</u>
\$4,324,976	\$3,691,525	\$2,568,233	\$2,404,143	\$2,364,694
5,510,541	4,938,547	3,158,202	2,862,108	2,817,770
5,511,166	4,587,937	2,604,184	2,548,999	2,601,531
<u>\$15,346,683</u>	<u>\$13,218,009</u>	<u>\$8,330,619</u>	<u>\$7,815,250</u>	<u>\$7,783,995</u>

City of Wapakoneta
Water Utility Statistics
Last Ten Years

Type of Customer	2012	2011	2010	2009	2008
Residential	\$1,037,648	\$1,012,829	\$1,029,780	\$1,048,899	\$977,828
Industrial	273,445	270,269	291,804	274,435	312,965
Commercial	262,502	263,642	277,948	280,266	270,467
Total Billed	\$1,573,595	\$1,546,740	\$1,599,532	\$1,603,600	\$1,561,260
Billed in Cubic Feet					
Rate in Cubic Feet:					
All Customers					
0 - 200	\$8.52	\$7.72	\$7.72	\$7.72	\$7.14
201 - 1,300	3.58	3.25	3.25	3.25	3.01
1,301 - 6,100	2.99	2.71	2.71	2.71	2.51
6,101 - 22,800	2.43	2.20	2.20	2.20	2.04
22,801 and up	2.19	1.99	1.99	1.99	1.84
Multi Residential					
0 - 200	\$8.52	\$7.72	\$7.72	\$7.72	\$7.14
Each Additional 100	3.48	3.15	3.15	3.15	2.91

Outside Rates prior to February 1, 2005, add 150%
Outside Rates after February 1, 2005, add 200%

Source: City Records

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

2007	2006	2005	2004	2003
\$931,953	\$845,137	\$803,042	\$709,519	\$707,773
310,036	263,913	209,814	207,575	167,426
271,697	264,331	256,465	204,331	227,810
<u>\$1,513,686</u>	<u>\$1,373,381</u>	<u>\$1,269,321</u>	<u>\$1,121,425</u>	<u>\$1,103,009</u>

\$6.61	\$6.12	\$5.67	\$5.25	\$5.25
2.79	2.58	2.39	2.21	2.21
2.32	2.15	1.99	1.84	1.84
1.89	1.75	1.62	1.50	1.50
1.70	1.57	1.45	1.34	1.34

\$6.61	\$6.12	\$5.67	\$5.25	\$5.25
2.69	2.49	2.31	2.14	2.14

City of Wapakoneta
Sewer Utility Statistics
Last Ten Years

Type of Customer	2012	2011	2010	2009	2008
Residential	\$1,158,891	\$1,123,865	\$1,081,696	\$1,051,463	\$1,035,296
Commercial	308,411	318,190	307,324	291,326	300,312
Industrial	347,512	370,480	393,287	400,621	473,693
Total Billed	\$1,814,814	\$1,812,535	\$1,782,307	\$1,743,410	\$1,809,301

Billed in Cubic Feet

Base Rate for First 200 Cubic Feet:

Residential	\$11.74	\$11.40	\$11.07	\$10.20	\$10.05
Commercial	\$11.74	\$11.40	\$11.07	10.20	10.05
Industrial	\$11.74	\$11.40	\$11.07	10.20	10.05

Additional per 100 Cubic Feet:

Residential	\$3.43	\$3.33	\$3.23	\$2.98	\$2.93
Commercial	3.69	3.58	3.48	3.21	3.16
Industrial	3.43	3.33	3.23	2.98	2.93

Outside Rates add 115%

Source: City Records

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

2007	2006	2005	2004	2003
\$1,045,093	\$1,013,454	\$1,016,743	\$994,203	\$974,159
318,508	348,872	365,911	304,829	342,570
512,977	471,939	414,251	425,951	337,538
<u>\$1,876,578</u>	<u>\$1,834,265</u>	<u>\$1,796,905</u>	<u>\$1,724,983</u>	<u>\$1,654,267</u>

\$9.90	\$9.75	\$9.60	\$9.46	\$9.32
9.90	9.75	9.60	9.46	9.32
9.90	9.75	9.60	9.46	9.32
\$2.89	\$2.85	\$2.81	\$2.77	\$2.73
3.11	3.06	3.01	2.97	2.93
2.89	2.85	2.81	2.77	2.73

City of Wapakoneta
Storm Sewer Utility Statistics
Last Ten Years

Type of Customer	2012	2011	2010	2009	2008
Residential	\$88,846	\$87,912	\$87,960	\$87,722	\$87,772
Commercial/Industrial	64,942	65,389	68,249	68,133	66,802
Total Billed	\$153,788	\$153,301	\$156,209	\$155,855	\$154,574

Rates:

Residential: \$2 per month

Commercial/Industrial:

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

Source: City Records

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

2007	2006	2005	2004	2003
\$87,348	\$86,742	\$85,832	\$84,732	\$83,888
67,425	67,411	66,755	64,812	63,852
<u>\$154,773</u>	<u>\$154,153</u>	<u>\$152,587</u>	<u>149,544</u>	<u>\$147,740</u>

City of Wapakoneta
Refuse Utility Statistics
Last Ten Years

Type of Customer	2012	2011	2010	2009	2008
Residential	\$414,011	\$414,234	\$411,384	\$386,024	\$366,097
Commercial/Industrial	182,251	182,801	190,085	194,305	207,471
Bag Sales (all customers)	288,738	271,437	267,688	254,313	287,938
Total	\$885,000	\$868,472	\$869,157	\$834,642	\$861,506
Amount Paid by City to Waste Management	\$227,332	\$239,428	\$223,051	\$206,999	\$215,993
Amount per Ton Paid to Waste Management	\$65.09	\$65.09	\$61.99	\$59.15	\$55.09
<u>Monthly Base Rate:</u>					
Residential Inside	\$8.50	\$8.50	\$8.50	\$8	\$7
Residential Outside	12.50	12.50	12.50	12	11

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

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

Source: City Records

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

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$342,334	\$294,849	\$291,252	\$290,097	\$289,368
203,805	136,612	141,192	128,449	128,209
<u>267,579</u>	<u>236,150</u>	<u>241,800</u>	<u>195,500</u>	<u>188,450</u>
<u>\$813,718</u>	<u>\$667,611</u>	<u>\$674,244</u>	<u>\$614,046</u>	<u>\$606,027</u>
<u>\$220,755</u>	<u>\$219,332</u>	<u>\$180,182</u>	<u>\$161,692</u>	<u>\$160,854</u>
\$53.55	\$51.00	\$41.60	\$39.30	\$37.30
\$7	\$6	\$6	\$6	\$6
11	10	10	10	10

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

Year	Governmental Activities			Business-Type Activities			
	General Obligation Bonds	Capital Loans	Loans Payable	General Obligation Bonds	Mortgage Revenue Bonds	Due to Auglaize County	OWDA Loans
2012	\$225,000	\$34,257	\$245,506	\$0	\$8,130,000	\$1,250	\$8,919,074
2011	440,000	44,809	281,121	0	8,540,000	3,750	8,833,359
2010	750,428	54,955	315,374	23,300	8,940,000	6,250	8,743,063
2009	1,071,228	0	348,316	45,900	9,315,000	8,750	4,853,063
2008	1,397,951	0	0	67,900	9,655,196	11,250	1,007
2007	1,805,581	31,024	0	89,300	9,986,450	13,750	0
2006	2,218,912	61,098	0	110,300	10,308,232	16,250	0
2005	2,627,902	90,251	0	130,900	3,050,543	18,750	0
2004	3,037,372	118,511	0	151,100	3,213,383	21,250	0
2003	3,432,764	145,000	0	170,600	3,367,280	23,750	0

Source: City Records

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

Capital Loans	Loans Payable	Capital Leases	Total Debt	Per Capita (1)	Percentage of Personal Income (1)
\$129,624	\$622,630	\$68,563	\$18,375,904	\$1,867	7.54%
185,295	712,955	100,962	19,142,251	1,940	7.79
266,866	799,824	0	19,900,060	2,103	11.08
280,568	883,369	0	16,806,194	1,781	9.39
80,256	0	0	11,213,560	1,189	6.27
126,906	0	0	12,053,011	1,258	6.63
57,749	0	0	12,772,541	1,330	7.01
105,765	0	0	6,024,111	632	3.33
151,762	0	0	6,693,378	703	3.70
195,789	0	0	7,335,183	774	4.08

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
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
2005	9,531	405,372,119	2,758,802	0.68	289.46
2004	9,518	424,262,479	3,188,472	0.75	334.99
2003	9,474	424,223,493	3,603,364	0.85	380.34

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

City of Wapakoneta
 Computation of Direct and Overlapping Debt for Governmental Activities
 December 31, 2012

Jurisdiction	Outstanding Debt	Percentage Applicable to City of Wapakoneta (1)	Amount Applicable to City of Wapakoneta
City of Wapakoneta			
2003 Various Purpose	\$225,000	100.00%	\$225,000
Capital Loans Payable	34,257		\$34,257
Loans Payable	245,506		245,506
	<u>504,763</u>		<u>504,763</u>
Wapakoneta City School District	24,380,000	45.18	11,014,884
Auglaize County	15,228	16.64	2,534
	<u>24,395,228</u>		<u>11,017,418</u>
Total	<u><u>\$24,899,991</u></u>		<u><u>\$11,487,924</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

	2012	2011	2010	2009
Total Assessed Valuation	<u>\$151,979,280</u>	<u>\$154,502,190</u>	<u>\$154,310,590</u>	<u>\$157,185,780</u>
Overall Debt Limitation - 10.5 Percent of Assessed Valuation	15,957,824	16,222,730	16,202,612	16,504,507
Gross Indebtedness	18,306,091	19,037,539	19,915,082	17,130,316
Less Debt Outside Limitation				
Bond Anticipation Notes	0	0	0	300,000
General Obligation Bonds	0	0	23,300	45,900
Mortgage Revenue Bonds	8,130,000	8,540,000	8,940,000	9,315,000
OWDA Loans	8,919,074	8,833,359	8,743,063	4,853,063
Capital Loans	129,624	185,295	266,866	280,568
Loans Payable	<u>622,630</u>	<u>712,955</u>	<u>799,824</u>	<u>883,369</u>
Net Indebtedness	504,763	765,930	1,142,029	1,452,416
Less Fund Balance in Debt Service Fund	<u>144,972</u>	<u>245,212</u>	<u>467,448</u>	<u>539,473</u>
Net Debt Within 10.5 Percent Limitation	<u>359,791</u>	<u>520,718</u>	<u>674,581</u>	<u>912,943</u>
Legal Debt Margin Within 10.5 Percent Limitation	<u>\$15,598,033</u>	<u>\$15,702,012</u>	<u>\$15,528,031</u>	<u>\$15,591,564</u>
Legal Debt Margin as a Percentage of the Overall Debt Limitation	97.75%	96.79%	95.84%	94.47%
Unvoted Debt Limitation - 5.5 Percent of Assessed Valuation	\$8,358,860	\$8,497,620	\$8,487,082	\$8,645,218
Gross Indebtedness	18,306,091	19,037,539	19,915,082	17,130,316
Less Debt Outside Limitation				
Bond Anticipation Notes	0	0	0	300,000
General Obligation Bonds	0	0	23,300	45,900
Mortgage Revenue Bonds	8,130,000	8,540,000	8,940,000	9,315,000
OWDA Loans	8,919,074	8,833,359	8,743,063	4,853,063
Capital Loans	129,624	185,295	266,866	280,568
Loans Payable	<u>622,630</u>	<u>712,955</u>	<u>799,824</u>	<u>883,369</u>
Net Indebtedness	504,763	765,930	1,142,029	1,452,416
Less Fund Balance in Debt Service Fund	<u>144,972</u>	<u>245,212</u>	<u>467,448</u>	<u>539,473</u>
Net Debt Within 5.5 Percent Limitation	<u>359,791</u>	<u>520,718</u>	<u>674,581</u>	<u>912,943</u>
Legal Debt Margin Within 5.5 Percent Limitation	<u>\$7,999,069</u>	<u>\$7,976,902</u>	<u>\$7,812,501</u>	<u>\$7,732,275</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	95.70%	93.87%	92.05%	89.44%

Source: City Records

2008	2007	2006	2005	2004	2003
<u>\$148,055,772</u>	<u>\$151,729,644</u>	<u>\$151,223,339</u>	<u>\$138,142,815</u>	<u>\$142,385,384</u>	<u>\$141,929,482</u>
15,545,856	15,931,613	15,878,451	14,504,996	14,950,465	14,902,596
11,861,263	13,112,930	14,313,847	14,724,416	15,082,873	14,762,589
600,000	990,000	1,450,000	8,588,400	8,257,600	7,276,800
67,900	89,300	110,300	130,900	151,100	170,600
9,670,000	10,015,000	10,350,000	3,105,000	3,280,000	3,445,000
1,007	0	0	0	0	0
80,256	157,930	118,847	196,016	270,273	340,789
0	0	0	0	0	0
1,442,100	1,860,700	2,284,700	2,704,100	3,123,900	3,529,400
609,729	520,071	413,201	301,980	229,925	161,129
832,371	1,340,629	1,871,499	2,402,120	2,893,975	3,368,271
<u>\$14,713,485</u>	<u>\$14,590,984</u>	<u>\$14,006,952</u>	<u>\$12,102,876</u>	<u>\$12,056,490</u>	<u>\$11,534,325</u>
94.65%	91.59%	88.21%	83.44%	80.64%	77.40%
\$8,143,067	\$8,345,130	\$8,317,284	\$7,597,855	\$7,831,196	\$7,806,122
11,861,263	13,112,930	14,313,847	14,724,416	15,082,873	14,762,589
600,000	990,000	1,450,000	8,588,400	8,257,600	7,276,800
67,900	89,300	110,300	130,900	151,100	170,600
9,670,000	10,015,000	10,350,000	3,105,000	3,280,000	3,445,000
1,007	0	0	0	0	0
80,256	157,930	118,847	196,016	270,273	340,789
0	0	0	0	0	0
1,442,100	1,860,700	2,284,700	2,704,100	3,123,900	3,529,400
609,729	520,071	413,201	301,980	229,925	161,129
832,371	1,340,629	1,871,499	2,402,120	2,893,975	3,368,271
<u>\$7,310,696</u>	<u>\$7,004,501</u>	<u>\$6,445,785</u>	<u>\$5,195,735</u>	<u>\$4,937,221</u>	<u>\$4,437,851</u>
89.78%	83.94%	77.50%	68.38%	63.05%	56.85%

City of Wapakoneta
Revenue Bond Coverage
Sewer Fund
Last Ten Years

Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2012	\$2,718,422	\$1,174,231	\$1,544,191	\$410,000	\$372,773	\$782,773	1.97
2011	2,418,291	1,315,509	1,102,782	400,000	390,909	790,909	1.39
2010	1,987,702	1,305,730	681,972	375,000	407,905	782,905	0.87
2009	1,803,106	1,936,809	(133,703)	355,000	423,123	778,123	(0.17)
2008	1,879,320	1,324,362	554,958	345,000	437,210	782,210	0.71
2007	1,961,301	1,176,047	785,254	335,000	450,788	785,788	1.00
2006	1,901,842	1,192,376	709,466	180,000	291,933	471,933	1.50
2005	1,864,785	963,590	901,195	175,000	155,092	330,092	2.73
2004	1,832,802	896,473	936,329	165,000	161,610	326,610	2.87
2003	1,693,997	860,093	833,904	160,000	167,770	327,770	2.54

Source: City Records

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

City of Wapakoneta
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (2)	Per Capita Personal Income (3)	School Enrollment (4)	Unemployment Rate Auglaize County (5)
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
2005	9,531	180,860,256	18,976	3,163	4.20
2004	9,518	180,613,568	18,976	3,119	3.30
2003	9,474	179,778,624	18,976	3,069	5.50

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	2012		
		Number of Employees	Rank	Percentage of Total Employment
Auglaize County	Government	454	1	8.37%
Wal-Mart Stores East LP	Retail Business	280	2	5.17
Wapakoneta City School District	Government	271	3	5.00
General Aluminum Manufacturing Company	Aluminum Manufacturing	240	4	4.43
American Trim Limited	Metal Stamping	175	5	3.24
Miller's Textile Services, Inc.	Uniform Rentals	170	6	3.14
Trupointe	Agricultural Commodities Supplier	165	7	3.05
Koneta, Inc.	Rubber Truck Accessories Manufacturing	122	8	2.25
GA Wintzer & Son Company	Manufacturing	108	9	1.99
City of Wapakoneta	Government	82	10	1.51
Superior Metal Products, Inc.	Metal Stamping			
Amcast Industrial Corporation	Automotive Parts			
LRV Acquisition	Hotel Properties			
Penn Traffic Company	Retail Grocery and Department Store			
Ametek, Inc.	Plastic Compounds			
HCF, Inc.	Nursing Home			
Total		2,067		38.15%
Total Employment Within the City		5,418		

Source: City Records

Total employment based on 2011 numbers (latest information available)

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

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

Function/Program	2012	2011	2010	2009
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	14.00	14.00	14.00
Police - Dispatchers	5.00	5.00	5.00	5.00
Police - Auxiliary	15.00	17.00	16.00	14.00
Fire	14.00	14.00	15.00	15.00
Fire - Auxiliary	12.00	12.00	11.00	13.00
Safety Director	1.00	1.00	1.00	1.00
Public Health				
Emergency Medical Services	6.00	7.00	7.00	7.00
Leisure Time Activities				
Recreation Director	1.00	1.00	1.00	1.00
Transportation				
Public Works	10.00	10.00	10.00	10.00
Basic Utility Services				
Engineering	3.00	3.00	3.00	3.00
Utility Clerks	4.00	2.00	2.00	2.00
Electric	11.00	11.00	11.00	11.00
Water	6.00	6.00	6.00	6.00
Sewer	4.00	4.00	5.00	5.00
Refuse	6.00	6.00	7.00	7.00
Total	<u>127.50</u>	<u>128.50</u>	<u>129.50</u>	<u>129.50</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

Note: Information prior to 2004 not available.

2008	2007	2006	2005	2004
1.00	1.00	1.00	1.00	1.00
8.00	8.00	8.00	8.00	8.00
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
14.00	13.00	14.00	14.00	19.00
5.00	5.00	5.00	5.00	5.00
15.00	14.00	15.00	15.00	16.00
15.00	14.00	14.00	15.00	14.00
11.00	11.00	11.00	14.00	16.00
1.00	1.00	1.00	1.00	1.00
9.00	14.00	14.00	10.00	12.00
1.00	0.50	0.50	0.50	0.50
10.00	10.00	10.00	10.00	10.00
3.00	2.00	2.00	4.00	4.00
2.00	2.00	2.00	3.00	3.00
12.00	13.00	11.00	12.00	12.00
4.00	4.00	4.00	4.00	4.00
6.00	6.00	6.00	6.00	6.00
6.00	6.00	7.00	7.00	7.00
<u>129.50</u>	<u>131.00</u>	<u>132.00</u>	<u>136.00</u>	<u>145.00</u>

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

Function/Program	2012	2011	2010	2009
Security of Persons and Property-Police				
Vehicle Mileage	116,181	107,529	118,129	104,347
Number of Traffic Citations and Arrests	797	961	1,092	1,008
Number of Parking Tickets Issued	369	340	489	478
Dollar Amount Collected for Tickets	\$3,690	\$3,400	\$4,630	\$4,390
Security of Persons and Property-Fire				
Number of EMS Calls	1,249	1,074	1,016	928
Number of Fire Calls	17	38	41	41
Miscellaneous Calls	214	229	240	201
Transportation				
Number of Gallons of R-S-2 Used to Fill Potholes	0	0	2,200	5,250
Number of Pounds of Crack Sealer Used	0	0	2,000	4,000
General Government				
Income Tax				
Number of Individual Accounts	4,996	4,740	4,713	4,837
Number of Business Accounts	862	827	804	820
Number of Business Withholding Accounts	947	925	879	907
Total Receipts Collected	\$2,280,139	\$2,271,225	\$2,244,992	\$2,163,600
Amount of Interest and Penalties Charged	\$26,912	\$35,654	\$29,401	\$22,951
Amount of Interest and Penalties Collected	\$8,504	\$25,571	\$11,130	\$14,998
City Commission				
Number of Ordinances Passed	54	62	46	45
Number of Resolutions Passed	11	11	9	13
Electric Department				
Kilowatt Hours Used	186,176,513	180,959,049	182,091,811	170,099,880
City Cost of Power	\$11,076,435	\$11,968,304	\$12,224,095	\$11,750,318
Water Department				
Number of Wells Operating	7	10	7	7
Millions of Gallons of Finished Water	519.00	537.00	532.00	523.52
Chlorine Used (pounds)	14,695	15,799	14,362	13,667
Phosphate Used (gallons)	2,035	1,755	2,961	2,190
Salt in Tons (regenerates softening units)	1,571	1,296	1,448	1,420
Number of Gallons of Water Able to be Pumped a Day Combined	2,500,000	2,700,000	2,700,000	2,700,000
Daily Average Consumption (gallons)	1,350,000	1,470,000	1,579,000	1,576,000
Maximum Daily Capacity of Treatment Plant (gallons)	2,500,000	2,560,000	2,722,000	2,722,000
Sewer Department				
Number of Gallons of Sewage Treated (in millions)	1,013	1,332	911	822
Average Daily Flow (millions of gallons per day)	2.76	3.66	2.49	2.25
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)	4,775	3,830	3,152	3,762
Refuse Department				
Number of Tons of Refuse Collected	3,680	3,680	4,119	3,575
Number of Trash Bags Sold (in cases of 250 bags)	935	962	757	855
Number of Tons of Recycling Collected	831	816	1,077	1,017
Number of Gallons of Used Motor Oil Collected and Recycled	2,900	2,900	2,900	5,300
Engineering				
Number of Registered Contractors	225	240	239	253
Number of Building Permits Issued	254	233	213	194

Source: City Records

2008	2007	2006	2005	2004	2003
100,909	105,005	102,691	104,561	108,388	102,354
1,239	1,316	1,070	845	1,278	1,068
474	457	429	371	377	465
\$4,650	\$4,410	\$3,870	\$3,930	\$3,280	\$4,420
1,009	966	995	926	899	841
41	34	40	46	57	56
246	186	198	422	423	294
5,320	2,750	2,760	2,569	4,920	2,186
4,730	4,928	8,928	4,630	6,120	n/a
4,805	4,697	4,709	4,392	4,541	4,600
805	790	823	464	756	681
856	854	817	805	816	764
\$2,419,511	\$2,286,433	\$2,290,400	\$2,136,920	\$2,118,637	\$2,004,839
\$19,780	\$6,119	\$4,901	\$5,576	\$15,676	\$20,887
\$6,604	\$9,392	\$446	\$1,211	\$7,387	\$15,611
53	63	62	48	47	72
6	7	8	5	12	13
191,475,666	201,810,771	191,596,222	191,177,734	186,237,267	184,332,295
\$12,619,613	\$13,490,659	\$12,707,096	\$5,418,590	\$5,133,386	\$5,054,718
7	7	7	7	7	7
576.70	559.13	530.86	561.44	562.37	564.50
17,424	14,497	13,074	10,349	9,403	8,948
2,649	3,154	2,606	2,639	11,449	10,571
2,150	2,253	1,929	2,232	2,181	2,047
2,000,000	2,000,000	2,000,000	2,000,000	n/a	n/a
1,576,000	1,530,000	1,540,000	1,540,000	1,540,000	1,500,000
2,722,000	2,722,000	2,722,000	2,722,000	2,722,000	2,722,000
1,281	1,242	1,141	1,208	1,132	1,267
3.50	3.40	3.13	3.31	3.10	3.50
6,000,000	6,000,000	6,000,000	8,000,000	8,000,000	4,000,000
4,460	4,242	3,460	3,145	3,285	2,693
3,849	4,169	4,326	4,346	4,129	4,120
966	903	998	1,058	889	889
1,305	1,376	1,338	1,429	1,466	1,444
5,600	4,800	4,200	3,800	4,200	3,100
287	245	245	226	194	190
264	223	206	192	197	203

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

Function/Program	2012	2011	2010	2009
Security of Persons and Property-Police				
Stations	1	1	1	1
Vehicles	11	11	10	8
Security of Persons and Property-Fire				
Stations	1	1	1	1
Fire Trucks	7	7	5	6
Trailer	1	1	1	1
Vehicles	2	2	2	2
Public Health				
Vehicles	3	3	3	3
Leisure Time Activities				
Vehicles	0	0	0	0
Transportation				
Streets (miles)	46.20	46.16	46.16	46.16
Vehicles	22	22	19	19
General Government				
Vehicles	1	1	1	1
Electric				
Electric Lines (miles)	103.37	103.37	103.37	102.88
Number of Substations	8	8	8	8
Vehicles	10	9	9	9
Water				
Water Lines (miles)	61.00	61.00	61.00	59.91
Number of Treatment Plants	2	2	1	1
Vehicles	8	8	5	4
Sewer				
Sanitary Sewer Lines (miles)	48.20	48.20	48.20	48.20
Storm Sewer Lines (miles)	27.93	27.93	27.93	27.93
Number of Treatment Plants	1	1	1	1
Vehicles	4	4	4	4
Refuse				
Vehicles	4	4	4	4
Recycling				
Vehicles	5	5	4	4
Engineering				
Vehicles	3	3	3	3

Source: City Records

2008	2007	2006	2005	2004	2003
1 8	1 8	1 7	1 9	1 8	1 8
1 6 1 2	1 6 1 2	1 6 1 2	1 6 1 2	1 6 1 2	1 6 1 2
3	3	3	3	3	3
0	0	0	0	1	0
46.16 19	46.15 19	46.15 18	45.90 20	45.90 19	45.00 20
1	1	1	1	1	1
106.37 8 15	106.37 8 15	106.37 8 12	106.37 8 11	102.15 8 11	98.72 8 11
59.91 1 4	59.73 1 4	59.73 1 5	59.73 1 4	59.73 1 4	58.72 1 4
48.20 27.93 1 4	47.93 27.80 1 4	47.93 27.80 1 4	47.93 27.80 1 4	47.93 27.80 1 4	47.05 26.27 1 4
4	4	5	4	6	6
4	3	3	3	3	3
3	3	3	3	3	3

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Dave Yost • Auditor of State

CITY OF WAPAKONETA

AUGLAIZE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 25, 2013**