

Annual Report

CITY OF WILLIS
Willis, Texas

ALL FUNDS
For the Year Ended September 30, 1976

SAULS AND PECHACEK
PUBLIC ACCOUNTANTS

Annual Report

CITY OF WILLIS
Willis, Texas

ALL FUNDS
For the Year Ended September 30, 1976

TABLE OF CONTENTS

Letter of Transmittal	
Combined Balance Sheet-All Funds.	2-3
Comparison of Budget with Actual Revenues and Expenditures	4-6
Analysis of Reserves and Fund Balance.	7
Utility Fund-Statement of Net Reserves Available for Debt Service	8
Notes to Financial Statement.	9
Bond Repayment Schedule-1954 & 1958 Series	10
Notes to 1954 & 1958 Series Revenue Bond	11
Bond Repayment Schedule-1975 Series	12

SAULS AND PECHACEK

PUBLIC ACCOUNTANTS

713 - 865-5112

ROBERT E. SAULS, P.A.
P. O. BOX 762
BAYTOWN, TEXAS 77520

March 23, 1976

JOHN R. PECHACEK, C.P.A.
P. O. BOX 549
BELLVILLE, TEXAS 77418

Honorable Mayor and City Council
City of Willis
Willis, Texas

Ladies and Gentlemen:

We have examined the Combined Balance Sheet-All Funds of the City of Willis, Texas as of September 30, 1976, and the related Comparison of Budget with Actual Revenues and Expenditures, Analysis of Reserves and Fund Balance and Utility Fund Statement of Net Revenues Available for Debt Service for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying Combined Balance Sheet-All Funds and the related Comparison of Budget with Actual Revenues and Expenditures, Analysis of Reserves and Fund Balance and Utility Fund Statement of Net Revenues Available for Debt Service present fairly the financial position of the City of Willis, Texas as of September 30, 1976, and the results of its operation for the year then ended in conformity with generally accepted accounting principles for municipalities, applied on a basis consistent with that of the preceding year.

Sincerely,



John R. Pechacek, C.P.A.
SAULS AND PECHACEK

CITY OF WILLIS, TEXAS
Combined Balance Sheet-All Funds
 September 30, 1976

Assets	Total All Funds	General Fund	Tax Bond Int. & Sinking Fund	Utility Fund	Construction Fund	Federal Revenue Sharing Fund	General Fixed Assets Fund
Cash-							
On Hand & In Banks	\$ 136,967.08	\$ 14,718.67	\$ -0-	\$ 22,284.14	\$ 91,110.83	\$ 8,853.44	\$ -0-
Invested in Time Deposits	187,437.57	48,916.01	-0-	44,666.15	93,855.41	-0-	-0-
Total Cash	\$ 324,404.65	\$ 63,634.68	\$ -0-	\$ 66,950.29	\$184,966.24	\$ 8,853.44	\$ -0-
Accounts Receivable-							
Utility Accounts	\$ 20,047.88	\$ -0-	\$ -0-	\$ 20,047.88	\$ -0-	\$ -0-	\$ -0-
Returned Checks	140.52	-0-	-0-	140.52	-0-	-0-	-0-
Accrued Interest Receivable	3,999.31	1,472.86	-0-	399.62	2,126.83	-0-	-0-
Delinquent Ad Valorem Taxes	20,352.37	20,352.37	-0-	-0-	-0-	-0-	-0-
Due from Other Funds	3,040.33	3,040.33	-0-	-0-	-0-	-0-	-0-
Less Allow. for Uncollectible Accounts	(13,176.18)	(10,176.18)	-0-	(3,000.00)	-0-	-0-	-0-
Total Accounts Receivable	\$ 34,404.23	\$ 14,689.38	\$ -0-	\$ 17,588.02	\$ 2,126.83	\$ -0-	\$ -0-
Fixed Assets-							
Land	\$ 2,638.27	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 2,638.27
Buildings & Streets	19,405.83	-0-	-0-	-0-	-0-	-0-	19,405.83
Utility System	553,073.46	-0-	-0-	553,073.46	-0-	-0-	-0-
Vehicles	29,587.16	-0-	-0-	-0-	-0-	-0-	29,587.16
Equipment	13,089.95	-0-	-0-	-0-	-0-	-0-	13,089.95
Less Allow. for Depreciation	(16,592.20)	-0-	-0-	(16,592.20)	-0-	-0-	-0-
Total Fixed Assets	\$ 601,202.47	\$ -0-	\$ -0-	\$536,481.26	\$ -0-	\$ -0-	\$ 64,721.21
Other Debits-							
To be Provided for Retirement of Bonded Debt	\$ 289,000.00	\$ -0-	\$215,000.00	\$ 74,000.00	\$ -0-	\$ -0-	\$ -0-
TOTAL ASSETS	\$1,249,011.35	\$ 78,324.06	\$215,000.00	\$695,019.57	\$187,093.07	\$ 8,853.44	\$ 64,721.21

CITY OF WILLIS, TEXAS
 Combined Balance Sheet--All Funds(Cont'd)
 September 30, 1976

LIABILITIES	Total All Funds	General Fund	Tax Bond Int. & Sinking Fund	Utility Fund	Construction Fund	Federal Revenue Sharing Fund	General Fixed Asset Fund
Current Liabilities--							
Accounts Payable	\$ 120,280.00	\$ -0-	\$ -0-	\$ -0-	\$120,280.00	\$ -0-	\$ -0-
Payroll Taxes Payable	1,471.18	1,471.18	-0-	-0-	-0-	-0-	-0-
Accrued State Sales Tax Pay.	95.00	95.00	-0-	-0-	-0-	-0-	-0-
Accrued Int. of Rev.Bonds	572.50	-0-	-0-	572.50	-0-	-0-	-0-
Bonds Pay.-Current	16,000.00	-0-	10,000.00	6,000.00	-0-	-0-	-0-
Utility Deposits Payable	7,685.40	-0-	-0-	7,685.40	-0-	-0-	-0-
Due to Other Funds	3,040.33	-0-	3,040.33	-0-	-0-	-0-	-0-
Total Current Liabilities	\$ 149,144.41	\$ 1,566.18	\$ 13,040.33	\$ 14,257.90	\$120,280.00	\$ -0-	\$ -0-
Long Term Liabilities--							
Bonds Payable-Future Maturities	\$ 273,000.00	\$ -0-	\$205,000.00	\$ 68,000.00	\$ -0-	\$ -0-	\$ -0-
TOTAL LIABILITIES	\$ 422,144.41	\$ 1,566.18	\$218,040.33	\$ 82,257.90	\$120,280.00	\$ -0-	\$ -0-
<u>FUND BALANCE AND RESERVES</u>							
Fund Balance	\$ 153,855.12	\$76,757.88	\$ -0-	\$ 68,243.80	\$ -0-	\$ 8,853.44	\$ -0-
Reserves--							
For Retirement of Funded Debt	\$ 4,996.28	\$ -0-	\$ (3,040.33)	\$ 8,036.61	\$ -0-	\$ -0-	\$ -0-
For Authorized Construction	66,813.07	-0-	-0-	-0-	66,813.07	-0-	-0-
For Investment in Fixed Assets	601,202.47	-0-	-0-	536,481.26	-0-	-0-	64,721.21
Total Reserves	\$ 673,011.82	\$ -0-	\$ (3,040.33)	\$544,517.87	\$ 66,813.07	\$ -0-	\$ 64,721.21
TOTAL FUND BAL.&RESERVES	\$ 826,866.94	\$76,757.88	\$ (3,040.33)	\$612,761.67	\$ 66,813.07	\$ 8,853.44	\$ 64,721.21
TOTAL LIABILITIES, FUND BALANCE AND RESERVES	\$1,249,011.35	\$78,324.06	\$215,000.00	\$695,019.57	\$187,093.07	\$ 8,853.44	\$ 64,721.21

CITY OF WILLIS, TEXAS
Comparison of Budget with Actual Revenues and Expenditures
 For the Fiscal Year Ended September 30, 1976

Description	1975-76 Budget	Actual Income or Expenditures	Budget Over (Under)	General Fund	Tax Bond Int. & Sink.	Utility Fund	Construction Fund	Federal Rev. Sharing Fund
INCOME:								
Ad Valorem Taxes-								
Current	\$ 20,649.36	\$ 17,542.55	\$ 3,106.81	\$ 540.31	\$ 17,002.24	\$ -0-	\$ -0-	\$ -0-
Delinquent	10,000.00	3,184.81	6,815.19	3,184.81	-0-	-0-	-0-	-0-
Penalty, Interest & Cost	2,000.00	1,382.24	617.76	1,382.24	-0-	-0-	-0-	-0-
Water Sales	60,000.00	64,838.06	(4,838.06)	-0-	-0-	64,858.06	-0-	-0-
Water Taps	1,500.00	2,250.00	(750.00)	-0-	-0-	2,250.00	-0-	-0-
Sewer Sales	36,000.00	41,525.73	(5,525.73)	-0-	-0-	41,525.73	-0-	-0-
Sewer Taps	1,000.00	600.00	400.00	-0-	-0-	600.00	-0-	-0-
Service Charges	500.00	638.00	(138.00)	-0-	-0-	638.00	-0-	-0-
Late Payment Penalties	3,600.00	3,711.65	(111.65)	-0-	-0-	3,711.65	-0-	-0-
Garbage Receipts	24,000.00	24,997.50	(997.50)	24,997.50	-0-	-0-	-0-	-0-
Dump Receipts	6,000.00	6,995.95	(995.95)	6,995.95	-0-	-0-	-0-	-0-
Federal Revenue Sharing	15,841.00	15,841.00	-0-	-0-	-0-	-0-	-0-	15,841.00
City Sales Tax	18,000.00	24,223.63	(6,223.63)	24,223.63	-0-	-0-	-0-	-0-
City Franchise Tax	12,000.00	13,527.83	(1,527.83)	13,527.83	-0-	-0-	-0-	-0-
License & Permits	100.00	171.00	(71.00)	171.00	-0-	-0-	-0-	-0-
Corporation Court Fines	9,000.00	1,318.50	7,681.50	1,318.50	-0-	-0-	-0-	-0-
Interest Earnings	-0-	10,895.11	(10,895.11)	2,825.70	82.43	763.16	7,223.82	-0-
E.P.A. Grants	-0-	116,805.00	(116,805.00)	-0-	-0-	-0-	116,805.00	-0-
Court Cost	-0-	145.00	(145.00)	145.00	-0-	-0-	-0-	-0-
Miscellaneous Income	100.00	195.50	(95.50)	195.50	-0-	-0-	-0-	-0-
Total Income	\$220,290.36	\$350,769.06	\$(130,478.70)	\$ 79,467.97	\$ 17,084.67	\$114,346.60	\$124,028.82	\$ 15,841.00
EXPENDITURES:								
City General-								
Payroll Taxes	\$ -0-	\$ 15.79	\$ (15.79)	\$ 15.79	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Workman's Comp. Insurance	1,725.00	4,903.00	(3,178.00)	4,903.00	-0-	-0-	-0-	-0-
Professional Services	7,200.00	4,854.03	2,345.97	4,854.03	-0-	-0-	-0-	-0-
Fire Department	2,400.00	1,300.00	1,100.00	1,300.00	-0-	-0-	-0-	-0-
Travel & Allowances-Council	3,000.00	648.49	2,351.51	648.49	-0-	-0-	-0-	-0-
Election Expense	500.00	483.12	16.88	483.12	-0-	-0-	-0-	-0-
Tax Assessing Expense	1,500.00	1,137.23	362.77	1,137.23	-0-	-0-	-0-	-0-
Public Notice	300.00	278.44	21.56	278.44	-0-	-0-	-0-	-0-
Membership, Fees & Schools	350.00	447.00	(97.00)	447.00	-0-	-0-	-0-	-0-
Little League Support	700.00	700.00	-0-	700.00	-0-	-0-	-0-	-0-
Miscellaneous	-0-	70.35	(70.35)	70.35	-0-	-0-	-0-	-0-
Tax Bond Principal	5,000.00	5,000.00	-0-	-0-	5,000.00	-0-	-0-	-0-
Tax Bond Interest	15,125.00	15,125.00	-0-	-0-	15,125.00	-0-	-0-	-0-
Paying Agent Fee	100.00	-0-	100.00	-0-	-0-	-0-	-0-	-0-
Capital Outlay	-0-	1,495.00	(1,495.00)	-0-	-0-	-0-	-0-	1,495.00
Total City General	\$ 37,900.00	\$ 36,457.45	\$ 1,442.55	\$ 14,837.45	\$ 20,125.00	\$ -0-	\$ -0-	\$ 1,495.00

City of Willis, Texas
 Comparison of Budget with Actual Revenues & Expenditures(Cont'd)
 For the Fiscal Year Ended September 30, 1976

Description	1975-76 Budget	Actual Income/or Expenditures	Budget Over (Under)	General Fund	Tax Bond Int. & Sink.	Utility Fund	Construction Fund	Federal Rev. Sharing Fund
EXPENDITURES(Cont'd):								
City Office-								
Salaries	\$ 14,000.00	\$ 13,000.28	\$ 999.72	\$ 13,000.28	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Payroll Taxes	840.00	744.98	95.02	744.98	-0-	-0-	-0-	-0-
Health Insurance	960.00	494.85	465.15	494.85	-0-	-0-	-0-	-0-
Contract Labor	300.00	373.75	(73.75)	373.75	-0-	-0-	-0-	-0-
Maintenance & Repair	1,320.00	546.98	773.02	546.98	-0-	-0-	-0-	-0-
Telephone	1,080.00	1,082.59	(2.59)	1,082.59	-0-	-0-	-0-	-0-
Utilities	720.00	667.68	52.32	667.68	-0-	-0-	-0-	-0-
Postage	1,440.00	1,422.74	17.26	1,422.74	-0-	-0-	-0-	-0-
Office Supplies	720.00	834.91	(114.91)	834.91	-0-	-0-	-0-	-0-
Operating Supplies	600.00	588.12	11.88	588.12	-0-	-0-	-0-	-0-
Office Expense	-0-	74.21	(74.21)	74.21	-0-	-0-	-0-	-0-
Insurance & Bonds	-0-	82.25	(82.25)	82.25	-0-	-0-	-0-	-0-
Rentals	300.00	25.00	275.00	25.00	-0-	-0-	-0-	-0-
Travel & Allowances	900.00	937.50	(37.50)	937.50	-0-	-0-	-0-	-0-
Capital Outlay-Furn. & Equip.	2,000.00	2,940.78	(940.78)	2,940.78	-0-	-0-	-0-	-0-
Total City Office	\$ 25,180.00	\$ 23,816.62	\$ 1,363.38	\$ 23,816.62	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Police Department-								
Salaries	\$ 18,000.00	\$ 6,129.95	\$ 11,870.05	\$ 6,129.95	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Payroll Taxes	1,080.00	343.80	736.20	343.80	-0-	-0-	-0-	-0-
Health Insurance	600.00	232.51	367.49	232.51	-0-	-0-	-0-	-0-
Professional Services	2,400.00	350.00	2,050.00	350.00	-0-	-0-	-0-	-0-
Maintenance & Repairs	3,600.00	93.98	3,506.02	93.98	-0-	-0-	-0-	-0-
Telephone	780.00	737.48	42.52	737.48	-0-	-0-	-0-	-0-
Office Supplies	-0-	90.04	(90.04)	90.04	-0-	-0-	-0-	-0-
Auto Expense	2,400.00	815.99	1,584.01	815.99	-0-	-0-	-0-	-0-
Operating Supplies	-0-	938.62	(938.62)	938.62	-0-	-0-	-0-	-0-
Insurance	625.00	164.45	460.55	164.45	-0-	-0-	-0-	-0-
Rentals	1,200.00	-0-	1,200.00	-0-	-0-	-0-	-0-	-0-
Capital Outlay	2,400.00	2,050.00	350.00	-0-	-0-	-0-	-0-	2,050.00
Total Police Department	\$ 33,085.00	\$ 11,946.82	\$ 21,138.18	\$ 9,896.82	\$ -0-	\$ -0-	\$ -0-	\$ 2,050.00
Garbage Department-								
Labor (Contract)	\$ 7,000.00	\$ 5,391.00	\$ 1,609.00	\$ 5,391.00	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Maintenance & Repair	5,000.00	124.89	4,875.11	124.89	-0-	-0-	-0-	-0-
Operating Supplies	-0-	56.41	(56.41)	56.41	-0-	-0-	-0-	-0-
Auto Expense	900.00	802.77	97.23	802.77	-0-	-0-	-0-	-0-
Insurance	-0-	144.45	(144.45)	144.45	-0-	-0-	-0-	-0-
Total Garbage Department	\$ 12,900.00	\$ 6,519.52	\$ 6,380.48	\$ 6,519.52	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Dump Department-								
Labor (Contract)	\$ 7,000.00	\$ 5,888.00	\$ 1,112.00	\$ 5,888.00	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Maintenance & Repair	300.00	58.57	241.43	58.57	-0-	-0-	-0-	-0-
Utilities	200.00	76.92	123.08	76.92	-0-	-0-	-0-	-0-
Insurance	-0-	116.45	(116.45)	116.45	-0-	-0-	-0-	-0-
Total Dump Department	\$ 7,500.00	\$ 6,139.94	\$ 1,360.06	\$ 6,139.94	\$ -0-	\$ -0-	\$ -0-	\$ -0-

City of Willis, Texas
Comparison of Budget with Actual Revenues & Expenditures, (Cont'd)
 For the Fiscal Year Ended September 30, 1976

Description	1975-76 Budget	Actual Income/or Expenditures	Budget Over (Under)	General Fund	Tax Bond Int. & Sink.	Utility Fund	Construction Fund	Federal Rev. Sharing Fund
EXPENDITURES(Cont'd):								
Street Department-								
Labor	\$ 4,800.00	\$ 5,045.50	\$ (245.50)	\$ 5,045.00	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Maintenance & Repair	6,000.00	39.68	5,960.32	39.68	-0-	-0-	-0-	-0-
Utilities	2,000.00	1,227.08	772.92	1,227.08	-0-	-0-	-0-	-0-
Truck Expense	-0-	1,054.52	(1,054.52)	1,054.52	-0-	-0-	-0-	-0-
Total Street Department	\$ 12,800.00	\$ 7,366.78	\$ 5,433.22	\$ 7,366.78	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Water Department-								
Salaries	\$ 13,000.00	\$ 11,827.45	\$ 1,172.55	\$ -0-	\$ -0-	\$ 11,827.45	\$ -0-	\$ -0-
Payroll Taxes	780.00	667.59	112.41	-0-	-0-	667.59	-0-	-0-
Health Insurance	360.00	224.97	135.03	-0-	-0-	224.97	-0-	-0-
Labor	300.00	219.00	81.00	-0-	-0-	219.00	-0-	-0-
Maintenance & Repair	18,000.00	11,854.89	6,145.11	-0-	-0-	11,232.09	-0-	622.80
Telephone	-0-	109.85	(109.85)	-0-	-0-	109.85	-0-	-0-
Utilities	5,000.00	3,675.62	1,324.38	-0-	-0-	3,675.62	-0-	-0-
Postage	36.00	12.17	23.83	-0-	-0-	12.17	-0-	-0-
Office Supplies	-0-	3.37	(3.37)	-0-	-0-	3.37	-0-	-0-
Operating Supplies	-0-	8,591.37	(8,591.37)	-0-	-0-	8,591.37	-0-	-0-
Truck Expense	700.00	773.07	(73.07)	-0-	-0-	773.07	-0-	-0-
Insurance	625.00	141.20	483.80	-0-	-0-	141.20	-0-	-0-
Rentals	-0-	90.00	(90.00)	-0-	-0-	90.00	-0-	-0-
Travel & Allowances	450.00	364.49	85.51	-0-	-0-	364.49	-0-	-0-
Dues, Fees & Schools	-0-	280.20	(280.20)	-0-	-0-	280.20	-0-	-0-
Revenue Bond Principal	3,000.00	3,000.00	-0-	-0-	-0-	3,000.00	-0-	-0-
Short Term Loan-Principal	2,100.00	2,605.50	(505.50)	-0-	-0-	2,605.50	-0-	-0-
Revenue Bond Interest	1,853.00	1,852.50	.50	-0-	-0-	1,852.50	-0-	-0-
Paying Agent Fee	50.00	-0-	50.00	-0-	-0-	-0-	-0-	-0-
Capital Outlay	1,200.00	74,670.27	(73,470.27)	-0-	-0-	4,035.17	68,242.85	2,392.25
Total Water Department	\$ 47,454.00	\$120,963.51	\$ (73,509.51)	\$ -0-	\$ -0-	\$ 49,705.61	\$ 68,242.85	\$ 3,015.05
Sewer Department-								
Salaries	\$ 13,000.00	\$ 10,939.95	\$ 2,060.05	\$ -0-	\$ -0-	\$ 10,939.95	\$ -0-	\$ -0-
Payroll Taxes	780.00	667.58	112.42	-0-	-0-	667.58	-0-	-0-
Health Insurance	360.00	223.96	136.04	-0-	-0-	223.96	-0-	-0-
Contract Labor	300.00	497.50	(197.50)	-0-	-0-	497.50	-0-	-0-
Maintenance & Repair	16,000.00	2,353.66	13,646.34	-0-	-0-	2,353.66	-0-	-0-
Utilities	2,000.00	589.01	1,410.99	-0-	-0-	589.01	-0-	-0-
Operating Supplies	-0-	8,812.26	(8,812.26)	-0-	-0-	8,812.26	-0-	-0-
Truck Expense	700.00	605.62	94.38	-0-	-0-	604.37	-0-	1.25
Insurance	625.00	141.20	483.80	-0-	-0-	141.20	-0-	-0-
Rentals	800.00	171.50	628.50	-0-	-0-	171.50	-0-	-0-
Travel & Allowances	450.00	315.00	135.00	-0-	-0-	315.00	-0-	-0-
Grant Expense	-0-	2,259.51	(2,259.51)	-0-	-0-	2,259.51	-0-	-0-
Dues, Fees & Schools	-0-	98.61	(98.61)	-0-	-0-	98.61	-0-	-0-
Bond Principal	3,000.00	3,000.00	-0-	-0-	-0-	3,000.00	-0-	-0-
Bond Interest	1,853.00	1,852.50	.50	-0-	-0-	1,852.50	-0-	-0-
Paying Agent Fee	50.00	-0-	50.00	-0-	-0-	-0-	-0-	-0-
Capital Outlay	1,200.00	150,679.80	(149,479.80)	-0-	-0-	1,030.74	147,423.84	2,225.22
Total Sewer Department	\$ 41,118.00	\$183,207.66	\$ (142,089.66)	\$ -0-	\$ -0-	\$ 33,557.35	\$147,423.84	\$ 2,226.47
Grand Total Expenditures	\$217,937.00	\$396,418.30	\$ (178,481.30)	\$ 68,577.13	\$ 20,125.00	\$ 83,262.96	\$215,666.69	\$ 8786.52

CITY OF WILLIS, TEXAS
Analysis of Reserves and Fund Balance
For the Fiscal Year Ended September 30, 1976

DESCRIPTION	Total All Funds	General Fund	Tax Bond Int. & Sinking	Utility Fund	Construction Fund	Federal Revenue Sharing Fund	General Fixed Assets Fund
Balance, October 1, 1975	\$655,966.40	\$ 47,557.59	\$ -0-	\$378,059.00	\$170,345.42	\$ 1,798.96	\$58,235.43
Income	\$350,769.06	\$ 79,467.97	\$17,084.67	\$114,346.60	\$124,028.82	\$ 15,841.00	\$ -0-
Expenditures	396,418.30	68,577.13	20,125.00	83,262.96	215,666.69	8,786.52	-0-
Net Income(Expenditures)	\$(45,649.24)	\$ 10,890.84	\$(3,040.33)	\$ 31,083.64	\$(91,637.87)	\$ 7,054.48	\$ -0-
Other Changes-							
Transfers between Funds(1)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ (9,771.80)	\$ 9,771.80	\$ -0-
Transfers between Funds(2)	-0-	9,771.80	-0-	-0-	-0-	(9,771.80)	-0-
Net Additions to Fixed Assets	215,243.65	-0-	-0-	208,757.87	-0-	-0-	6,485.78
Adjustment of Prior Year Balance	1,276.13	8,537.65	-0-	(5,138.84)	(2,122.68)	-0-	-0-
Total Other Changes	\$216,519.78	\$ 18,309.45	\$ -0-	\$203,619.03	\$(11,894.48)	\$ -0-	\$ 6,485.78
Balance, September 30, 1977	\$826,866.94	\$ 76,757.88	\$(3,040.33)	\$612,761.67	\$ 66,813.07	\$ 8,853.44	\$64,721.21

(1) To reimburse Federal Revenue Sharing Fund for items paid from that fund in error in fiscal year ended September 30, 1975.

(2) To reimburse General Fund for items paid from that fund in error in fiscal year ended September 30, 1975

CITY OF WILLIS, TEXAS
 UTILITY FUND
Net Revenues Available for Debt Service
 For the Year Ended September 30, 1976

	<u>Water Department</u>	<u>Sewer Department</u>	<u>Total</u>
INCOME:			
Utility Sales	\$ 64,858.06	\$ 41,525.73	\$106,383.79
Tap Fees	2,250.00	600.00	2,850.00
Service Charges	388.99*	249.01*	638.00
Late Payment Charges	2,262.99*	1,448.66*	3,711.65
Interest Earnings	450.30*	312.86*	763.16
Total Income	<u>\$ 70,210.34</u>	<u>\$ 44,136.26</u>	<u>\$114,346.60</u>
EXPENDITURES:			
Salaries	\$ 11,827.45	\$ 10,939.95	\$ 22,767.40
Payroll Taxes	667.59	667.58	1,335.17
Health Insurance	224.97	223.96	448.93
Contract Labor	219.00	497.50	716.50
Maintenance & Repair	11,232.09	2,353.66	13,585.75
Telephone	109.85	-0-	109.85
Utilities	3,675.62	589.01	4,264.63
Postage	12.17	-0-	12.17
Office Supplies	3.37	-0	3.37
Operating Supplies	8,591.37	8,812.26	17,403.63
Truck Expense	773.07	604.37	1,377.44
Insurance	141.20	141.20	282.40
Rentals	90.00	171.50	261.50
Travel & Allowances	364.49	315.00	679.49
Dues, Fees & Schools	280.20	98.61	378.81
Total Expenditures	<u>\$ 38,212.44</u>	<u>\$ 25,414.60</u>	<u>\$ 63,627.04</u>
Net Revenue Available for Debt Service	<u>\$ 31,997.90</u> =====	<u>\$ 18,721.66</u> =====	<u>\$ 50,719.56</u> =====

* Estimated breakdown by Department-actual breakdown not available.

NOTES TO FINANCIAL STATEMENTS

Note 1- Depreciation for the fiscal year 1976 has been recorded for the water and sewer systems based on an estimated 33 1/3 year life using a straight line depreciation method.

Note 2- In addition to the recorded accounts payable, there is a possible additional liability in the amount of \$80,000.00 to \$100,000.00 in the Construction Fund. This claim is being asserted by an engineering firm which has preformed certain engineering services for the City and represents alledged services over and above a fixed fee contract. As of the date of this report no documentary evidence was available to substantiate this claim.

CITY OF WILLIS, TEXAS
Repayment Schedule-1954 & 1958 Series
 Water & Sewer Revenue Bond

Fiscal Year Oct. 1- Sept. 30	Bond Numbers	Interest Rate	Semi-Annual Interest Due		Annual Principal Due Aug. 1	Total Annual Requirement
			Feb. 1	Aug. 1		
1975-76	77-82	4.5%	\$ 1,852.50	\$ 1,852.50	\$ 6,000.00	\$ 9,705.00
1976-77	83-88	4.5%	1,717.50	1,717.50	6,000.00	9,435.00
1977-78	89-94	4.5%	1,582.50	1,582.50	6,000.00	9,165.00
1978-79	95-100	4.5%	1,447.50	1,447.50	6,000.00	8,895.00
1979-80	101-107	4.5%	1,312.50	1,312.50	7,000.00	9,625.00
1980-81	108-114	4.5%	1,155.00	1,155.00	7,000.00	9,310.00
1981-82	115-121	4.5%	997.50	997.50	7,000.00	8,995.00
1982-83	122-128	4.5%	840.00	840.00	7,000.00	8,680.00
1983-84	129-135	4.5%	682.50	682.50	7,000.00	8,365.00
1984-85	1-7	5.0%	525.00	525.00	7,000.00	8,050.00
1985-86	8-14	5.0%	350.00	350.00	7,000.00	7,700.00
1986-87	15-21	5.0%	175.00	175.00	7,000.00	7,350.00

Total	\$12,637.50	\$12,637.50	\$80,000.00	\$105,275.00
--------------	-------------	-------------	-------------	--------------

70,000.

Paying Agent: First Hutchings-Sealy National Bank
 Galveston, Texas
 Original Issue: \$156,000.00
 Bonds Dated : \$135,000.00 dated August 1, 1954
 21,000.00 dated February 1, 1958

Option: Bond Nos. 48-135 of the 1954 issue optional for redemption on August 1, 1969 or any interest payment date thereafter at 103% plus accrued interest.

NOTES TO 1954 AND 1958 SERIES REVENUE BONDS

1. Water & Sewer Department income shall be deposited in a local bank into an account entitled "City of Willis Water & Sewer Revenue Fund". From this account the City shall pay current operating expense of the Water & Sewer Department only.
2. After payment of current operating expense, the City shall on the 15th of each month deposit from the Revenue Fund to the "Water & Sewer Interest & Sinking Fund" 1/12 of the next maturing principal and 1/6 of the next maturing interest.
3. After the requirements as set forth above have been fulfilled, the City shall deposit monthly to the "City of Willis Water & Sewer Interest & Sinking Reserve Fund" an amount equal to 20% of the payments indicated in 2 above, until a maximum of \$8,500.00 shall have been deposited.
4. After all the above enumerated requirements have been fulfilled, the City shall deposit monthly into the "City of Willis Water & Sewer Emergency Fund" the sum of \$25.00 until such fund reaches \$1,000.00
5. After all the foregoing requirements have been fulfilled, the remaining funds generated may be used for any legal purpose as determined by the city council.

CITY OF WILLIS, TEXAS
Repayment Schedule - 1975 Series
 General Obligation Bonds

Fiscal Year Oct. 1 - Sept. 30	Numbers	Interest Rate	Semi-Annual Interest Due		Annual Principal Due July 1	Total Annual Requirement
			Jan. 1	July 1		
1975-76	1	6.00%	\$ 7,562.50	\$ 7,562.50	\$ 5,000.00	\$ 20,125.00
1976-77	2-3	"	7,412.50	7,412.50	10,000.00	24,825.00
1977-78	4-5	6.50%	7,112.50	7,112.50	10,000.00	24,225.00
1978-79	6-8	"	6,787.50	6,787.50	15,000.00	28,575.00
1979-80	9-11	7.00%	6,300.00	6,300.00	15,000.00	27,600.00
1980-81	12-14	"	5,775.00	5,775.00	15,000.00	26,550.00
1981-82	15-17	"	5,250.00	5,250.00	15,000.00	25,500.00
1982-83	18-20	"	4,725.00	4,725.00	15,000.00	24,450.00
1983-84	21-23	"	4,200.00	4,200.00	15,000.00	23,400.00
1984-85	24-26	"	3,675.00	3,675.00	15,000.00	22,350.00
1985-86	27-29	"	3,150.00	3,150.00	15,000.00	21,300.00
1986-87	30-32	"	2,625.00	2,625.00	15,000.00	20,250.00
1987-88	33-35	"	2,100.00	2,100.00	15,000.00	19,200.00
1988-89	36-38	"	1,575.00	1,575.00	15,000.00	18,150.00
1989-90	39-41	"	1,050.00	1,050.00	15,000.00	17,100.00
1990-91	42-44	"	525.00	525.00	15,000.00	16,050.00
Totals			\$69,825.00	\$69,825.00	\$220,000.00	\$359,650.00

Paying Agent: Willis Bank of Texas
 Willis, Texas

Bonds Dated : July 1, 1975

Option: Bonds maturing July 1, 1988 through 1991 are optional
 for redemption on July 1, 1987 in inverse numerical
 order at par..