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Annual Report

CITY OF WILLIS
Willis, Texas

All Funds
For the Year Ended September 30, 1978

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SAULS AND PECHACEK
PUBLIC ACCOUNTANTS

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Annual Report

CITY OF WILLIS
Willis, Texas

ALL FUNDS
For the Year Ended September 30, 1978

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SAULS AND PECHACEK

PUBLIC ACCOUNTANTS

P.O. Box 549

BELLVILLE, TEXAS 77418

713 - 865-3169

ROBERT E. SAULS, P.A.

January 9, 1979

JOHN R. PECHACEK, C.P.A.

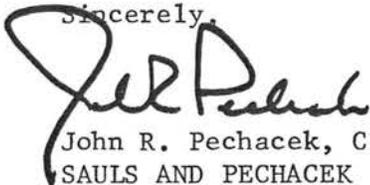
Honorable Mayor and City Council
City of Willis
Willis, Texas

Ladies and Gentlemen:

We have examined the Combined Balance Sheet of the City of Willis, Texas as of September 30, 1978, and the related Analysis of Reserves and Fund Balance, Comparison of Budget with Actual Revenues and Expenditures 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 Analysis of Reserves and Fund Balance and the related Comparison of Budget with Actual Revenues and Expenditures, 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, 1978, 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, 1978

Assets	General Fund	Tax Bond Interest & Sinking Fund	Utility Fund	Construction Fund	Federal Revenue Sharing Fund	General Fixed Assets Fund	Total All Funds
Current Assets:							
Cash -							
On Hand and In Banks	\$ 8,118.62	\$ -0-	\$ 8,885.73	\$ 4,757.24	\$ 4,548.44	\$ -0-	\$ 26,310.03
Invested in Time Deposits	69,353.51	5,094.79	76,302.72	-0-	25,245.37	-0-	175,996.39
Total Cash	\$ 77,472.13	\$ 5,094.79	\$ 85,188.45	\$ 4,757.24	\$ 29,793.81	\$ -0-	\$ 202,306.42
Accounts Receivable -							
Utility Accounts	\$ -0-	\$ -0-	\$ 25,291.28	\$ -0-	\$ -0-	\$ -0-	\$ 25,291.28
Returned Checks	-0-	-0-	327.51	-0-	-0-	-0-	327.51
Delinquent Ad Valorem Taxes	25,140.53	-0-	-0-	-0-	-0-	-0-	25,140.53
Less Allowance for Uncollectible Accounts	(6,285.13)	-0-	(3,000.00)	-0-	-0-	-0-	(9,285.13)
Total Accounts Receivable	\$ 18,855.40	\$ -0-	\$ 22,618.79	\$ -0-	\$ -0-	\$ -0-	\$ 41,474.19
Total Current Assets	\$ 96,327.53	\$ 5,094.79	\$ 107,807.24	\$ 4,757.24	\$ 29,793.81	\$ -0-	\$ 243,780.61
Fixed Assets:							
Land	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 2,638.27	\$ 2,638.27
Buildings and Streets	-0-	-0-	-0-	-0-	-0-	20,420.76	20,420.76
Utility System	-0-	-0-	1,856,470.14	-0-	-0-	-0-	1,856,470.14
Vehicles	-0-	-0-	-0-	-0-	-0-	45,082.06	45,082.06
Equipment	-0-	-0-	-0-	-0-	-0-	15,305.67	15,305.67
Less Allowance for Depreciation	-0-	-0-	(74,128.60)	-0-	-0-	-0-	(74,128.60)
Total Fixed Assets	\$ -0-	\$ -0-	\$ 1,782,341.54	\$ -0-	\$ -0-	\$ 83,446.76	\$ 1,865,788.30
Other Debits:							
To Be Provided for Retirement of Funded Debt	\$ -0-	\$ 195,000.00	\$ 230,000.00	\$ -0-	\$ -0-	\$ -0-	\$ 425,000.00
Total Assets	\$ 96,327.53	\$ 200,094.79	\$ 2,120,148.78	\$ 4,757.24	\$ 29,793.81	\$ 83,446.76	\$ 2,534,568.91

(The accompanying notes are an integral part of this financial statement.)

City of Willis, Texas
 Combined Balance Sheet -All Funds (Continued)
 September 30, 1978

	General Fund	Tax Bond Interest & Sinking Fund	Utility Fund	Construction Fund	Federal Revenue Sharing Fund	General Fixed Assets Fund	Total All Funds
<u>Liabilities, Reserves and Fund Balances</u>							
<u>Current Liabilities:</u>							
Accounts Payable	\$ 108.17	\$ -0-	\$ 29,995.00	\$ -0-	\$ -0-	\$ -0-	\$ 30,103.17
Payroll Taxes Payable	2,666.34	-0-	-0-	-0-	-0-	-0-	2,666.34
Accrued State Court Costs Payable	167.02	-0-	-0-	-0-	-0-	-0-	167.02
Accrued Interest on Revenue Bonds	-0-	-0-	2,258.33	-0-	-0-	-0-	2,258.33
Bonds Payable - Current Maturities	-0-	15,000.00	10,000.00	-0-	-0-	-0-	25,000.00
Utility Deposits Payable	-0-	-0-	8,932.57	-0-	-0-	-0-	8,932.57
Total Current Liabilities	\$ 2,941.53	\$ 15,000.00	\$ 51,185.90	\$ -0-	\$ -0-	\$ -0-	\$ 69,127.43
<u>Long Term Liabilities:</u>							
Bonds Payable-Future Maturities	\$ -0-	\$ 180,000.00	\$ 220,000.00	\$ -0-	\$ -0-	\$ -0-	\$ 400,000.00
Total Liabilities	\$ 2,941.53	\$ 195,000.00	\$ 271,185.90	\$ -0-	\$ -0-	\$ -0-	\$ 469,127.43
<u>Reserves and Fund Balances:</u>							
Fund Balance	\$ 74,530.60	\$ -0-	\$ 41,820.92	\$ -0-	\$ 29,793.81	\$ -0-	\$ 146,145.33
<u>Reserves -</u>							
For Retirement of Funded Debt	\$ -0-	\$ 5,094.79	\$ 5,460.96	\$ -0-	\$ -0-	\$ -0-	\$ 10,555.75
Revenue Bond Reserve Fund	-0-	-0-	15,337.62	-0-	-0-	-0-	15,337.62
Revenue Bond Emergency Fund	-0-	-0-	4,001.84	-0-	-0-	-0-	4,001.84
For Authorized Construction	-0-	-0-	-0-	4,757.24	-0-	-0-	4,757.24
For Investment in Fixed Assets	-0-	-0-	1,782,341.54	-0-	-0-	83,446.76	1,865,788.30
Fox Unrealized Revenue From Taxes	18,855.40	-0-	-0-	-0-	-0-	-0-	18,855.40
Total Reserves	\$ 18,855.40	\$ 5,094.79	\$ 1,807,141.96	\$ 4,757.24	\$ -0-	\$ 83,446.76	\$ 1,919,296.15
Total Reserves and Fund Balances	\$ 93,386.00	\$ 5,094.79	\$ 1,848,962.88	\$ 4,757.24	\$ 29,793.81	\$ 83,446.76	\$ 2,065,441.48
Total Liabilities, Reserves and Fund Balances	\$ 96,327.53	\$ 200,094.79	\$ 2,120,148.78	\$ 4,757.24	\$ 29,793.81	\$ 83,446.76	\$ 2,534,568.91

(The accompanying notes are an integral part of this financial statement.)

CITY OF WILLIS, TEXAS
Analysis of Changes in Reserves and Fund Balances
For the Fiscal Year Ended September 30, 1978

	General Fund	Tax Bond Interest & Sinking Fund	Utility Fund	Construction Fund	Federal Revenue Sharing Fund	General Fixed Assets Fund	Total All Funds
Balance, October 1, 1977	\$ 74,290.24	\$ 6,311.17	\$ 961,401.81	\$ 7,080.67	\$ 10,462.51	\$ 82,871.76	\$1,142,418.16
Income	\$138,395.43	\$ 439.87	\$ 140,623.72	\$942,172.08	\$ 19,331.30	\$ -0-	\$1,240,962.40
Expenditures	109,447.58	24,225.00	182,841.28	944,495.51	-0-	-0-	1,261,009.37
Net Income (Expenditures)	\$ 28,947.85	\$(23,785.13)	\$(42,217.56)	\$(2,323.43)	\$ 19,331.30	\$ -0-	\$(20,046.97)
Other Changes -							
Transfers From (To) Other Funds	\$ (9,852.09)	\$ 22,568.75	\$ (12,716.66)	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Net Additions to Fixed Assets	-0-	-0-	942,495.29	-0-	-0-	575.00	943,070.29
Total Other Changes	\$ (9,852.09)	\$ 22,568.75	\$ 929,778.63	\$ -0-	\$ -0-	\$ 575.00	\$ 943,070.29
Balance, September 30, 1978	\$ 93,386.00	\$ 5,094.79	\$1,848,962.88	\$ 4,757.24	\$ 29,793.81	\$ 83,446.76	\$2,065,441.48

(The accompanying notes are an integral part of this financial statement.)

CITY OF WILLIS, TEXAS
Notes to Financial Statements
 September 30, 1978

Note 1: Basis of Accounting

The City follows generally accepted accounting policies applicable to governmental organizations, including double entry, fund accounting. The statements presented in this report were prepared on the accrual basis of accounting with certain items (ad valorem tax revenues, penalties and interest revenues on delinquent ad valorem taxes and tax bond interest expenditures), being reported on the cash basis.

Note 2: Depreciation

No depreciation is recorded on the General Fixed Assets of the City; however, depreciation is recorded for the Water and Sewer System based on an estimated life of 33 1/3 years and using the straight line method of computing depreciation.

Note 3: Contingent Liability

In addition to the recorded accounts payable, there exists a contingent liability estimated to be a maximum of \$140,000.00. This claim is being asserted by an engineering firm which has performed certain engineering services for the City and represents the firm's claim for compensation over and above a fixed fee contract. The engineering firm has filed suit in District Court to recover this sum, but we can find no documentary evidence to substantiate this claim.

Note 4: Ad Valorem Taxes

The assessed valuation of the City for ad valorem tax purposes for the fiscal year ending September 30, 1978 (tax year 1977), based on 66 2/3% ratio of assessment, was \$4,855,488.00. The tax rate for this year was \$.78 per \$100 valuation. During the fiscal year ended September 30, 1978, the following amounts were collected:

Year of Tax Levy	Taxes Collected
1977	\$32,085.39
1976	2,230.50
1975	874.30
Prior to 1975	<u>2,710.33</u>
Total	<u>\$37,900.52</u> =====

CITY OF WILLIS, TEXAS
 Comparison of Budget with Actual Revenues
 For the Fiscal Year Ended September 30, 1978

Description	General Fund	Tax Bond Interest & Sinking Fund	Utility Fund	Construction Fund	Federal Revenue Sharing Fund	Total Revenue	Budget 1977-78	Budget (Over) Under
Ad Valorem Taxes -								
Current	\$ 32,085.39	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 32,085.39	\$ 33,551.00	\$ (1,465.61)
Delinquent	5,815.13	-0-	-0-	-0-	-0-	5,815.13	4,000.00	1,815.13
Penalty, Interest and Cost	2,271.70	-0-	-0-	-0-	-0-	2,271.70	1,000.00	1,271.70
Interest Income	3,268.54	439.87	5,548.31	3,863.54	1,042.30	14,162.56	9,095.00	5,067.56
Federal Revenue Sharing	-0-	-0-	-0-	-0-	18,289.00	18,289.00	18,117.00	172.00
Corporation Court Fines	5,869.00	-0-	-0-	-0-	-0-	5,869.00	4,500.00	1,369.00
Alcoholic Beverage Permits	115.00	-0-	-0-	-0-	-0-	115.00	200.00	(85.00)
City Franchise Taxes	21,094.21	-0-	-0-	-0-	-0-	21,094.21	15,000.00	6,094.21
Garbage Receipts	27,737.00	-0-	-0-	-0-	-0-	27,737.00	24,000.00	3,737.00
Dump Receipts	8,504.70	-0-	-0-	-0-	-0-	8,504.70	7,000.00	1,504.70
City Sales Tax	28,143.11	-0-	-0-	-0-	-0-	28,143.11	20,000.00	8,143.11
Community Development Block Grant	-0-	-0-	-0-	21,168.54	-0-	21,168.54	100,000.00	(78,831.46)
Water Sales	-0-	-0-	73,662.66	-0-	-0-	73,662.66	72,311.11	1,351.55
Water Taps	-0-	-0-	2,925.00	-0-	-0-	2,925.00	2,500.00	425.00
Sewer Sales	-0-	-0-	50,881.09	-0-	-0-	50,881.09	42,688.89	8,192.20
Sewer Taps	-0-	-0-	2,800.00	-0-	-0-	2,800.00	1,500.00	1,300.00
Service Charges	-0-	-0-	1,010.00	-0-	-0-	1,010.00	600.00	410.00
Late Payment Penalties	-0-	-0-	3,768.66	-0-	-0-	3,768.66	3,000.00	768.66
Electrical Permits	60.00	-0-	-0-	-0-	-0-	60.00	100.00	(40.00)
Building Permits	530.50	-0-	-0-	-0-	-0-	530.50	500.00	30.50
Anti Recession Federal Assistance	2,703.00	-0-	-0-	-0-	-0-	2,703.00	2,119.00	584.00
Environmental Protection Agency Grant	-0-	-0-	-0-	917,140.00	-0-	917,140.00	1,238,651.00	(321,511.00)
Miscellaneous	198.15	-0-	28.00	-0-	-0-	226.15	120.00	106.15
Total Revenues	\$138,395.43	\$ 439.87	\$140,623.72	\$ 942,172.08	\$ 19,331.30	\$1,240,962.40	\$1,600,553.00	\$(359,590.60)

CITY OF WILLIS, TEXAS
 Comparison of Budget with Actual Expenditures
 For the Fiscal Year Ended September 30, 1978

Description	General Fund	Tax Bond Interest & Sinking Fund	Utility Fund	Construction Fund	Federal Revenue Sharing Fund	Total Expenditures	Budget 1977-78	Budget (Over) Under
City General:								
Insurance	\$ 5,458.04	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 5,458.04	\$ 6,300.00	\$ 841.96
Professional Services	4,120.18	-0-	-0-	-0-	-0-	4,120.18	5,000.00	879.82
Maintenance and Repair	687.83	-0-	-0-	-0-	-0-	687.83	2,000.00	1,312.17
Travel Allowance	1,248.83	-0-	-0-	-0-	-0-	1,248.83	2,000.00	751.17
Election	298.76	-0-	-0-	-0-	-0-	298.76	500.00	201.24
Tax Assessing	1,943.45	-0-	-0-	-0-	-0-	1,943.45	1,500.00	(443.45)
Public Notices	239.74	-0-	-0-	-0-	-0-	239.74	500.00	260.26
Memberships, Fees, etc.	472.50	-0-	-0-	-0-	-0-	472.50	500.00	27.50
Fire Insurance	66.00	-0-	-0-	-0-	-0-	66.00	100.00	34.00
Summer Recreation	700.00	-0-	-0-	-0-	-0-	700.00	700.00	-0-
Fire Department	1,200.00	-0-	-0-	-0-	-0-	1,200.00	1,200.00	-0-
Miscellaneous Expense	66.16	-0-	-0-	-0-	-0-	66.16	200.00	133.84
Rentals	68.28	-0-	-0-	-0-	-0-	68.28	-0-	(68.28)
Bond Principal	-0-	10,000.00	-0-	-0-	-0-	10,000.00	10,000.00	-0-
Bond Interest	-0-	14,225.00	-0-	-0-	-0-	14,225.00	14,225.00	-0-
Capital Outlay	-0-	-0-	-0-	-0-	-0-	-0-	52,117.00	52,117.00
Total City General	\$ 16,569.77	\$24,225.00	\$ -0-	\$ -0-	\$ -0-	\$ 40,794.77	\$ 96,842.00	\$ 56,047.23
City Office:								
Salaries	\$ 17,606.00	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 17,606.00	\$ 17,075.00	\$ (531.00)
Payroll Taxes	1,056.81	-0-	-0-	-0-	-0-	1,056.81	1,008.00	(48.81)
Health Insurance	569.88	-0-	-0-	-0-	-0-	569.88	600.00	30.12
Contract Labor	435.00	-0-	-0-	-0-	-0-	435.00	450.00	15.00
Maintenance and Repair	536.43	-0-	-0-	-0-	-0-	536.43	1,200.00	663.57
Utilities	1,872.36	-0-	-0-	-0-	-0-	1,872.36	1,800.00	(72.36)
Postage	744.40	-0-	-0-	-0-	-0-	744.40	1,400.00	655.60
Office Supplies	903.02	-0-	-0-	-0-	-0-	903.02	900.00	(3.02)
Operating Supplies	366.40	-0-	-0-	-0-	-0-	366.40	600.00	233.60
Miscellaneous Expense	-0-	-0-	-0-	-0-	-0-	-0-	100.00	100.00
Insurance Bonds	64.00	-0-	-0-	-0-	-0-	64.00	70.00	6.00
Travel Allowances	1,400.00	-0-	-0-	-0-	-0-	1,400.00	1,800.00	400.00
Capital Outlay	575.00	-0-	-0-	-0-	-0-	575.00	-0-	(575.00)
Total City Office	\$ 26,129.30	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 26,129.30	\$ 27,003.00	\$ 873.70

CITY OF WILLIS, TEXAS
 Comparison of Budget with Actual Expenditures (Continued)
 For the Fiscal Year Ended September 30, 1978

	General Fund	Tax Bond Interest & Sinking Fund	Utility Fund	Construction Fund	Federal Revenue Sharing Fund	Total Expenditures	Budget 1977-78	Budget (Over) Under
Garbage Department:								
Contract Labor	\$ 12,233.78	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 12,233.78	\$ 5,000.00	\$ (7,233.78)
Maintenance and Repair	2.00	-0-	-0-	-0-	-0-	2.00	300.00	298.00
Truck Expense	1,012.01	-0-	-0-	-0-	-0-	1,012.01	2,700.00	1,687.99
Total Garbage Department	\$ 13,247.79	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 13,247.79	\$ 8,000.00	\$ (5,247.79)
Dump Department:								
Contract Labor	\$ 6,932.50	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 6,932.50	\$ 7,000.00	\$ 67.50
Maintenance and Repair	1,302.95	-0-	-0-	-0-	-0-	1,302.95	200.00	(1,102.95)
Supplies	59.95	-0-	-0-	-0-	-0-	59.95	100.00	40.05
Utilities	127.58	-0-	-0-	-0-	-0-	127.58	200.00	72.42
Total Dump Department	\$ 8,422.98	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 8,422.58	\$ 7,500.00	\$ (922.98)
Street Department:								
Contract Labor	\$ 5,100.00	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 5,100.00	\$ 5,000.00	\$ (100.00)
Maintenance and Repair	37.95	-0-	-0-	-0-	-0-	37.95	1,000.00	962.05
Utilities	4,062.15	-0-	-0-	-0-	-0-	4,062.15	4,500.00	437.85
Truck Expense	178.77	-0-	-0-	-0-	-0-	178.77	500.00	321.23
Total Street Department	\$ 9,378.87	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 9,378.87	\$ 11,000.00	\$ 1,621.13
Police Department:								
Salaries	\$ 23,658.80	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 23,658.80	\$ 25,275.00	\$ 1,616.20
Salaries-Anti Recession	1,637.35	-0-	-0-	-0-	-0-	1,637.35	1,080.00	(557.35)
Payroll Taxes	1,501.55	-0-	-0-	-0-	-0-	1,501.55	1,300.00	(201.55)
Health Insurance	503.08	-0-	-0-	-0-	-0-	503.08	800.00	296.92
Professional Services	230.00	-0-	-0-	-0-	-0-	230.00	800.00	570.00
Insurance-Bonds	20.00	-0-	-0-	-0-	-0-	20.00	20.00	-0-
Utilities	768.15	-0-	-0-	-0-	-0-	768.15	840.00	71.85
Operating Supplies	330.95	-0-	-0-	-0-	-0-	330.95	500.00	169.05
Auto Expense	5,972.11	-0-	-0-	-0-	-0-	5,972.11	5,000.00	(972.11)
Travel Allowances	200.00	-0-	-0-	-0-	-0-	200.00	-0-	(200.00)
Total Police Department	\$ 34,821.99	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 34,821.99	\$ 35,615.00	\$ 793.01

CITY OF WILLIS, TEXAS
 Comparison of Budget with Actual Expenditures (Continued)
 For the Fiscal Year Ended September 30, 1978

	General Fund	Tax Bond Interest & Sinking Fund	Utility Fund	Construction Fund	Federal Revenue Sharing Fund	Total Expenditures	Budget 1977-78	Budget (Over) Under
<u>Water Department:</u>								
Salaries	\$ -0-	\$ -0-	\$ 14,888.23	\$ -0-	-0-	\$ 14,888.23	\$ 15,102.00	\$ 213.77
Salaries-Anti Recession	876.88	-0-	-0-	-0-	-0-	876.88	1,039.00	162.12
Payroll Taxes	-0-	-0-	932.19	-0-	-0-	932.19	892.00	(40.19)
Health Insurance	-0-	-0-	224.98	-0-	-0-	224.98	300.00	75.02
Contract Services	-0-	-0-	292.50	-0-	-0-	292.50	300.00	7.50
Maintenance and Repair	-0-	-0-	5,477.29	-0-	-0-	5,477.29	10,000.00	4,522.71
Utilities	-0-	-0-	6,687.93	-0-	-0-	6,687.93	6,125.00	(562.93)
Postage	-0-	-0-	965.74	-0-	-0-	965.74	1,000.00	34.26
Operating Supplies	-0-	-0-	10,868.29	-0-	-0-	10,868.29	9,000.00	(1,868.29)
Truck Expense	-0-	-0-	1,093.93	-0-	-0-	1,093.93	1,000.00	(93.93)
Rentals and Permits	-0-	-0-	180.00	-0-	-0-	180.00	600.00	420.00
Travel Allowances	-0-	-0-	236.00	-0-	-0-	236.00	400.00	164.00
Memberships, Schools, etc.	-0-	-0-	510.03	-0-	-0-	510.03	400.00	(110.03)
Bond Principal	-0-	-0-	5,000.00	-0-	-0-	5,000.00	5,000.00	-0-
Bond Interest	-0-	-0-	7,291.68	-0-	-0-	7,291.68	7,311.11	19.43
Capital Outlay	-0-	-0-	7,389.51	21,168.54	-0-	28,558.05	4,000.00	(24,558.05)
Total Water Department	\$ 876.88	\$ -0-	\$ 62,038.30	\$ 21,168.54	\$ -0-	\$ 84,083.72	\$ 62,469.11	\$(21,614.61)
<u>Sewer Department:</u>								
Salaries	\$ -0-	\$ -0-	\$ 16,042.92	\$ -0-	\$ -0-	\$ 16,042.92	\$ 15,102.00	\$ (940.92)
Payroll Taxes	-0-	-0-	977.44	-0-	-0-	977.44	892.00	(85.44)
Health Insurance	-0-	-0-	224.97	-0-	-0-	224.97	300.00	75.03
Contract Services	-0-	-0-	499.00	-0-	-0-	499.00	500.00	1.00
Maintenance and Repair	-0-	-0-	4,699.89	-0-	-0-	4,699.89	5,000.00	300.11
Utilities	-0-	-0-	1,969.50	-0-	-0-	1,969.50	3,000.00	1,030.50
Operating Supplies	-0-	-0-	4,125.21	-0-	-0-	4,125.21	10,000.00	5,874.79
Truck Expense	-0-	-0-	442.50	-0-	-0-	442.50	700.00	257.50
Rentals and Permits	-0-	-0-	793.50	-0-	-0-	793.50	788.00	(5.50)
Travel Allowances	-0-	-0-	233.00	-0-	-0-	233.00	400.00	167.00
Memberships, Schools, etc.	-0-	-0-	-0-	-0-	-0-	-0-	300.00	300.00
Bond Principal	-0-	-0-	5,000.00	-0-	-0-	5,000.00	5,000.00	-0-
Bond Interest	-0-	-0-	7,291.68	-0-	-0-	7,291.68	7,311.11	19.43
Capital Outlay	-0-	-0-	78,503.37	923,326.97	-0-	1,001,830.34	1,669,035.00	667,204.66
Total Sewer Department	\$ -0-	\$ -0-	\$120,802.98	\$ 923,326.97	\$ -0-	\$1,044,129.95	\$1,718,328.11	\$674,198.16
Grand Total Expenditures	\$109,447.58	\$24,225.00	\$182,841.28	\$ 944,495.51	\$ -0-	\$1,261,009.37	\$1,966,757.22	\$705,747.85

CITY OF WILLIS, TEXAS
Utility Fund
Net Revenues Available for Debt Service
For the Year Ended September 30, 1978

	Water Department	Sewer Department	Total
<u>Income:</u>			
Utility Sales	\$ 73,662.66	\$ 50,881.09	\$124,543.75
Tap Fees	2,925.00	2,800.00	5,725.00
Service Charges	597.42*	412.58*	1,010.00
Late Payment Charges	2,229.16*	1,539.50*	3,768.66
Interest Earnings	3,281.83*	2,266.48*	5,548.31
Miscellaneous	16.56*	11.44*	28.00
 Total Income	 \$ 82,712.63	 \$ 57,911.09	 \$140,623.72
<u>Expense:</u>			
Salaries	\$ 14,888.23	\$ 16,042.92	\$ 30,931.15
Payroll Taxes	932.19	977.44	1,909.63
Health Insurance	224.98	224.97	449.95
Contract Services	292.50	499.00	791.50
Maintenance and Repair	5,477.29	4,699.89	10,177.18
Utilities	6,687.93	1,969.50	8,657.43
Postage	965.74	-0-	965.74
Operating Supplies	10,868.29	4,125.21	14,993.50
Truck Expense	1,093.93	442.50	1,536.43
Rentals and Permits	180.00	793.50	973.50
Travel Allowances	236.00	233.00	469.00
Memberships, Schools, etc.	510.03	-0-	510.03
 Total Expenses	 \$ 42,357.11	 \$ 30,007.93	 \$ 72,365.04
 Net Revenues Available for Debt Service	 \$ 40,355.52	 \$ 27,903.16	 \$ 68,258.68

* Estimated income distribution by department - actual distribution by department not available.

CITY OF WILLIS, TEXAS
Utility Fund
 Schedule of Water Usage and Customers Served
 For the Year Ended September 30, 1978

<u>Month</u>	<u>Water Usage In Gallons</u>		<u>Number of Customers Served</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Water</u>	<u>Sewer</u>
October, 1977	7,886,500	5,926,500	678	468
November, 1977	6,642,300	5,076,790	678	468
December, 1977	6,696,700	4,548,175	678	468
January, 1978	7,821,800	5,040,570	678	468
February, 1978	6,695,900	6,157,630	678	468
March, 1978	7,135,300	5,157,840	678	468
April, 1978	8,176,600	5,962,790	678	468
May, 1978	9,145,100	6,170,630	678	468
June, 1978	7,921,800	7,416,480	684	465
July, 1978	9,367,200	8,444,960	675	462
August, 1978	9,896,500	9,195,030	688	463
September, 1978	8,024,700	6,466,950	687	462
Total	95,410,400	75,544,345	8,158	5,596
Average	7,950,867	6,295,362	680	466
Unmetered Customers			-0-	

City of Willis, Texas
Waterworks and Sewer System Revenue Refunding
and Improvement Bonds - Series 1977
Repayment Schedule

Fiscal Year Ending Sept. 30	Bond Numbers	Interest Rate	Annual Principal Due Aug. 1	Semi-Annual Interest Due		Total Annual Requirement
				February 1	August 1	
1978	1-2	4.5%	\$ 10,000.00	\$ 7,622.22	\$ 7,000.00	\$ 24,622.22
1979	3-4	"	10,000.00	6,775.00	6,775.00	23,550.00
1980	5-6	"	10,000.00	6,550.00	6,550.00	23,100.00
1981	7-8	"	10,000.00	6,325.00	6,325.00	22,650.00
1982	9-10	5.0%	10,000.00	6,100.00	6,100.00	22,200.00
1983	11-12	"	10,000.00	5,850.00	5,850.00	21,700.00
1984	13-14	6.0%	10,000.00	5,600.00	5,600.00	21,200.00
1985	15-16	"	10,000.00	5,300.00	5,300.00	20,600.00
1986	17-18	"	10,000.00	5,000.00	5,000.00	20,000.00
1987	19-20	"	10,000.00	4,700.00	4,700.00	19,400.00
1988	21-23	"	15,000.00	4,400.00	4,400.00	23,800.00
1989	24-26	"	15,000.00	3,950.00	3,950.00	22,900.00
1990	27-29	"	15,000.00	3,500.00	3,500.00	22,000.00
1991	30-32	"	15,000.00	3,050.00	3,050.00	21,100.00
1992	33-35	6.5%	15,000.00	2,600.00	2,600.00	20,200.00
1993	36-38	"	15,000.00	2,112.50	2,112.50	19,225.00
1994	39-41	"	15,000.00	1,625.00	1,625.00	18,250.00
1995	42-44	"	15,000.00	1,137.50	1,137.50	17,275.00
1996	45-57	"	15,000.00	650.00	650.00	16,300.00
1997	48	"	500.00	162.50	162.50	5,325.00
Total			\$240,000.00	\$83,009.72	\$82,387.50	\$405,397.22

Paying Agent: Willis Bank of Texas
Willis, Texas

Bonds Dated: July 15, 1977

Option: Bonds maturing August 1, 1988 through 1997 are optional for redemption on August 1, 1987 or any interest payment date thereafter at par.

CITY OF WILLIS, TEXAS
Notes to Repayment Schedule - Waterworks
And Sewer System Revenue Refunding and
Improvement Bonds - Series 1977

The bond ordinance authorizing the issuance and sale of \$240,000.00 principal amount City of Willis, Waterworks and Sewer System Revenue Refunding and Improvement Bonds - Series 1977, was approved by the City Council in June 21, 1977. This bond ordinance sets out the conditions and manner of repayment of these bonds and requires the creation of several "Funds"* as follows:

- 1) Revenue Fund
This fund is to receive all gross revenues from the ownership and operation of the waterworks and sewer system, and is responsible for paying for the reasonable, necessary and proper expense of operation and maintenance of the System, as well as making the required deposits to the accounts enumerated below.
- 2) Interest and Sinking Fund
Commencing on August 20, 1977, the City is required to deposit monthly from net revenues of the System, a pro-rata share of the next maturing principal and/or interest. Principal and interest payments are to be disbursed from this account as scheduled.
- 3) Reserve Fund
Upon delivery of the bonds, \$10,000.00 shall be deposited into this account. On or before the 20th day of each month thereafter, an additional sum of at least \$300.00 shall be deposited until this account contains at least \$22,000.00. These funds are to be used only to pay principal and/or interest on the bonds at any time there is not sufficient money available in the Interest and Sinking Fund.
- 4) Commencing on July 20, 1977, the City is required to deposit monthly into this account at least \$200.00, such deposits continuing until this account contains at least \$5,000.00. These funds may be used to pay for repair or system extensions for which other funds are not available, or for the payment of principal and/or interest on the bonds when there is not sufficient money available in the Interest and Sinking Fund or Reserve Fund.

Deposits to the above accounts are cumulative, that is, if sufficient funds are not presently available, any deficiency in the required deposits shall be set apart and paid into the account from the first available and unallocated Net Revenues of the System in addition to the amounts otherwise required.

As of September 30, 1978, all required deposits have been made and the City has generally complied with the other provisions of the bond ordinance.

*Fund as used in this ordinance means "Bank Accounts".

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	"	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..

CITY OF WILLIS, TEXAS
Insurance Coverage
 September 30, 1978

Risk Covered	Amount of Coverage	Name of Insurer	Policy Period	
			From	To
Comprehensive General Liability; Auto Liability; Uninsured Motorists; Automobile Physical Damage	\$100,000/\$300,000 Bodily Injury \$50,000 Property Damage \$10,000/\$20,000 Uninsured Motorist Collision Actual Cash Value, \$250 Deductible	The Hartford	12-10-77	12-10-78
Fire, Extended Coverage, Vandalism and Malicious Mischief City Hall	\$5,000 Buidling \$5,000 Contents	The Hartford	12-10-77	12-10-78
Workman's Compensation	As Required	The Hartford	12-10-77	12-10-78
Fidelity and Security Bonds -				
Dorothy Ogelsby	\$5,000	Merchants Mutual Bonding Co.	1- 1-78	1- 1-79
Janica Wilson	\$5,000	Merchants Mutual Bonding Co.	2- 9-78	2- 9-79
Vernon Peace	\$1,000	Merchants Mutual Bonding Co.	3-15-78	3-15-79
Joseph Kroll	\$1,000	Merchants Mutual Bonding Co.	4- 5-78	4- 5-79