

City of Fort Wayne, Indiana

2004 Comprehensive Annual Financial Report

For the Year ended December 31, 2004



Graham A. Richard
Mayor

Patricia A. Roller, CPA
Controller

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

**City of Fort Wayne, Indiana
Year Ended December 31, 2004**



**Patricia A. Roller, CPA
Director of Finance and Administration
City Controller**

**Karen C. Aiken
Deputy Controller**

**Valerie A. Ahr
Deputy Controller**

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INTRODUCTION



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Table of Contents

<u>I. INTRODUCTION</u>	<u>Page(s)</u>
Table of Contents	1-3
Mayor's Letter of Transmittal	5
Chief Financial Officer's Letter of Transmittal	6-12
Locator Maps	13-15
Organization Chart	16
List of Principal Officials	17-18
Department Details	19-29
Fort Wayne at a Glance	30
GFOA Certificate of Excellence	31
<u>II. FINANCIAL SECTION</u>	
Independent Auditor's Report	33-34
Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	35
Management's Discussion and Analysis	36-47
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	50-51
Statement of Activities	52
Fund Financial Statements:	
Balance Sheet – Governmental Funds	54-55
Reconciliation of the Balance Sheet to the Statement of Net Assets	56
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	58-59
Reconciliation of the Statement of Revenues Expenditures, and Changes in Fund Balances to the Statement of Activities	60
Statement of Net Assets – Proprietary Funds	61
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	62
Statement of Cash Flow – Proprietary Funds	63
Statement of Fiduciary Net Assets	64
Statement of Changes in Fiduciary Net Assets	65
Combining Statement of Net Assets - Discretely Presented Component Units	66
Combining Statement of Activities - Discretely Presented Component Units	67
Notes to the Financial Statements	
1. Summary of Significant Accounting Policies	69-77
2. Deposits and Investments	77-78
3. Capital Assets	79-81
4. Short-Term Liabilities	82
5. Long-Term Debt	82-89
6. Operating Leases	90

FINANCIAL SECTION (Continued)

7. Deficit Fund Equity	90
8. Interfund Balances and Activity	91-92
9. Risk Management	92-93
10. Segment Information	94
11. Post Employment Health Care Benefits	95
12. Conduit Debt	95
13. Restricted Assets	95-96
14. Unrealized Gain	96
15. Lease of Electric Utility	97
16. City of Fort Wayne Community Trust	97
17. Net Investment in Direct Financing Lease	97
18. Deferred Revenue	98
19. Redevelopment Authority-Grand Wayne Center Expansion Project	98-99
20. Commitments and Contingencies	99
21. Subsequent Events	99-100
22. Pension Plans	100-105
Required Supplementary Information:	
Budgetary Comparison Schedule -	
General Fund	107
Budgetary Comparison Schedule -	
Major Special Revenue Funds	108
Modified Approach Schedules:	
Condition Rating for City of Fort Wayne	
Street Infrastructure	109
Comparison of Needed-to-Actual	
Maintenance/Preservation Schedule	109
Schedules of Funding Progress - Pensions	110
Schedules of Contributions from the Employer	
and other Contributing Entities - Pensions	111
Notes to Required Supplementary Information	112-113
Supplementary Information:	
Major Governmental Funds:	
Schedule of Expenditures -	
Budget and Actual General Fund	116-119
Schedule of Revenues, Expenditures and	
Changes in Fund Balance -	
Budget and Actual Budget Basis	
Other Budgeted Major Governmental Funds	120
Non-major Governmental Funds:	
Combining Balance Sheet -	
Non-major Governmental Funds (by fund type)	123
Combining Statement of Revenues,	
Expenditures, and Changes in Fund Balances -	
Non-major Governmental Funds (by fund type)	124
Combining Balance Sheet -	
Non-major Governmental Funds	
Non-major Special Revenue Funds	125-126
Non-major Capital Project Funds	127
Combining Statement of Revenues,	
Expenditures, and Changes in Fund Balances -	
Non-major Special Revenue Funds	128-129
Non-major Capital Project Funds	130

FINANCIAL SECTION (Continued)

Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual:
Other Non-major Governmental Funds 131-133

Non-major Proprietary Funds:
Combining Statement of Net Assets 135
Combining Statement of Revenue, Expenses,
and Changes in Fund Net Assets 136
Combining Statement of Cash Flows 137

Non-major Fiduciary Funds:
Combining Statement of Fiduciary Net Assets -
Pension Trust Funds 139
Combining Statement of Fiduciary Net Assets -
Agency Funds 140
Combining Statement of Changes in
Fiduciary Net Assets – Pension Trust Funds 141
Schedule of Changes in Assets and Liabilities -
Agency Funds 142

III. STATISTICAL SECTION

General Governmental Expenditures by Function -
Last Ten Years 143

General Governmental Revenues by Source -
Last Ten Years 144

Tax Revenues by Source and Tax Base -
Last Ten Years 145

Property Tax Levies and Collections –
Last Ten Years 146

Assessed and Estimated Actual Value of Taxable Property
Last Ten Years 147

Property Tax Rates and Tax Levies – Direct and
Overlapping Governments - Last Ten Years 148

Ratio of Net General Bonded Debt to Assessed
Value and Net Bonded Debt Per Capita -
Last Ten Years 149

Direct and Overlapping Bonded Debt and Bonding
Limit 150

Computation of Legal Debt Margin 151

Ratio of Annual Debt Service Expenditures
For General Obligation Bonded Debt to
Total General Governmental Expenditures – Last Ten Years 152

Schedule of Water and Sewer Bond Requirements -
Last Ten Years 153

Schedule of Largest Water and
Wastewater Customers 154

Property Value, Construction, and Bank Deposits -
Last Ten Years 155

Principal Taxpayers and Employers 156

Demographic Statistics 157

Schedule of Property and Liability Insurance In Force 158

Combined Schedule of Bonds Payable 159

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CITY OF FORT WAYNE

GRAHAM RICHARD, MAYOR

May 26, 2005

Dear Citizens:

I am pleased to present to you the 2004 Comprehensive Annual Financial Report for the City of Fort Wayne. This is an in-depth account of the financial status of the City. This report demonstrates our commitment to provide you with a full and detailed explanation for the use of your tax dollars. We are committed to fiscally conservative management of your tax dollars.

If you have any suggestions for improving our Comprehensive Annual Financial Report or for better managing your tax dollars, please contact the City Controller's Office at (260) 427-1106.

Sincerely,

A handwritten signature in cursive script that reads "Graham A. Richard".

Graham A. Richard
Mayor

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CITY OF FORT WAYNE

GRAHAM RICHARD, MAYOR

May 26, 2005

**Honorable Mayor Graham Richard and Members of the Fort Wayne Common Council,
City of Fort Wayne, Indiana**

With this document, we submit the Comprehensive Annual Financial Report (CAFR) of the City of Fort Wayne for the fiscal year ended December 31, 2004. This is the sixteenth CAFR prepared by the City's financial staff. The fifteen previous CAFRs have received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada. This award marks a continuing effort to improve the City's accountability and financial disclosure to the citizens of Fort Wayne.

We believe the financial information and exhibits, as presented, to be accurate in all material aspects. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests solely with the City of Fort Wayne. We believe it is important for the various constituencies of the City of Fort Wayne, including citizens, taxpayers, oversight bodies, and the capital markets, to gain maximum understanding of the financial activities, results of operations, and financial position of the various funds and account groups of the City of Fort Wayne. The CAFR is presented with that goal foremost in mind.

The CAFR is presented in three primary sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the Mayor's transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting, a list of the principal officials, the City's organizational chart, as well as other informational exhibits designed to familiarize the reader with the City of Fort Wayne. This letter of transmittal is designed to complement the Management's Discussion & Analysis (MD&A, found in the financial section) and should be read in conjunction with it. The financial section contains the independent auditor's opinion, MD&A, the basic financial statements for the City's funds, notes to the financial statements disclosing additional information, required supplementary information and supplementary information including various combined and combining statements and schedules for the City's funds and activities. The statistical section includes a number of financial, statistical, and demographic exhibits designed to provide a broad perspective on the City of Fort Wayne.

The Reporting Entity

This CAFR contains financial reporting for all funds of the City. The City operates under a Mayor/Council form of government pursuant to Indiana statute. Listed below are a number of the services the City provides: public safety (police, fire, and communications), community development (planning, zoning, neighborhood revitalization, and economic development), parks and recreation, transportation (roads and streets), solid waste disposal, engineering, and general administrative services. In addition, the City provides water, wastewater, and stormwater utility services. In 1975, the City leased its electrical utility to an investor-owned utility.

The City of Fort Wayne, Indiana entity has been carefully defined pursuant to the entity definition criteria promulgated by the Governmental Accounting Standards Board (GASB) in Statement 14, "The Financial Reporting Entity". In accordance with this criterion, the City has included various component units in its presentation of the general-purpose financial statements. Blended component units are included as part

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of the primary government's operations even though they are legally separate entities. The Fort Wayne Municipal Building Corporation has been presented as a blended component unit because the financial statements would be misleading if data from this component unit was not included.

Discretely presented component units have been presented in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City. The following entities have been shown as discretely presented component units because the City is financially accountable for them and can impose its will on them, or the component unit is fiscally dependent upon the City: Neighborhood Care, Inc. (HANDS), Summit Development Corporation, Fort Wayne Urban Enterprise Association, Inc., Fort Wayne-Allen County Convention and Tourism Authority, and Fort Wayne Redevelopment Authority.

The following governmental units have not been included in the reporting entity because the City is not financially accountable for them: Fort Wayne Housing Authority, Fort Wayne-Allen County Airport Authority, Fort Wayne Community School System, and Fort Wayne Public Transportation Corporation. The City of Fort Wayne entity also excludes several nonprofit entities that have some association with the City, including the Community Development Corporation.

The City of Fort Wayne entity includes several governmental boards and commissions, including the Park Board, the Redevelopment Commission, the Metro Human Relations Commission, the Board of Public Works, the Board of Public Safety, and the Animal Control Commission.

The oversight body for the Civil City (governmental operations) is the Common Council of the City of Fort Wayne. The Council is composed of nine elected Council members who serve four-year terms, six of whom represent geographic councilmanic districts and three of whom are elected at-large. The oversight body for the City Utilities of Fort Wayne is the Board of Public Works. The Board of Public Works, as of December 31, 2004, composed of the Chairman of the Board of Public Works and two citizen members appointed by the Mayor.

Note 1 of the basic financial statements provides a further discussion of the City as a financial reporting entity.

Economic Condition and Outlook

With a population of 220,486, Fort Wayne is the 85th largest city in the U.S., up from 101st in 1990. For the last decade, the Fort Wayne area (Allen County) has consistently maintained a lower unemployment level than the nation or the State of Indiana, until 2001 when the area's rates began to match the State's. During the past decade the area has seen a decline in manufacturing jobs offset by an increase in service jobs. Per capita income has also grown each year, primarily by the rate of inflation.

Almost two-thirds of the area's jobs are evenly distributed between the manufacturing, service and retail sectors. The remaining one-third comes from the construction, finance and government sectors. Job growth has been primarily from expansion of existing businesses. In 2004, 64 economic development projects were announced that represent over \$310 million in new investment, the retention of over 7,300 jobs and addition of over 1,000 jobs to Fort Wayne and Allen County.

In early 2000, the City's economic development objectives were refocused on gaining higher quality jobs in the manufacturing, service and technology sectors. The City, in collaboration with Allen County and the local Chamber of Commerce, created the Fort Wayne/Allen County Economic Development Alliance. This Alliance is responsible for marketing our assets, which include a high quality of life, existing commercial building sites and an outstanding workforce, to new and expanding businesses. The Alliance became operational in the fourth quarter of 2000. Since its inception, the Alliance has been involved in over 75 projects that have retained nearly 7,000 jobs and created 2,500 new jobs.

Expansion of the Northeast Indiana Innovation Center (NIIC) in Fort Wayne is underway. This technology incubator nurtures start-up and emerging technology businesses. Originally begun in 2001 in former Raytheon facilities, NIIC broke ground in October 2003 on a 41,700 square foot technology center across from Indiana University-Purdue University at Fort Wayne (IPFW). The technology center

is also designated a Certified Technology Park from the State of Indiana. Construction on the technology center is expected to be completed in July 2005. The technology center will be open for business on September 1, 2005.

The City is strategically located just 200 miles from most of the larger Midwest cities --- Chicago, Detroit, Indianapolis, Columbus, Cleveland, Cincinnati, Dayton, Louisville and Toledo. This location positions the community well for distribution businesses as well as manufacturing/service businesses that require proximity to customers in the Midwest, northeastern United States and southern Canada.

Major Initiatives

After twelve years, a new Mayor assumed leadership of the City of Fort Wayne in January 2000. While Fort Wayne has been considered a great place to live and work, we can do better. Based on input from citizens, the Mayor's initiatives are focused on three key areas:

1. Attracting high quality jobs to the City.
2. Making Fort Wayne one of the safest cities of its size.
3. Providing better customer service and more effective government to the community.

The City is adding "ready-to-go" business sites to support expanding and new businesses. The Summit II industrial park was completed in 2001 and continues to be marketed to new and expanding companies. Many infrastructure projects have been completed or are planned for 2004-05 to improve access to new and existing economic development and urban renewal areas in the City.

Public Safety initiatives include:

1. Recruitment and training of police officers and firefighters in preparation for the January 1, 2006 annexation of approximately 30,000 citizens.
2. Automated Fingerprint Identification System (AFIS) fully implemented and on-line.
3. Ethernet connectivity to squad cars allowed discontinuation of daily squad meetings, resulting in more cars on the street for longer periods of time.
4. Enhanced Police and Fire training.
5. Transitioned to totally digital photography.
6. Domestic Violence Unit implemented.
7. "On Wheels" repair services implemented to keep fire apparatus in service to meet response times.

The City of Fort Wayne continues to strive for excellent customer service in all departments and City owned water and sewer utilities. We work to maximize the effects of training and technology to improve our services to citizens. We have implemented business practices to streamline processes and increase customer satisfaction.

Fort Wayne has more than 80 parks and a children's zoo in its Parks system. A fundraising effort was started in early 2002 with a \$5 million match commitment from the City. Their three-year effort will provide funds to be used for major renovation and additions to Park facilities.

The City of Fort Wayne is committed to a bipartisan, fiscally conservative management of the citizens' tax dollars. The implementation of the multi-year financial projections has prepared the City of Fort Wayne for the financial challenges that lie ahead. This will be especially important to support the costs of the future annexation and the increased investment in public safety and our community.

Fiscal responsibility requires revenues to exceed expenditures. Currently, the City is using the cash reserve to prepare for the January 1, 2006 Southwest Extended annexation. In 2007, property tax revenues will be received and will align with the expenditures incurred with the Southwest Extended annexation.

Financial Information

Budgetary Controls

Budgetary control, for those funds where the Common Council legally adopts budgets, is maintained at the departmental or major category level. The annual budgetary sequence of events for the City of Fort Wayne contains several review points. Departments prepare draft budgets each June for the next fiscal year incorporating a set of assumptions provided by the Division of Finance and Administration. These budget requests are subjected to internal review and modification before a budget ordinance is prepared for introduction to the Common Council in early September.

Generally, budget hearings are held throughout September in Common Council sessions. Beyond the public and televised Common Council sessions, there is a legal public hearing held as part of the budget process at which citizens may provide the administration and the Common Council with their comments concerning the budget. By state law, the Common Council must pass the budget by the end of September each year. The Common Council has the power to decrease any major category proposed by the Administration, but may not increase any major category in the budget.

Subsequent to that action, the Department of Local Government Finance (DLGF) holds a final budget hearing, review, and modification in December of each year prior to issuing a formal budget approval order in January. Within this four-month process, there is ample opportunity for oversight and public input. Additional appropriation or transfer requests are controlled at the major category level and must be supported by available cash balances. The Department of Local Government Finance must approve any additional appropriations to those funds where the Common Council adopts a legal budget.

In funds where the modified accrual basis of accounting is used, expenditures are measured against available appropriations by encumbrance of purchase orders. For budget purposes, expenditures are recognized in the year encumbered. Under Indiana statute, open purchase orders at the end of a fiscal year, to the extent of available budgetary spending authority, are automatically added to the subsequent year's budget.

In proprietary fund types such as utilities, where the full accrual basis of accounting is used, encumbrances of purchase orders are not recorded. For financial statement and budget purposes, expenses are recognized when incurred.

The budgetary process for City Utilities is somewhat different from that of the Civil City or governmental operations. The oversight body for the utility operations under Indiana statute is the Board of Public Works. On a schedule that runs about a month behind the Civil City budget process before the Common Council, the Board of Public Works reviews and approves the utility budgets. Additional appropriation requests and transfers are controlled at the major category level.

Internal Controls

The management of the City of Fort Wayne is responsible for establishing and maintaining a system of internal financial controls that account for and safeguard the assets of the City from loss, theft, and misuse. The internal financial control system must allow for compilation of data in a manner in which financial statements can be prepared efficiently in conformance with generally accepted accounting principles.

It is important that the costs and efforts involved in internal control mechanisms not exceed the benefits received. Accordingly, we believe that the City's internal financial controls adequately safeguard assets and provide reasonable assurance of properly recorded financial transactions at an appropriate level of expense and effort. The City consults with the Indiana State Board of Accounts and our independent

auditors, not only during the audit, but also throughout the year. As a result, we believe that we have established a proactive, positive relationship with our auditor that works to increase the quality of the City's financial reporting and internal control system.

External Audit Function

The financial statements of the City Utilities operations, including the Electric, Water, Water Pollution Control and Yard Waste Facility, enterprise funds, the Stormwater special revenue fund are audited annually by an independent accounting firm. BKD LLP, a large regional accounting firm, performed the 2004 audit. They were selected in a request for proposals.

The Indiana State Board of Accounts (SBA) conducts a financial audit of the City of Fort Wayne annually, including review of the City Utilities audit report prepared by BKD LLP. In addition to this, the SBA conducts a state law compliance audit. The SBA also audits the City for compliance with the federal Office of Management and Budget Circular A-133, as empowered in the Single Audit Act of 1984, relative to federal financial assistance received.

Internal Audit Department

The City's Internal Audit Department was created in 1988, and is currently staffed by three accounting professionals: the Director of Internal Audit and two Staff Auditors. The Audit Committee ordinance requires that the Director of Internal Audit be a Certified Public Accountant licensed in the State of Indiana or a Certified Internal Auditor. The Internal Audit Department is organized as a separate department and has direct responsibilities to the Mayor and the Audit Committee and indirect responsibilities to the Common Council and the City Controller.

Audit Committee

In 1990, the City of Fort Wayne established by ordinance an Audit Committee. The Audit Committee is composed of five members of the community appointed as follows: 1) one member appointed by the Common Council; 2) one member appointed by the Mayor; 3) one member appointed by the Board of the Allen County Bar Association; 4) one member, approved by the State Board of Accounts, who is a chief financial officer of another governmental unit in Allen County and is familiar with governmental accounting in Indiana; and 5) one member appointed by the Board of the local chapter of the Institute of Internal Auditors.

The Audit Committee has significantly increased the accountability of the City of Fort Wayne to its four primary financial constituencies: 1) taxpayers and ratepayers; 2) citizens; 3) oversight body (Common Council); and 4) the capital markets (where securities of the City of Fort Wayne are sold and purchased in the primary market and traded in the secondary markets).

The duties of the Audit Committee include recommending a budget to the Mayor for the Internal Audit Department, approving an annual audit plan for the staff of the Internal Audit Department, publicly receiving audit reports of the State Board of Accounts, recommending the City's independent external auditors, making sure timely and appropriate remedial actions are taken on all exceptions and comments in audit reports and management letters, and mandating and monitoring compliance with all applicable Indiana laws, generally accepted accounting principles, governmental accounting standards, regulations of the Internal Revenue Service, and other federal agencies.

Pension Plans

The City of Fort Wayne maintains six pension plans for its employees. Most employees are members of the Public Employees Retirement Fund of Indiana (PERF), the public employee retirement system for a large percentage of all governmental employees in the State of Indiana. PERF is classified as an agent, multiple-employer public employee retirement system, acting as a common investment and administrative agent for governmental units in Indiana. Police and fire department personnel hired subsequent to April 30, 1977 are members of the 1977 Police Officers and Firefighters' Pension Fund

administered by PERF. Both plans are fully funded on an actuarial basis.

Police personnel hired prior to May 1, 1977 are members of the Police Pension Fund established in 1925 by the State of Indiana. Fire Department personnel hired prior to May 1, 1977 are members of the Fire Pension Fund established in 1937 by the State of Indiana. Utility personnel who retired prior to July 1, 1976 are members of the Municipal Pension Plan. Finally, Board of Health personnel who were employed by the City of Fort Wayne before the Board of Health became a county function on April 1, 1982 are members of the Sanitary Officers' Pension Plan. There are substantially no assets available to fund the liabilities of these four plans. They are funded on a pay-as-you-go basis, with unfunded liabilities currently totaling more than \$241 million.

Note 22 of the basic financial statements as well as the required supplementary information provide further discussion of the City's pension plans.

Risk Management

On July 14, 1989, the City of Fort Wayne created by ordinance a non-reverting Liability Self-Insurance Fund. The City has chosen to retain four primary risks at this time: 1) general liability; 2) automobile liability; 3) police professional liability; and 4) workers' compensation. The City retains an actuarial firm to advise the Insurance Committee and monitor the progress of the program. The ordinance created this three member Insurance Committee to assist the Risk Manager in managing the insurance and self-insurance programs. The Committee is comprised of the Chairman of the Board of Works, the City Attorney, and the City Controller.

Note 9 in the basic financial statements contains further detail of the City's risk management programs.

Cash Management

All cash temporarily idle in 2004 was invested by the City in short-term investments in conformance with Indiana statutes governing investment of public funds. Those statutes limit the investment media that can be utilized by the City of Fort Wayne to certificates of deposit of local financial institutions, U. S. Treasury securities, and U. S. agency securities backed by the full faith and credit of the U. S. Government having a term to maturity of two years or less. This statutory limitation severely constrains the return the City is able to achieve. The objective is to attain the highest possible return consistent with the City's liquidity needs and desired level of risk. All excess funds are deposited daily and all accounts are interest bearing.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) of the United States and Canada annually awards the Certificate of Achievement for Excellence in Financial Reporting to state, provincial, and local governmental units that publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

This comprehensive annual financial report is the sixteenth published by the City of Fort Wayne. The 1989-2003 Comprehensive Annual Financial Reports were awarded the Certificate of Achievement by GFOA. The award is good for only one year. We believe our report conforms to Certificate program requirements, and we are hopeful that GFOA will confirm, through its review process, our eligibility for a sixteenth Certificate.

Acknowledgments

Without the strong commitment of Mayor Graham Richard to the highest standards of ethics, financial reporting, disclosure, and professionalism, this report would not have been possible. We would like to express our sincere appreciation for that commitment and support.

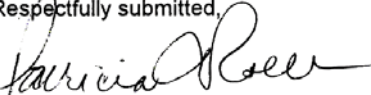
The City Controller and Deputy Controllers are not able to produce a report of this type and magnitude alone. A number of people are part of the team effort that produces the City's CAFR.

We acknowledge and thank the following City employees:

Jay Bigham, Senior Financial Accountant
Doretta Buuck, Senior Financial Accountant
Jeanne Cook, Administrative Assistant to the Controller
Elizabeth Hazzard, Senior Financial Accountant
Mark Knepper, Senior Financial Accountant
Ed Shick, Senior Financial Accountant
Suzanne Sims, Bookkeeper/Receptionist
Greg Weisser, Financial Accountant

We also acknowledge the assistance of the entire audit teams from the accounting firm BKD LLP and the Indiana State Board of Accounts Fort Wayne Office for making this report possible.

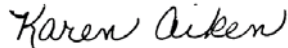
Respectfully submitted,



Patricia A. Roller, CPA
City Controller
Director of Finance & Administration



Valerie Ahr
Deputy Controller

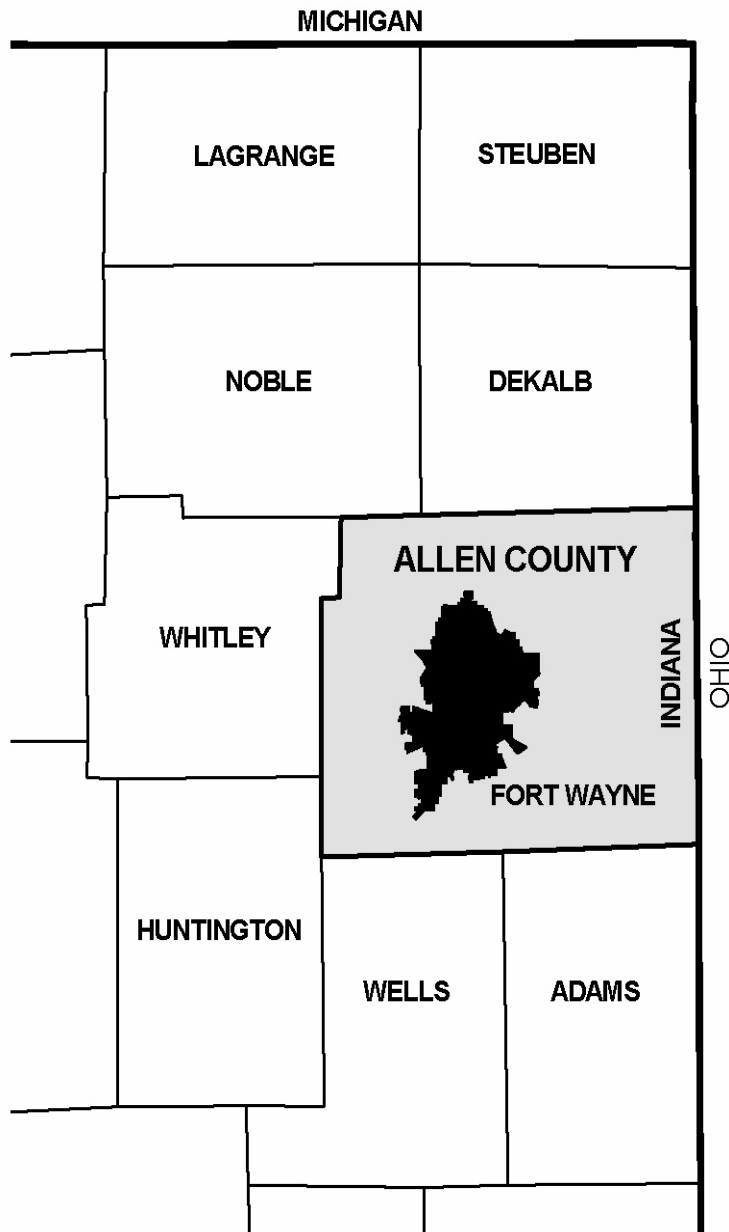


Karen Aiken
Deputy Controller

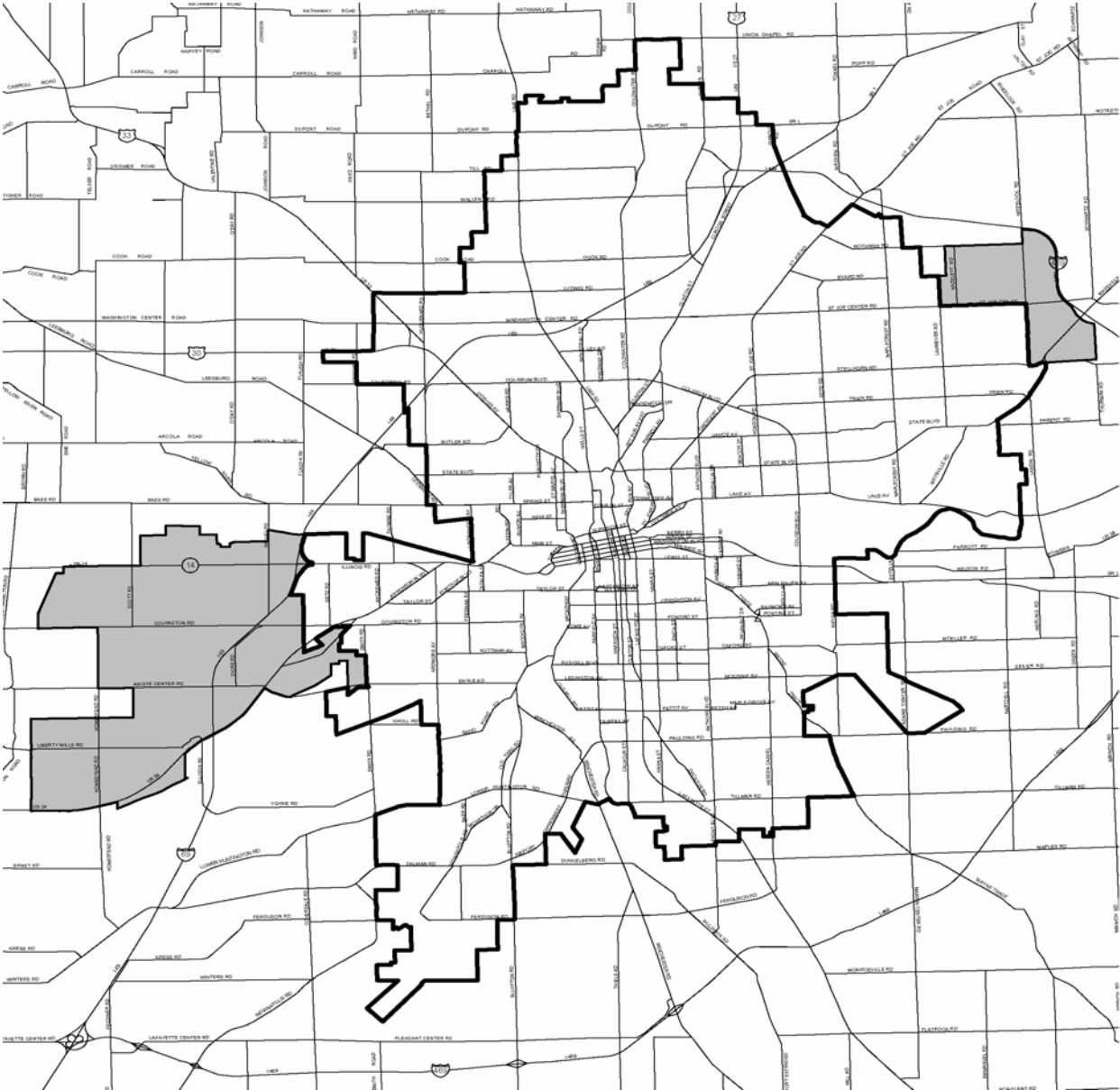
Midwest Locator Map



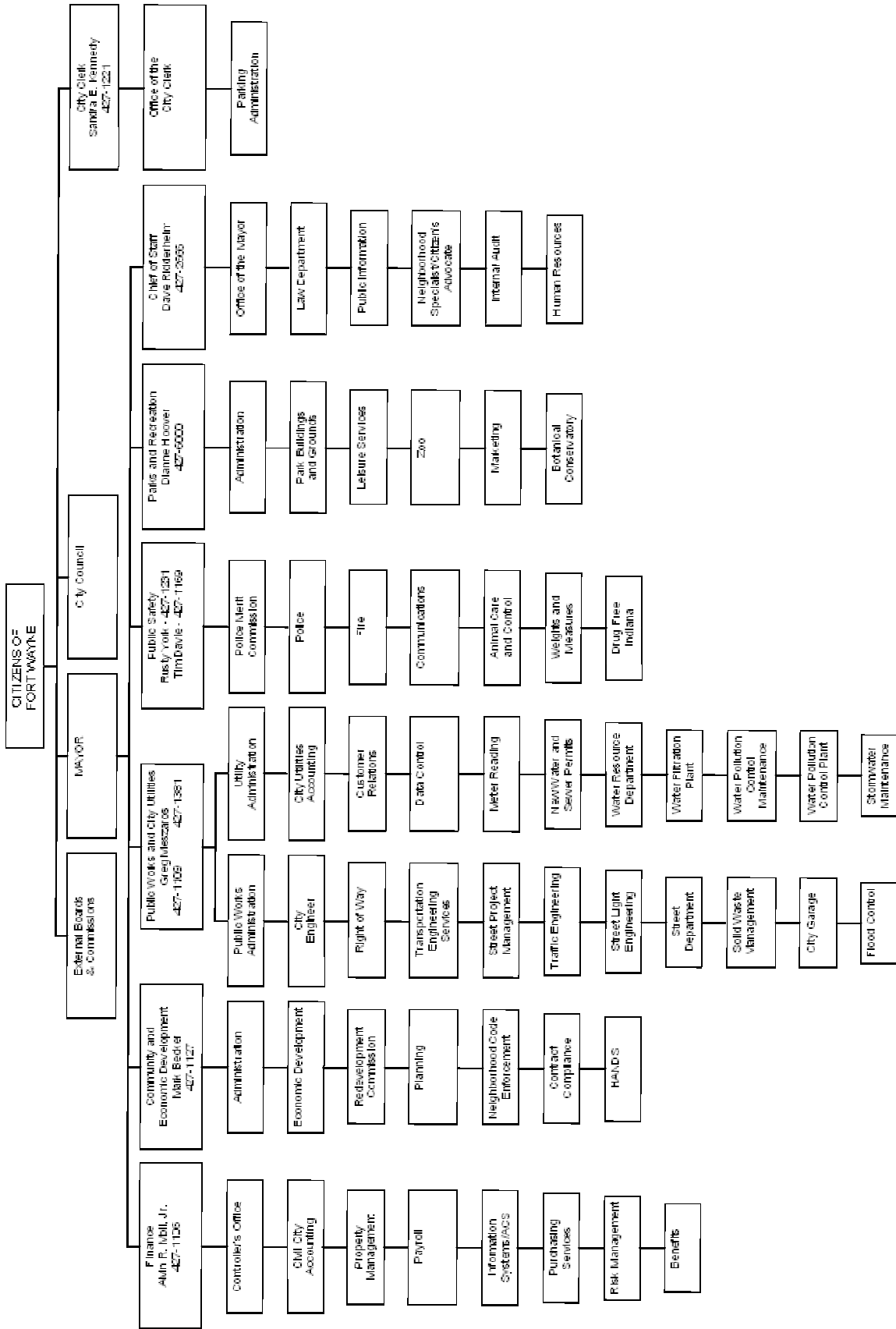
Northeast Indiana Locator Map



Future Annexation Map



City of Fort Wayne
2003 Organization Chart



**CITY OF FORT WAYNE
LIST OF PRINCIPAL OFFICIALS
December 31, 2004**

<u>NAME</u>	<u>TITLE</u>	<u>YEARS OF SERVICE WITH CITY</u>
Elected Officials:		
Graham Richard	Mayor	5
Sandra E. Kennedy	City Clerk	25
Samuel J. Talarico, Jr.	Council Member	9
John N. Crawford	Council Member	9
Glynn A. Hines	Council Member	5
Thomas Smith	Council Member	8
Thomas E. Hayhurst	Council Member	8
Timothy M. Pape	Council Member	5
Donald J Schmidt	Council Member	34
John Shoaff	Council Member	1
Thomas Didier	Council Member	1
Division Directors:		
Alvin R. Moll, Jr.	Deputy Mayor	2
Mark Becker	Director of Community and Economic Development	4
Dianne Hoover	Director of Parks and Recreation	4
Greg Meszaros	Director of Utilities/ Director of Public Works	19
Russell York	Director of Public Safety	27
Timothy Davie	Director of Public Safety	23
Patricia A. Roller	Director of Finance and Administration	1
Tim Manges	City Attorney	5
Civil City Department Directors:		
Belinda Lewis	Animal Control - Manager	16
David Ross	City Engineer	15
Steve Smith	Communications - District Chief	25
Greg Leatherman	CD - Deputy Director of Development	6
Heather Presley	CD Deputy Director of Housing & Neighborhood Services	20
Barbara Jones	CD/HANDS - Administrator	11
Pam Holocher	CD/Planning - Co-Director	26
Pat Fahey	CD/Planning - Co-Director	11
Matt Blair	CD/CDC - Senior Finance Specialist	8
Vacant	Chief Technology Officer	-
Karen Aiken	Controller's Office - Deputy Controller	25
Valerie Ahr	Controller's Office - Deputy Controller	9
Timothy Davie	Fire Department - Chief	23
Larry Campbell	City Garage - Fleet Manager	2
Chlorella Davie	Human Resources Director	4
Lynn Trittipio	Internal Audit - Director	4
Gerald Foday	Metropolitan Human Relations - Director	4
Thomas Bandor	Neighborhood Code Enforcement - Administrator	20

**CITY OF FORT WAYNE
LIST OF PRINCIPAL OFFICIALS
December 31, 2004
(Continued)**

<u>NAME</u>	<u>TITLE</u>	<u>YEARS OF SERVICE WITH CITY</u>
Civil City Department Directors continued:		
Garry Morr	Parks & Recreation - Associate Director of Admin	12
Susan VanEvery	Payroll - Supervisor	17
Russell York	Police - Chief	27
Dan Brenner	Property Management - Manager	2
John Perlich	Public Information Office - Director	3
Bob Kennedy	Public Works - Associate Director	20
Jim Howard	Purchasing/Administrative Services - Director	4
Vacant	Redevelopment - Director	-
Mary Nelson-Janisse	Risk Management - Manager	4
Joe Pascucci	ACS/Information Systems - Director	2
Dawn Ritchie	Solid Waste - Manager	6
Brad Baumgartner	Street Department - Director	24
Mario Trevino	Transportation Engineering Services - Director	25
Steve Davis	Traffic/Street Light Engineering & Traffic/Street Light Operations Dire	21
Terry McCaffrey	Urban Enterprise Association - Business Development Specialist	7
Gary Brown	Weights & Measures - Inspector	2
City Utilities Department Directors:		
Steve Martin	City Utilities Accounting - General Accounting Mgr.	30
Maggie Fiedler	City Utilities Customer Svc - Manager	4
Sally Clem	City Utilities Data Control - Manager	12
Chet Shastri	Filtration Plant - Superintendent	13
Kevin Holle	GIS - Manager	19
Patrick Faherty	Meter Reading - Manager	11
Judy Black	New Water & Sewer Permits - Supervisor	23
Michael Thornson	Storm Planning & Design - Program Manager	14
Gary Merriman	Stormwater Maintenance - Assistant Superintendent	29
Greg Meszaros	Utility Administration - Director	19
Len Poehler	Utility Administration - Associate Director of Finance	1
Phil Giaquinta	Utility Services Manager	5
Ron Shepperd	Engineering Support Services	15
Mary Jane Slaton	Planning and Design Services	12
Jerry Schoenle	Water Maintenance/Service - Superintendent	34
Mark Gensic	Planning and Design Services - Manager	5
Jeffrey Morris	WPC Maintenance - Interim Superintendent	27
Cheryl Cronin	WPC Plant - Interim Superintendent	17

CITY OF FORT WAYNE

DEPARTMENT DETAILS

OFFICE OF THE MAYOR

The Mayor oversees the implementation of policies and the efficient flow of ongoing services through wide appointive powers, including the capability to appoint division heads and many board and commission members. The Mayor may serve unlimited four-year terms. Fort Wayne, the second largest city in Indiana, is the northeast Indiana leader in industrial, educational, and cultural activity. Leadership from the Office of the Mayor is crucial to the entire area.

The power to organize the executive department is shared between the mayor and the council. Since the mayor is charged with the responsibility for the efficient operation of the city and the enforcement of its ordinances, he or she has the power to initiate or recommend new departments, transfer duties between or terminate existing departments. The council must ratify by ordinance such recommendations to put them into effect.

The Mayor controls the major administrative functions of the consolidated city through the seven divisions as follows: Finance & Administration, Community & Economic Development, Public Works, Utility Administration, Public Safety, Parks & Recreation, and Office of the Mayor. Each of these areas is headed by an appointed director.

Public Information Office

The Mayor's Public Information Office provides information regarding administrative policies and City services to a variety of audiences, including citizens, City Council members, neighborhood leaders, City employees, State legislators, and state and national groups. The messages are delivered using a variety of communication tools, including the media, Internet, cable television and others. The purpose of the messages are threefold: 1) to educate and inform, 2) to encourage citizen participation and involvement and 3) to promote the City of Fort Wayne locally, statewide and nationally.

Neighborhoods and Citizen's Advocate Office

The Neighborhoods and Citizen's Advocate Office assists neighborhood associations, business associations, community service organizations, and citizens with their needs and concerns regarding City government, departments and services. This office also acts as a referral agency to other branches of government.

This office helps neighborhood associations, business associations, community service organizations, and citizens leverage resources to resolve their concerns and acts as a liaison between citizens and the Mayor and City Government.

The Neighborhoods and Citizen's Advocate Office can be contacted via the telephone, TDY, visits to the office, the mail, electronic mail, or meetings with the staff.

Department of Law

It is the mission of the Department of Law to manage the legal affairs of the City of Fort Wayne by giving legal advice to the officers, departments, boards, commissions and other agencies of the City; by drafting ordinances and other legal papers for the City and its departments, boards, commissions and other agencies; by prosecuting violators of City ordinances; and by supervising and directing all litigation in which the City has an interest.

Human Resources Department

The goal of the Human Resources Department is to provide services efficiently to employees, applicants, and the public at the least cost to the City's taxpayers. Services include the facilitation of positive employee and labor relations, employee communications, benefits administration, training and counseling; employee record-keeping; classification of employee positions; policy and procedure development; union contract negotiations, interpretations and enforcement; recruiting; and testing of applicants.

Information Systems Department

Information Systems is responsible for providing quality, reliable and cost effective information systems and services to the many and varied City departments. Information Systems Tactical and Strategic Planning is the foundation of providing these services to the City departments while considering organizational structure, departments and their mission, critical success factors, service products and the return on investment.

Internal Audit Department

Internal Audit is primarily responsible for performing financial, operational and compliance audits in accordance with professional auditing standards. The vast majority of audits are followed by written reports containing findings and recommendations, as well as management's plans for implementing corrective action. In addition, the Internal Audit Department provides primary support to external auditors during their annual financial statement audit.

OFFICE OF THE CITY CLERK AND COMMON COUNCIL

The **City Clerk** is an elected position every four years and serves as the Clerk of the Common Council. The Clerk is responsible for the preservation of all ordinances and resolutions passed by this body and also responsible for a number of Indiana Statutory responsibilities as listed in Indiana Code 36-4-6-9. City Clerk also serves as the Administrator of the Fort Wayne Violations Bureau and Parking Enforcement Department. The Clerk may seek unlimited four-year terms.

The **Fort Wayne Common Council**, as the Legislative Body, has the responsibility of passing ordinances and resolutions for the City. The Fort Wayne Common Council is comprised on nine elected members, on representative from each of the city's six councilmanic districts and three at-large members. As elected officials, they are entrusted with the duty to provide the ways and means to ensure the safety and security of citizens of the City of Fort Wayne and work to maintain a high quality of life. Common Council members may seek unlimited four-year terms.

FINANCE AND ADMINISTRATION DIVISION

The Finance & Administration Division's mission is to support the Mayor and the other divisions of the City as a resource for: cost and other financial analysis for decision making; budget controller; best purchasing practices; property acquisition, building and maintenance; as well as ensuring that the City's financial transactions and assets are properly reported and safeguarded.

It is also the responsibility of the Division to ensure the proper financial controls within the established accounting framework. Current goals include increasing the efficiency and productivity of the department through continuous improvements by evaluating city-wide financial processes to ensure proper internal controls.

Payroll Department

The Payroll Department is responsible for maintaining the City government payroll records to meet the requirements of the various laws (federal, state, and local) under which it is operating; maintaining a payroll accounting system that embodies all of the procedures and methods related to the disbursement of pay to employees in a highly technical environment; and promoting goodwill and a positive working environment by processing the payroll accurately and on time.

Risk Management Department

The Risk Management Department is responsible for formulating and implementing programs and procedures that will minimize the City's property, revenue and personnel losses. A comprehensive self-insurance program for auto and general liabilities and worker's compensation was designed to finance the losses that do occur. The Risk Management Department works closely with the other departments within the City to ensure all employees work in the safest possible working conditions.

Purchasing Department

The City of Fort Wayne's Purchasing Department provides a centralized, service-oriented focal point for all Civil City and City Utilities departments. The role of the Purchasing Department is to assist with identifying, acquiring, accessing, positioning, and managing resources the City needs to achieve its strategic objectives. The staff of the Purchasing Department ensures that all activity is conducted within the framework of State code and local ordinance, and always adheres to professional purchasing practices.

Property Management

The mission of the Property Management Department is to develop preventive maintenance programs, which will track maintenance and repairs of City-owned buildings. The department also provides guidance in areas related to real estate purchases, renovations, and contracted services.

In addition, the Property Manager will develop a program to market City properties and oversee the purchase and sale of buildings and real estate in accordance with State statutes. The department will evaluate renovations, both short and long term, and will determine whether a property is worth the renovations or a new facility is needed.

UTILITY ADMINISTRATION

The City Utilities Administration Department includes the office of the Director of Public Works and Utilities and is responsible for administering and interpreting City Utilities rules and regulations for water, sewer and stormwater services. City Utilities' mission is to protect the health, welfare and prosperity of the Fort Wayne community; therefore City Utilities is committed to provide quality water, sewer and stormwater services in an efficient, responsible and capable manner. City Utilities Administration encompasses fifteen departments, listed below, that are under the management of the Director of Public Works and Utilities: General Accounting, Customer Relations, Data Control, Meter Reading, New Water & Sewer Permits, Geographic Information Systems, Water Resources, Three Rivers Filtration Plant, Water Maintenance and Service, Water Pollution Control Plant, Water Pollution Control Maintenance, Stormwater Maintenance, Development Services, Engineering Support Services and Planning and Design Services.

General Accounting

General Accounting is responsible for maintaining all financial records of City Utilities, which include electric, administrative departments, water, water pollution control, stormwater and yardwaste.

Customer Relations

The Customer Relations Department's goal is to serve customers promptly, courteously and professionally. The public contacts this department to initiate, finalize or transfer water and sewer services as well as make any billing inquiries either in person, by phone or by correspondence. The Credit and Collection area within the Customer Relations department seeks payments for outstanding bills through demand notices, litigation and placing liens.

Data Control

The Data Control Department completes on-line work orders initiated by the Customer Relations and Water Maintenance and Service Departments. This department is also responsible for maintaining the integrity of the billing system and developing system enhancements to allow for ordinance changes made by City Council, as well as customer clarity and user efficiency.

Meter Reading

The Meter Reading Department reads residential and commercial water and sewer meters. The department's objective is to provide accurate meter readings in a timely manner for customers.

New Water & Sewer Permits

The New Water and Sewer permit area calculates and collects all water and sewer assessments and tap-in fees for the utility and initiates new accounts for billing on-line. The Department's objective is to provide accurate and timely service to the Chief of Engineering, contractors, builders, developers and the general public.

Water Resources

The Water Resources Department is the administrative office of the Associate Director for Engineering and related support staff. This department coordinates and directs the activities of the Engineering Departments of City Utilities and provides support to the administrative and elected officials of the City regarding Utility operations.

The following four sections are under the Water Resources Department as follows:

Engineering Support Services Department (ESS). Engineering Support Services provides field services (inspection, surveying and testing) and construction contract management of Utility capital projects. These projects may range from private developers installing infrastructure in subdivisions to utility capital projects for the installation of large diameter sewer lines, replacement of water mains and services, contracts for sewer televising, cleaning, smoke testing and dye testing sewer lines, and improvements to the water filtration and sewage treatment plants.

Development Services Department (DVS). The function of the Development Services Department is to facilitate the expansion or modification of the City's water, wastewater and stormwater systems in order to provide the best possible service to customers. Development Services staff members provide information about the policies, procedures and rules that govern the operation of Fort Wayne City Utilities and assist developers, contractors, builders and citizens in finding information about the physical characteristics of various utility systems. Development Services is also involved in managing citizen complaints and concerns about Utility systems, offering and reviewing options for solving problems and coordinating financing for projects.

Planning and Design Services (PDS). The Planning and Design Services Department applies the practice of engineering to analyze operation of City Utility systems, to recommend City Utility system improvements and to develop construction plans and specifications for City Utility construction projects.

Geographic Information Systems (GIS). The Geographic Information Systems Department collects, checks, processes and utilizes data with geographical significance to create computer generated reports and maps for City Utilities and Public Works departments.

Three Rivers Filtration Plant

The Three Rivers Filtration Plant draws its raw water supply from the St. Joseph River. This department maintains a 265-acre reservoir that holds nearly 2 billion gallons of water. It also maintains the Cedarville Dam and the 500 million-gallon Cedarville Reservoir. Raw water from the river is pumped from the St. Joe Dam Pump Station to the Three Rivers Filtration Plant. An average of 30 million gallons a day is treated and purified through a series of chemical and physical treatment processes. In addition to the reservoir's Pump Station and Filtration Plant, this department operates and maintains the finished water storage reservoirs.

Water Maintenance and Service

The Water Maintenance and Service Department (WM&S) is responsible for both maintaining various elements of the water distribution system and providing service-related operations. The construction division of this department repairs and installs mains, hydrants, valves, and services. The service division installs and maintains meters, pressure tests and disinfects new water mains, provides field support for the Customer Relations Department on credit turn-offs and furnishes complaint investigation and turn-on or turn-off of water service.

Water Pollution Control Plant

Fort Wayne's Water Pollution Control Plant is responsible for treatment of an average of 48 million gallons of sewage per day. The plant is an activated sludge treatment plant including primary, secondary, and advanced waste water treatment. This department is charged with the responsibility of cleansing the City's used water to meet the limitations of the City's National Pollution Discharge Elimination System Permit before the water is discharged into the Maumee River.

Water Pollution Control Maintenance/Stormwater Maintenance

The Water Pollution Control Maintenance/Stormwater Maintenance departments are responsible for the maintenance of the City's sanitary, storm, and combination sewer systems totaling over 1,500 miles. These departments install, inspect, repair, maintain and clean manholes, inlets, catch-basins, and sewer lines. Improvements are also made to open drains and ditches to improve high water flows.

DIVISION OF COMMUNITY DEVELOPMENT

The overall purpose of the Division of Community Development is to develop and implement creative community-based strategies to enhance economic opportunity, build strong neighborhoods, and ensure a dynamic framework for quality growth and development. A director and two Deputy Directors oversee the eight departments comprising this division: Administration, Special Projects/GIS, Housing and Neighborhood Services, Fiscal Management, the Community Development Corporation of Northeast Indiana, Redevelopment, Strategic Planning, and Land Use Management and Zoning.

Director's Office

The Director's Office provides coordination and overall direction for the Division.

Directly under the Division Director are three departments:

Fiscal Manager

The Fiscal Manager is responsible for financial management of the myriad federal, state and local funds which support the Division's activities.

Special Projects/GIS

The Special Projects/GIS Department provides strategic research to assist in the direction of Division resources, management of special projects and develops/leads implementation of the Division technology strategy. It provides data, analysis, and GIS support to the Division.

Strategic Planning

Strategic Planning works to promote good stewardship of City resources through various land and planning studies, visioning initiatives, Comprehensive Plan updates, transportation studies and the promotion for orderly, fiscally sound expansion of the City through annexation.

Deputy Director of Development

Working under the Division Director, the Deputy Director of Development oversees the implementation of an aggressive development partnership between the public and private sectors. The Deputy Director of Development oversees the following departments and provides direct liaison/support to the Fort Wayne/Allen County Economic Development Alliance and support for international trade:

The Community Development Corporation of Northeast Indiana

The Community Development Corporation of Northeast Indiana (CDC) is a city-sponsored, 501 c (6) not-for-profit business development organization. Its primary objective is to promote the growth and development of small commercial and industrial businesses in the Fort Wayne area and a nine-county area in northeast Indiana through creative business loan programs.

Land Use Management and Zoning

The Land Use Management and Zoning Department performs a variety of tasks and activities in support of the City Plan Commission, Subdivision Control Committee, Board of Zoning Appeals, Hearing Officer, Sign Review Board, and the River Greenway Committee. This department is responsible for the administration and enforcement of the City Historic Preservation, Sign, Subdivision Control, and Zoning Ordinances. The department also provides and presents information as necessary to Common Council.

- **Historic Preservation**, a sub-area within this department, manages the historic and aesthetic resources of the community, working with property owners, city agencies and other groups to coordinate improvement efforts, provide technical assistance and cost-effective design solutions.

Redevelopment

The Redevelopment Department in conjunction with the Redevelopment Commission, promotes and implements opportunity projects, acting as a catalyst to develop blighted and other areas that have shown a cessation of growth and lack of development. This is done through techniques including real estate acquisition, site preparation and/or providing public infrastructure to the site. Financing resources generally used are Tax Incremental Financing (TIF) and Redevelopment General Obligation Bonds.

- **The Urban Enterprise Association**, a sub-area of this department, builds many partnerships to improve the economic and social conditions of the Fort Wayne Urban Enterprise Zone. This zone is a 4 square mile area in the center part of the city, which is targeted for physical revitalization, job creation and improvements in social and economic conditions. Residents and qualified businesses receive several tax benefits to encourage the stabilization of the Zone and reinvestment in the Zone. It provides excellent incentives to businesses, while being good stewards in the Zone service area.
- **Urban Design**, a sub-area of Redevelopment, is a bridge between city planning activities and the actual built environment of Fort Wayne. It incorporates elements of city planning, landscape architecture, historic preservation, civil engineering, architecture and interior design with other disciplines such as real estate development, redevelopment and economic development.

The Deputy Director of Housing and Neighborhood Services

Working under the Division Director of Community Development, this Director oversees the implementation of initiatives to attract and support housing investment and reinvestment in the City. Under the general name of Housing and Neighborhood Services oversees the strategic investment of public funds in neighborhood revitalization projects which leverage significantly higher levels of private investment.

Office of Housing and Neighborhood Services

The Office of Housing and Neighborhood Services (OHNS) provides housing & neighborhood revitalization services. The staff of Housing and Neighborhood Services administers federal grants, implements housing programs and is available to provide technical assistance to local agencies on housing-related issues.

- **Housing Programs**, a sub-area of OHNS this department, handles the American Dream Initiative (first time home-buyer assistance) and the Homeowner Emergency Repair Program (emergency repairs necessary to meet HUD Housing quality standards) is responsible for implementation of both in-house and sub-recipient housing projects and monitoring sub-recipients.
- **Community Development Projects**, a sub-area of OHNS, serves as the liaison between the City of Fort Wayne and the United States Department of [Housing and Urban Development \(HUD\)](#). CD Projects is responsible for writing the HUD-required Housing and Community Development Plan, allocation of grants to sub-recipients, reports to HUD and overall compliance and monitoring of grants.
- **Neighborhood Revitalization**, a sub-area of OHNS, is responsible for land assembly planning, predevelopment and site readiness, and infrastructure improvement projects.

METROPOLITAN HUMAN RELATIONS

Metropolitan Human Relations conditions of ability was established to ensure the equal rights of all people, regardless of race, color, sexual orientation, age, religion, national origin, ancestry, or disability. It strives to promote community harmony and alleviate tensions caused by harassment, prejudice, and misunderstanding, through the use of enforcement, education, training, and community awareness.

PUBLIC WORKS

The Division of Public Works manages Fort Wayne's infrastructure, including the City's systems for streets, traffic, roadway lighting and flood control. From engineering an intersection improvement to battling floods, the Division of Public Works provides vital support to neighborhoods, businesses and economic development projects.

Office of the Director

The Director's Office includes the support staff for the Board of Public Works. It is the center for processing construction projects, public hearings and a variety of other functions related to purchasing and contracting.

Barrett Law

The primary purpose of the Barrett Law office is the performance of all accounting functions necessary to administer the Barrett Law process according to Indiana Code. This includes invoicing, recording receipts and disbursements, filing of waivers, issuance of bonds, pro-rating available cash for individual bond issues, monitoring and investment of funds, preparation of various supporting schedules, etc.

Since the development of an automated system with the capability of computer interface with Allen County real estate files, the Barrett Law office prepares property ownership lists and assessment rolls for all projects. The office also performs research and serves as an information source for the general public as well as other City departments in regard to the purpose, procedures and regulations governing the system.

Contract Compliance Office

The Contract Compliance Office monitors construction and procurement contracts to ensure that local, state and federal regulations are followed by all City contractors. In addition, the Department monitors the City's Community Development Block Grant (CDBG) contracts with private agencies.

Solid Waste Management

The Solid Waste Management Department is responsible for administering and monitoring the City's residential garbage, recycling, and yard waste collection and disposal contracts. Additionally, the department is involved in other waste issues such as illegal dumping, waste reduction education, enforcement of the City's garbage ordinance, litter prevention programs, and citywide clean-up programs.

City Engineer

The City Engineer's Office is responsible for direction and coordination of the activities directly or indirectly related to Civil City Engineering and other duties as required by State statutes. It is the duty of the City Engineer to oversee the preparation of plans and specifications for Public Works contractual Capital Improvement Projects (primarily transportation infrastructure), maintenance projects requiring engineering expertise and all other improvement projects necessary for the safe, efficient and economical operation of the Public Works Division of the City government.

Flood Control

Flood Control administers the City's responsibilities for the Army Corps of Engineers Flood Control Project. Flood Control is also responsible for planning, construction, and maintenance of the City's existing Flood Control system.

Transportation Engineering Services

The **Street Project Management Section** is responsible for the design and preparation of plans and specifications for all new construction and repairs for streets, alleys, sidewalks and curbs in the City of Fort Wayne. Many construction projects are the result of request from citizens petitions filed by property owners through the Barrett Law process, applications through the Community & Economic Development Block Grant Program and a yearly street-resurfacing program established by the Division of Public Works. Street Project Management also reviews subdivisions submitted for construction, commercial building developments and residential and commercial driveway applications to ensure they meet applicable codes and standards.

The **Technical Services Section** provides surveying, drafting, and inspection services to the engineering departments, as well as many private engineering firms. Technical Services also monitors street pavement condition by way of field inspections and through the Pavement Management System (PMS). This department has a well-equipped test laboratory to assure construction materials meet City engineering standards. Technical Services also provides print reproduction for many municipal departments.

Traffic Engineering

The Traffic Engineering Department provides the following services to the public: design, installation and maintenance of traffic signal systems; traffic signs and pavement markings; record, tabulate and analyze accident reports; investigate all requests and complaints related to traffic conditions and operations; and conduct traffic studies relating to one way streets, parking regulations, speed limits, traffic calming, roadway design, traffic control, special signing, maintain traffic impact attenuators.

Street Lighting

The Street Lighting Department provides the following services to the public:

Design and install new street lights and systems that provide safe and efficient illumination for both motorists and pedestrians during nighttime hours. Maintain and update over 30,000 existing City Street Lights.

Street Light Engineering adheres to the standards of both the American National Standards Institute and the Illuminating Engineering Society of North America for the design of the City's street lighting systems.

Street Department

The Fort Wayne Street Department is responsible for the cost-efficient maintenance and construction of the more than 920 miles of City streets. The Street Department also maintains alleys and publicly owned guardrails. The Street Departments work is divided into three separate Seasons: Summer Construction, Leaf Season and Snow Season. During the Spring and Summer months, its crews mow roadside right-of-ways, sweep approximately 16,000 miles of streets, resurface improved and unimproved streets and perform general maintenance on streets and alleys. During the Fall the department conducts a citywide leaf collection, and during the Winter the department focuses on snow and ice removal on all city streets.

Fleet Management

The Fleet Management Department is responsible for 1,200 city owned vehicles and ancillary equipment. The Fleet Superintendent oversees the contract with the private company, which provides vehicle maintenance services to the City's fleet. The department is also responsible for developing approval policies for vehicle use, preventive maintenance and replacement.

PARKS AND RECREATION

The Parks and Recreation Department maintains over 2,000 acres of public park land and provides numerous recreation facilities, programs, and services for the Fort Wayne community. The Fort Wayne Parks Department was created in 1905 when the Indiana General Assembly adopted the Cities and Towns Law. The Parks and Recreation Department is administered by a four member bipartisan Board of Park Commissioners. Each commissioner is appointed by the Mayor and serves a four-year term. The Park Board reviews and approves the annual budget, approves expenditures, holds regular public meetings as required by law and approves the awarding of all contracts.

Administration/Marketing Division

The Administration Division is responsible for the financial accounting, personnel, budgeting, purchasing, MIS, and secretarial functions of the department.

The Marketing Division was created in 1989 and is responsible for : public relations, promotions, customer service, grant writing, service quality, strategic planning, marketing research, corporate sponsorship, and other marketing/planning functions. The Botanical Conservatory falls under this division as well.

Headwaters Park

The Department contracts with the not-for-profit Headwaters Alliance for the maintenance and operation of this spectacular 40-acre park on the north edge of downtown. Headwaters Park has become the focal point for community festivals, special events and an aesthetic gateway to the downtown area.

Parks/Horticulture Division

The Buildings and Grounds Division is responsible for operation and maintenance of the park land and facilities, automobile and machinery operation and upkeep, building repairs and maintenance, and engineering. The Horticulture Division is responsible for park and street trees, public gardens and flower beds, park landscaping and operates three (3) greenhouses.

Leisure Services

The Leisure Services Division is responsible for most of the recreational programs and facilities operated by the department. Facilities include: three public golf courses, two tennis centers, about 50 public tennis courts, an ice arena, three community recreation centers, four swimming pools, a day camp, a nature preserve, Lifetime Sports Academy, and a reservoir. The Division hosts a number of citywide special events, offers competitive and instructional programs in athletics and outdoor recreation, operates supervised playgrounds, runs a travel program for seniors, families, and adventure travelers, and offers classes covering a variety of special interests for pre-school through older adult. Concerts, arts programs, cultural events, and the new Solomon Farm Park are also provided by the division.

Zoo Division

The Fort Wayne Children's Zoo and the Diehm Museum of Natural History are operated by the Zoo Division. The Children's Zoo has one of the highest per capita visitor records in the country.

PUBLIC SAFETY

Department of Public Safety

This Department maintains order and protects the rights and property of the citizens of Fort Wayne. The Fire Chief and Chief of Police serve as the Directors of Public Safety. The Directors retain responsibility for major policy decisions, budgeting, long-range planning and the day-to-day coordination of six departmental divisions: Police, Fire, Animal Control, Human Resources, Weights and Measures, and Communications. The Division Directors serve as the Mayor's appointee on many commissions and councils in order to coordinate activities and plan cooperative efforts with other state and local agencies.

The Board of Public Safety is composed of three civilians appointed by the Mayor. The Board studies problems of the Department of Public Safety, hires new police and fire officers, and is the disciplinary body for those departments. Also, it governs traffic regulations.

Police Department

It is the mission of the Fort Wayne Police Department in partnership with the community, to strive to protect the life, property, and personal liberties of all individuals. We believe that the overall quality of life for all residents will improve through the deterrence of criminal activity and an understanding of the diversity of cultures within this community. Furthermore, we recognize the need for fair and impartial enforcement of the law, with attention given to the highest possible quality of service delivery to the community. The department is responsible for maintaining order within the city limits of Fort Wayne.

Fire Department

It is the mission of the Fort Wayne Fire Department to prevent the loss of life and to control or reduce the loss to property. In the event of a fire or other disaster, the Fort Wayne Fire Department will apply all of its professional knowledge and resources to limit the community's loss. The mission will be accomplished through the services provided by the Operations/Combat Division, Fire Prevention Bureau, Training Division and Technical Services. These divisions provide for firefighting, emergency hazardous materials stabilization, emergency rescue, EMS - first responder, underwater rescue/recovery, public education, building inspections, fire investigations, fire safety training, and other miscellaneous services. The Fire Department provides services to the entire City of Fort Wayne with mutual assistance to the surrounding departments upon their request.

Communications

The Communications Department of the Fort Wayne Police Department is responsible for the planning, design, construction, maintenance and operation of all electronic communication systems utilized by the City of Fort Wayne. Communications is comprised of the Emergency 911 Communications Center, the Records Bureau and Police Desk of the Fort Wayne Police Department, and the Radio Repair Shop. Primary functions are the answering of 911 calls for service as well as non-emergency calls, dispatching all Public Safety support units, maintaining all Police Records and supporting the Data and Voice Communication Systems of the City of Fort Wayne.

Animal Care and Control

The Department of Animal Care and Control faces the public health and safety issues involving animals using a proactive approach. Local and state legislation is used to address pet overpopulation, responsible pet ownership issues, and cruelty or violence issues involving animals. The success of the approach would not be possible without positive community outreach and education, the job of our Humane Education Department. Protection of both citizens and animals along with efforts to minimize euthanasia of unwanted animals through spay/neuter promotion all strongly reflect the neighborhood and community driven origins of this agency. Involvement of the citizens through our volunteering program has also been crucial to departmental advancement. This department's county contracts provide an overall "one stop" for city and county residents in need of services, wishing to adopt an animal, seeking educational outreach materials, or assistance with lost/found pets.

Neighborhood Code Enforcement



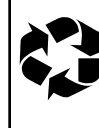

The Department of Neighborhood Code Enforcement is responsible for enforcing Fort Wayne's Minimum Housing Code, Zoning, Weed and Abandoned Vehicle Ordinances. Neighborhood Code Enforcement actively seeks to recover the costs of boardings, demolitions, and clean-ups from property owners.

Weights & Measures

The goal of the Division of Weights and Measures is to provide equity in the marketplace for businesses and consumers alike. It is responsible for testing and inspection of all commercial weighing and measuring devices. The department enforces State codes and City ordinances governing weights and measures, and orders corrections of and/or condemns or confiscates faulty devices or commodities. Weights and Measures is also responsible for licensing taxi drivers, issuing permits for taxicabs, and enforcing the taxi ordinance for the Board of Safety.

Fort Wayne at a Glance
As of December 31, 2004

Date Founded	October 22, 1794
Date of Incorporation	February 22, 1840
Population	221,479
Area in Square Miles	90.28
Miles of Streets	943.09
Number of Street Lights	30,825
Miles of Water lines	992
Miles of Sewer/Stormwater Mains	1,653
Number of City Employees	2,004
Labor Statistics: (Aug. 04)	
Fort Wayne Metropolitan Service Area - Allen	
Labor Force	272,910
Employed	257,720
Unemployed	15,190
Unemployment Rate	5.6
Building Permits for Fort Wayne & Allen County	
Total New Construction	2003 2004
- Number of Permits	1,935 1,776
- Estimated Assessed Value	\$143,100,466 \$150,003,127
Total Construction Permits	4,385 4,008
- Number of Permits	
- Estimated Assessed Value	\$183,535,739 \$157,876,327
Relative Size	2nd largest city in Indiana
Form of Government	Elected Mayor, Clerk, Councilperson (9)
Airports	Fort Wayne International, Smith Field
Rail Service	Norfolk Southern
Motor Carriers	32
Public Transportation Route	12
Taxi Service	3 cab companies, 10 limousine companies
Bank Holding Companies	6
Banks/Finance Companies	68
Credit Unions	19
Museums	6
Media	2 monthly, 2 weekly, 2 daily newspapers; 6 TV stations; 11 cable & satellite systems, 17 radio stations
Market/Location	Area within 250 miles of Fort Wayne includes a population of 45.3 million, or 17% of the total U.S. population.

Parks & Recreation		84 parks & playgrounds covering 2,429.41 acres, including: 18 pavilions, 16 tennis courts, 2 Frisbee golf courses, 3 public/18 hole golf courses, 21 soccer fields, 1 ice arena, 1 skateboard rink, 38 baseball/softball diamonds, 4 swimming pools, 26 basketball courts, 1 campground, 1 outdoor theater, Children's Zoo, Botanical Gardens, etc.
Water System		Municipally owned, treatment capacity of 72 million gallons/day
Sewage System		Municipally owned, treatment capacity of 60 million gallons/day
Electric Utility		3 - American Electric Power, Northeastern REMC, United REMC
Natural Gas		Northern Indiana Public Service Co.
Telephone		Verizon, Inc.
Garbage Service		City residents charged: \$9.75/mo. user fee for single family dwelling; \$19.50/mo. user fee for duplex, 3- or 4-plex. Services presently contracted with Nartl Serv-All.
Curbside Recycling		
Yard Waste Collection		
Gross Income Tax		3.4%
County Option Income Tax		0.6%
County Economic Development Income Tax		0.4%
State Sales and Use Tax		6.0%
Allen County Food & Beverage Tax		1.0%
Property Tax Rate: (Fort Wayne - Wayne Township)		\$3.1450** per \$100 assessed value - 2003 pay 2004; City's portion is \$ 9421
Annual Wheel Tax		Rate by vehicle class \$7.50 to \$25.00
State Excise Tax		Cigarettes - 55.5 cents/pkg of 20, 69.375 cents/pkg of 25 Gasoline - 18 cents/gallon Auto - various class rates
Hospitals		6 (1,463 beds)
Churches		390
Number of Schools		Fort Wayne Community Schools 53 Northwest Allen County Schools 8 East Allen County Schools 18 Southwest Allen County Schools 9 Parochial & Other 34 Higher Education 12

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Fort Wayne,
Indiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2003

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.



Nancy L. Ziehl

President

Jeffrey R. Ennis

Executive Director

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FINANCIAL SECTION



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STATE OF INDIANA

AN EQUAL OPORTUNITY EMPLOYER

State Board of Accounts
302 West Washington Street
4TH Floor, Room E418
Indianapolis, Indiana 46204-2765

INDEPENDENT AUDITORS' REPORT

TO: *THE OFFICIALS OF THE CITY OF FORT WAYNE, INDIANA*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Fort Wayne (City), as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Electric, Water, Wastewater, and Stormwater Utilities, and Yard Waste Facility, which represent 98.11 percent and 89.58 percent, respectively, of the assets and revenues of the Business-type Activities and Enterprise Funds. We did not audit the financial statements of two of the five discretely presented component units, Fort Wayne Urban Enterprise Association Inc. and Fort Wayne-Allen County Convention and Tourism Authority which represents 59.32 percent and 85.64 percent, respectively, of the assets and revenues of the discretely presented component units. Other auditors whose reports thereon have been furnished to us audited those financial statements. Our opinions, insofar as they relate to the amounts included for the Electric, Water, Wastewater, and Stormwater Utilities, Yard Waste Facility, and the two discretely presented component units is based solely upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the respective financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended, in conformity with accounting principles generally accepted in the United States.

The Management's Discussion and Analysis, Schedules of Funding Progress, Schedules of Contributions From the Employer and Other Contributing Entities, and Budgetary Comparison Schedules (General and Major Special Revenue funds) as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplementary information, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with Government Auditing Standards, we have also issued a report dated May 26, 2005, on our consideration of the City's internal control structure and a report dated May 26, 2005, on its compliance with laws and regulations.

STATE BOARD OF ACCOUNTS

May 26, 2005

STATE OF INDIANA

AN EQUAL OPORTUNITY EMPLOYER

State Board of Accounts
302 West Washington Street
4TH Floor, Room E418
Indianapolis, Indiana 46204-2765

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: *THE OFFICIALS OF THE CITY OF FORT WAYNE, INDIANA*

We have audited the financial statements of the City of Fort Wayne (City), as of and for the year ended December 31, 2004, and have issued our report thereon dated May 26, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the City's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

May 26, 2005

Management's Discussion and Analysis

As management of the City of Fort Wayne (the City), we offer the following discussion as insight into the financial performance of the City for the fiscal year ended December 31, 2004. To gain a fair understanding of the City's financial position, this discussion and analysis should be read in conjunction with our letter of transmittal, the basic financial statements, and the notes to the basic financial statements.

Financial Highlights

- The assets of the City exceeded its liabilities at the end of 2004 by \$873.9 million. Of this amount, (\$9.3) million is considered unrestricted. Due to net pension obligations the unrestricted net assets of the City's governmental activities are (\$23.7) million. The unrestricted net assets of the City's business-type activities are \$14.4 million and will be used to support the day-to-day operations of the City's water, wastewater, stormwater, and other business-type activities.
- The City's total net assets increased \$44 million in 2004. The net assets of the City's business-type activities increased \$15.9 million (or 4.3 percent from 2003). The net assets of the City's governmental activities increased \$28.1 million (or 6.1 percent from 2003).
- At the end of 2004, the City's governmental funds reported a combined ending fund balance of \$58.2 million. The combined governmental funds' fund balance increased by \$10 million from the prior year ending fund balance. Approximately \$38.5 million of the \$58.2 million fund balance is considered unreserved at December 31, 2004.
- At the end of 2004, unreserved fund balance for the general fund was \$9.7 million or 15.6 percent of the 2004 general fund expenditures.
- The City's total debt decreased by \$50 thousand (or .02 percent) during 2004.

Overview of the Financial Statements

This discussion and analysis is an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. In addition to the basic financial statements this Comprehensive Annual Financial Report (CAFR) includes other supplementary information along with the statistical section.

Government-wide financial statements. The government-wide financial statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting, in a manner similar to private-sector businesses. The government-wide financial statements are composed of two statements: the statement of net assets and the statement of activities.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Net assets are then broken down between governmental and business-type activities. Over time, increases or decreases in net assets will show the fluctuation in the City's financial position.

The statement of activities presents information on all of the City's revenues and expenses, showing how the government's general expenses less the program revenues equal net expenses for the most recent fiscal year. General revenues are then subtracted from net expenses to get the change in net assets. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, sanitation, health and welfare, economic opportunity, economic development, culture and recreation, urban redevelopment and housing, capital outlay, and interest on long-term debt. The business-type activities of the City include a water system, wastewater system, stormwater service, parking garage administration, solid waste service, electric utility, and a yard waste system.

The government-wide financial statements include not only the City itself (primary government), but also a few legally separate units: Neighborhood Care, Inc. (HANDS), Summit Development Corporation (Summit), Fort Wayne Urban Enterprise Association, Inc. (UEA), Fort Wayne – Allen County Convention and Tourism Authority (C&TA), and Fort Wayne Redevelopment Authority (RA) for which the City is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself. The financial statements of these component units can be found in their entirety on file in the City Controller's office at One Main Street, Fort Wayne, Indiana 46802. The Fort Wayne Municipal Building Corporation is legally separate from the City, but since its nature and relationship with the City is significant, it is an integral part of the primary government.

The government-wide financial statements can be found on pages 50-52 of this report.

Fund financial statements. A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, with its related liabilities, and corresponding equity balances. Some funds are required to be established by State Law and by bond covenants, while others are adopted to help control monies set aside for a specific purpose. The City of Fort Wayne, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for most of the City's basic services. These funds generally do not provide enough revenue to completely cover their expenses; therefore, they need taxes, fees, interest or any other intergovernmental revenue to help support them. These funds use the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund financial statements focus on near-term inflows and outflows of unrestricted resources, as well as on balances of unrestricted resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement. The basic governmental fund financial statements can be found on pages 54-60 of this report.

Proprietary funds. When the City charges a fee to cover the entire cost of an operation, whether to outside customers or to other units of the City, these services are generally classified as a proprietary fund. There are two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. These funds are completely self-supported by providing services to *outside customers* of the City. The City uses enterprise funds to account for its water, wastewater, stormwater, solid waste, parking garages, electric, and yard waste operations. Internal Service funds are used to report activities that provide services and supplies for the other City departments. The City uses internal services funds to account for its group health insurance, general auto and liability, worker's compensation, and garage services. The internal service funds are reported within the governmental activities section of the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 61-63 of this report.

Fiduciary funds. Fiduciary funds are funds held by a governmental unit as an agent or a trustee. They are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City holds two types of fiduciary funds: pension trust funds and agency funds. Pension trust funds are used to account for pension plans held by the City on behalf of its employees. The City uses pension trust funds to report the police pension, fire pension, and sanitary officers' pension funds. Agency funds are used to account for monies held by the City for an external party. The City uses agency funds to report the allocated expense clearing, payroll, and the Barrett law regular waived funds. The basic fiduciary fund financial statements can be found on pages 64-65 of this report.

Notes to the financial statements. The notes are a required part of the basic financial statements that provide necessary information for the understanding of the City's financial report. The notes to the financial statements can be found on pages 69-105 of this report.

Other information. The City is also required to provide more detailed information about certain issues disclosed in required supplementary information (RSI) schedules. The City's RSI schedules include: Budgetary Comparison Schedule for General Fund and Major Special Revenue Funds, the schedule of funding progress, schedule of contributions from the employer and other contributing entities, schedule of the condition rating of the City's street system, and schedule of the needed-to-actual maintenance/preservation comparison. The combining financial statements for the non-major governmental funds, non-major enterprise funds, and the internal service funds are found immediately following the RSI schedules listed above. The RSI schedules can be found on pages 107-111 of this report.

City of Fort Wayne
Net Assets
(amounts expressed in thousands)

	Governmental activities		Business-type activities		Total		Component Units	
	2004	2003	2004	2003	2004	2003	2004	2003
Current assets	\$ 70,451	\$ 69,088	\$ 27,510	\$ 37,853	\$ 97,961	\$ 106,941	\$ 21,464	\$ 37,568
Noncurrent assets	15,693	6,827	51,891	56,369	67,584	63,196	37,562	33,952
Capital assets	564,272	537,648	413,202	381,751	\$ 977,474	\$ 919,399	36,885	18,838
Total assets	650,416	613,563	492,603	475,973	1,143,019	1,089,536	95,911	90,358
Current liabilities	33,498	26,305	21,135	18,568	54,633	44,873	5,450	928
Noncurrent liabilities	131,827	130,267	82,623	84,498	214,450	214,765	63,899	66,612
Total liabilities	165,325	156,572	103,758	103,066	269,083	259,638	69,349	67,540
Net assets	\$ 485,091	\$ 456,991	\$ 388,845	\$ 372,907	\$ 873,936	\$ 829,898	\$ 26,562	\$ 22,818
Invested in capital assets, net of related debt	\$ 508,789	\$ 474,570	\$ 328,356	\$ 303,383	\$ 837,145	\$ 777,953	\$ 5,462	\$ (14,467)
Restricted	-	(65,058)	46,048	43,829	46,048	(21,229)	-	215
Unrestricted	(23,698)	47,479	14,441	25,695	(9,257)	73,174	21,100	37,070
Total net assets	\$ 485,091	\$ 456,991	\$ 388,845	\$ 372,907	\$ 873,936	\$ 829,898	\$ 26,562	\$ 22,818

Government-wide Financial Analysis

The City's (primary government) assets exceeded liabilities by \$873.9 million at the close of 2004. Of the City's net assets (total assets less total liabilities), \$837.1 million (or 95.8 percent), the largest portion reflects its investment in capital assets (e.g., land, distribution and collection, roads, buildings and improvements, machinery and equipment, construction in progress, and net investment in joint venture), less any outstanding debt used to acquire these assets. These assets are designated as invested in capital assets because they are used to provide the everyday services the citizens of the City expect, these assets are not liquid and are not available

for future spending. The debt associated with these capital assets must be paid from sources other than the capital assets themselves because, as stated before, they cannot be used as a liquid asset.

The remainders of the City's net assets are designated as either restricted or unrestricted. The restricted portion of \$46 million (or 5.3 percent) are dollars that are subject to an external restriction and cannot be spent on everyday operations. Due to net pension obligations the unrestricted portion of the net assets is (\$9.2) million (or 1.1 percent).

At the end of 2004, the City shows a positive net asset figure as a whole as well as in the governmental and business-type activities sections individually. This shows that the City has been able to make sound financial decisions over the past several years leaving them with a solid equity base to build on.

The City's net assets increased by \$44 million during 2004. There was an increase in the City's net asset figure for the business-type activities of \$15.9 million and a net increase for the governmental activities of \$28.1 million.

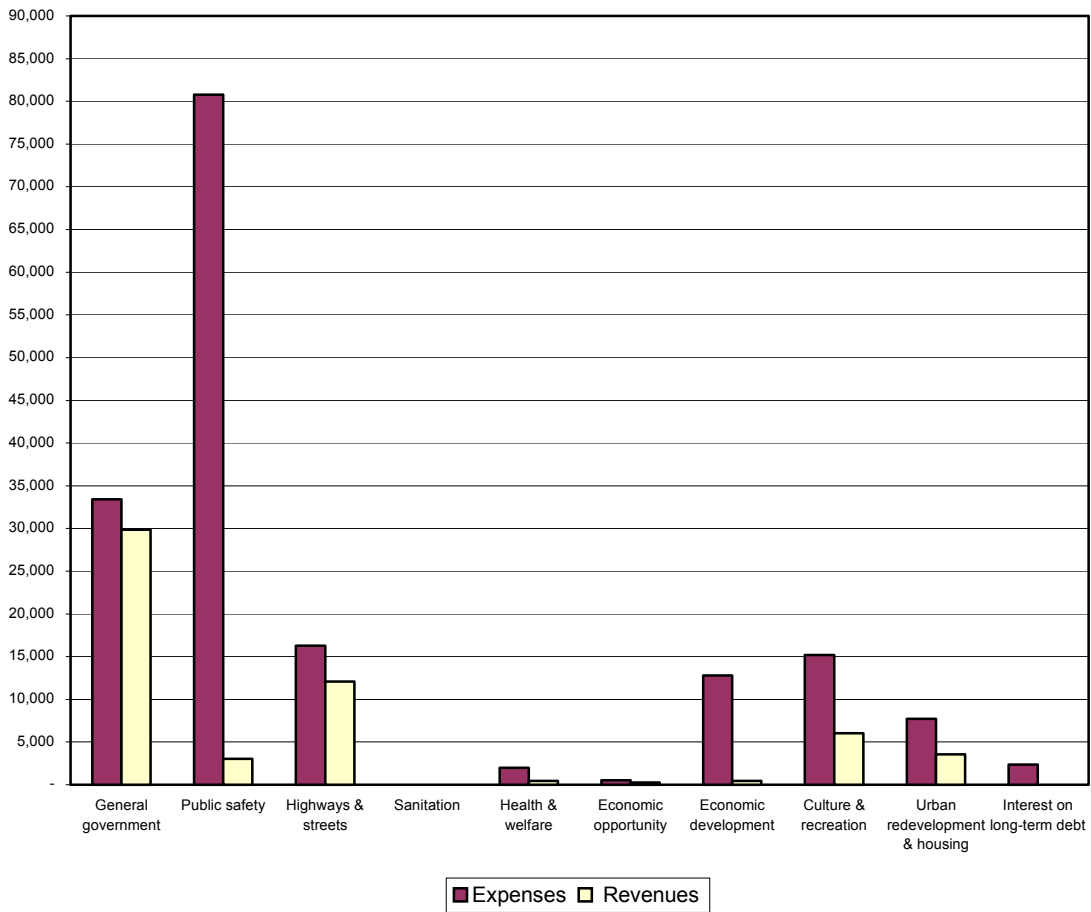
The City's component units showed assets exceeding liabilities by \$26.6 million at the end of 2004. Of the net assets (total assets less total liabilities), \$5.5 million, reflects its investment in capital assets less any debt used to acquire these assets that is still outstanding. These assets are designated as invested in capital assets because they are used to provide the everyday services to the users of the component units, these assets are not liquid and are not available for future spending. The debt associated with these capital assets must be paid from sources other than the capital assets themselves because as stated before they cannot be used as a liquid asset. \$21.1 million is designated as unrestricted net assets. These assets may be used by the City's component units for normal operations.

City of Fort Wayne
Changes in Net Assets
(amounts expressed in thousands)

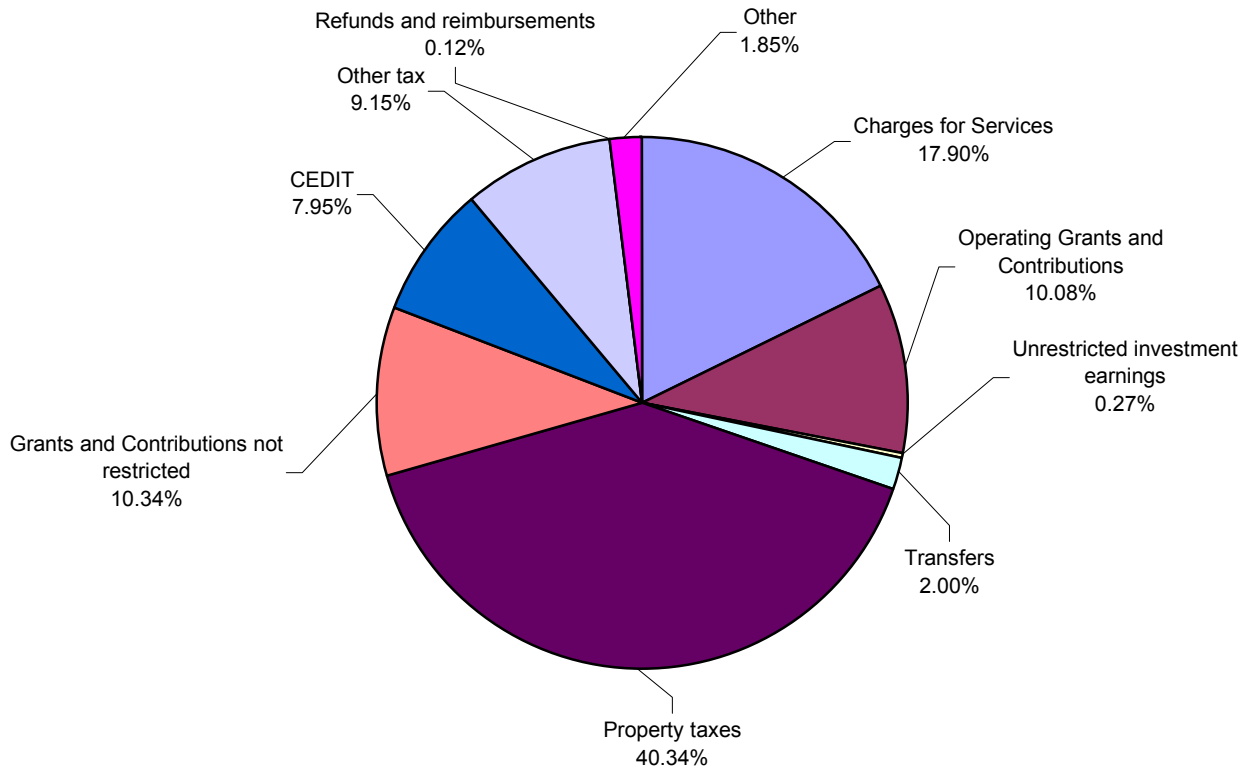
	Governmental activities		Business-type activities		Total		Component Units	
	2004	2003	2004	2003	2004	2003	2004	2003
Revenues-								
Program revenues:								
Charges for services	\$ 35,669	\$ 36,107	\$ 67,858	\$ 66,729	\$ 103,527	\$ 102,836	\$ 1,546	\$ 974
Operating grants and contributions	20,073	21,994	-	-	20,073	21,994	1,045	253
Capital grants and contributions	-	-	4,237	7,451	4,237	7,451	1,969	3,311
General revenues:								
Property taxes	80,344	59,519	-	-	80,344	59,519	-	-
CEDT	15,830	14,515	-	-	15,830	14,515	-	-
Indiana room tax	-	-	-	-	-	-	2,311	2,188
Grant and contributions (not restricted)	20,608	14,096	-	-	20,608	14,096	-	-
Unrealized gain	-	-	1,505	3,386	1,505	3,386	-	-
Other taxes	18,222	18,755	-	-	18,222	18,755	137	145
Investment earnings	539	655	1,585	1,711	2,124	2,366	207	85
Other	3,918	3,523	154	20	4,072	3,543	13	82
Total revenues	\$ 195,203	\$ 169,164	\$ 75,339	\$ 79,297	\$ 270,542	\$ 248,461	\$ 7,228	\$ 7,038
Expenses:								
General government	33,415	32,061	-	-	33,415	32,061	-	-
Public safety	80,776	91,029	-	-	80,776	91,029	-	-
Highways and streets	16,276	21,542	-	-	16,276	21,542	-	-
Sanitation	12	2	-	-	12	2	-	-
Health and welfare	1,979	1,874	-	-	1,979	1,874	-	-
Economic opportunity	539	537	-	-	539	537	-	-
Economic development	12,807	12,225	-	-	12,807	12,225	-	-
Culture and recreation	15,209	15,503	-	-	15,209	15,503	-	-
Urban redevelopment and housing	7,725	8,018	-	-	7,725	8,018	-	-
Interest on long-term debt	2,343	-	-	-	2,343	-	-	-
Water	-	-	20,119	19,641	20,119	19,641	-	-
Wastewater	-	-	21,581	20,479	21,581	20,479	-	-
Stormwater	-	-	5,129	4,723	5,129	4,723	-	-
Parking garages	-	-	1,066	930	1,066	930	-	-
Solid waste	-	-	6,621	6,639	6,621	6,639	-	-
Other	-	-	907	510	907	510	-	-
HANDS	-	-	-	-	-	-	753	691
Summit	-	-	-	-	-	-	-	-
LEA	-	-	-	-	-	-	569	465
C&TA	-	-	-	-	-	-	2,162	2,347
RA	-	-	-	-	-	-	-	-
Total expenses	171,081	182,791	55,423	52,922	226,504	235,713	3,484	3,503
Incr(Deor) in net assets before transfers	24,122	(13,627)	19,916	26,375	44,038	12,748	3,744	3,535
Special items	-	-	-	(1,941)	-	(1,941)	-	-
Transfers	3,978	4691	(3,978)	(4,691)	-	-	-	-
Increase(Decrease) in net assets	28,100	(8,936)	15,938	19,743	44,038	10,807	3,744	3,535
Net asset - January 1st	456,991	465,927	372,907	353,164	829,898	819,091	22,818	19,283
Net asset - December 31st	\$ 485,091	\$ 456,991	\$ 388,845	\$ 372,907	\$ 873,936	\$ 829,898	\$ 26,562	\$ 22,818

Governmental Activities. Of the increase in the City's net assets, the governmental activities are responsible for a \$28.1 million increase in the total growth in net assets. The increases shown in the revenues of the governmental activities were mainly attributed to the reassessment in 2003 and the annexations that became effective in 2004. The final settlement of 2002 payable 2003 property taxes were received in 2004. In addition, when the annexations became effective in 2004 the City took over all the streets in the annexed areas. Due to the above factors the net asset number increased in 2004. The City is prepared for future deficit spending while the costs of future annexations will continue to hit the City budget until the corresponding property tax revenues are received.

**Expenses & Program Revenues - Governmental Activities
(Expressed in Thousands)**

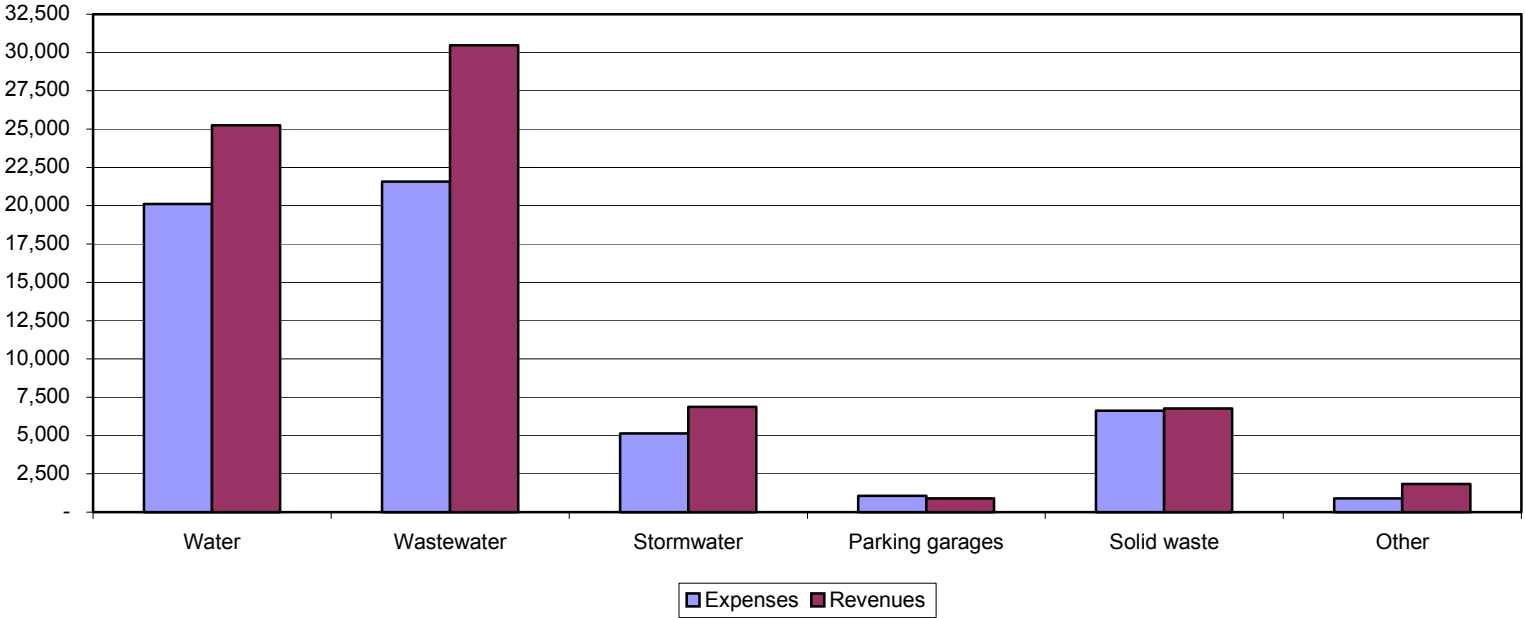


Revenues by Source - Governmental Activities

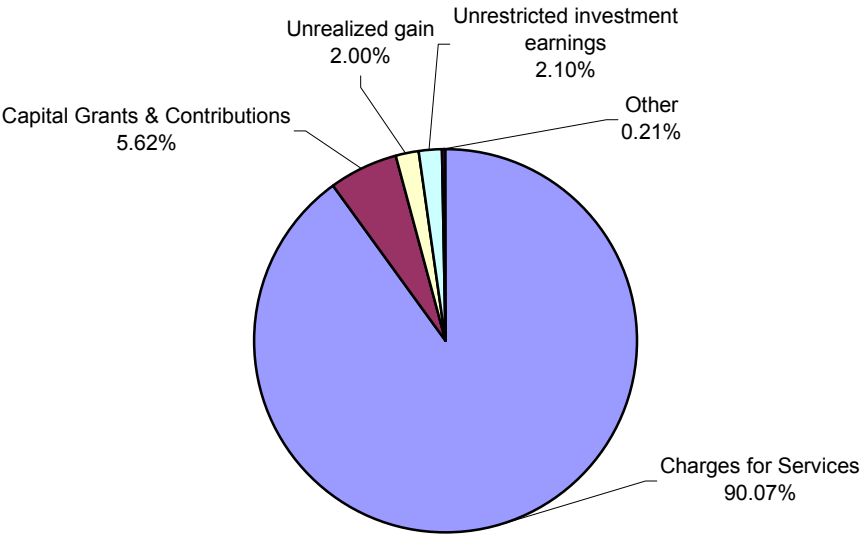


Business-type Activities. The business-type activities of the City increased net assets by \$15.9 million or 36.2 percent of the total increase in net assets of \$44 million. Business-type activities represent 27.8 percent of the Primary Government's revenues and 25.8 percent of the expenses. The City's Water and Wastewater Utilities account for 77.3 percent of the business-type activities' program revenues and 75.2 percent of the expenses.

**Expenses and Program Revenues - Business-type Activities
(Expressed in Thousands)**



Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The City's fund financial statements use modified accrual accounting providing information on near-term inflows, outflows, and balances of available resources. This provides the reader with useful information regarding the City's financial position. The unreserved fund balance of the City's governmental funds gives good insight into its ability to meet current obligations as well as meet the City's ongoing service needs.

At the end of 2004, the City's governmental funds reported combined ending fund balances of \$58.2 million, an increase of \$10 million in comparison with the prior year. Of that total about \$38.5 million (or 66.1 percent) is unreserved fund balance. The remaining \$19.7 million (or 33.9 percent) is reserved for prior commitments. The reserved amount is for encumbrances of \$4.9 million), non-current loans receivable of \$1.1 million, and assets held for resale of \$13.7 million.

The largest portion of the City's governmental fund totals is made up of the General fund, the City's chief operating fund. At the end of 2004, the General fund had an unreserved fund balance of \$9.7 million and a total fund balance of \$10.6 million. As a measure of the General fund's liquidity, you can compare the total fund balance and unreserved fund balance to the total fund expenditures. The General fund expenditures for fiscal year ended 2004 were \$62.046 million. The total fund balance represents 17.1 percent of General fund expenditures, while the unreserved fund balance is 15.6 percent of that same amount.

The fund balance of the City's general fund increased by \$6.4 million during fiscal year ended 2004.

The City has five other funds that meet the major fund criteria: the Highways and Streets, CEDIT, Parks, Fire, and Redevelopment. The combined fund balance at the end of 2004 for the other five major funds is \$39.7 million (Highways and Streets \$3.5 million, CEDIT \$8.4 million, Parks \$4.3 million, Fire \$1.8 million, and Redevelopment \$21.6 million) with the non-major governmental funds having a combined fund balance of \$8 million. The fund balance of the City's other five major funds increased by \$5.3 million during fiscal year ended 2004 with the non-major funds decreasing \$1.6 million.

Proprietary funds. The City's proprietary funds use full accrual accounting to report information in their fund financial statements similar to the way things are reported in the government-wide financial statements.

Net assets of the City's proprietary funds at the end of 2004 were \$388.8 million. Of that total they had restricted net assets of \$46 million, invested in capital assets of \$328.2 million, and unrestricted net assets of \$14.4 million. This is a total increase of about \$15.9 million. Details of this increase along with other details are already covered in the business-type activities section of the government-wide financial statement section of this MD&A.

General Fund Budgetary Highlights

The differences between the original adopted budget and the final amended budget were immaterial; \$572 thousand (or .9 percent) was decreased from the original budget. The difference is summarized as follows:

- \$212 thousand decrease in general government's appropriation
- \$167 thousand decrease in public safety's appropriation
- \$213 thousand decrease in highways and street's appropriation
- \$23 thousand decrease in health and welfare's appropriation
- \$9 thousand decrease in economic opportunity's appropriation
- \$52 thousand increase in economic development's appropriation

The actual expenditures coming in \$2.052 million lower helped offset the revenues of the general fund coming in \$9.8 million lower than budget. The general fund ended up with an increase to fund balance of \$6.4 million.

The 2004 final approved budget was \$64.099 million; the actual expenditures came in at \$62.046 million, leaving a \$2.052 million positive variance. The variance is summarized as follows:

- \$834 thousand personal services
- \$187 thousand supplies
- \$894 thousand other services and charges
- \$137 thousand capital outlay

The City is preparing for future deficit spending while the costs of future annexations will continue to hit the City budget until the corresponding property tax revenues are received. In preparation, the City challenged the departments to cut or delay expenses wherever possible. The City departments responded well.

Capital Asset and Debt Administration

Capital assets. The City's Primary Government's capital assets as of December 31, 2004, are equal to \$977 million (net of accumulated depreciation). Capital assets include land, distribution and collection, roads, buildings and improvements, machinery and equipment, construction in progress, and net investment in joint venture. The total increase in the City's capital assets for the current fiscal year was \$58.1 million or 6.3 percent (a 5.0 percent increase for governmental activities and a 8.1 percent increase for business-type activities).

Governmental activities. Capital assets for the governmental activities total \$624 million with an accumulated depreciation figure of \$60 million for a net book value of \$564 million. The amount includes \$5.5 million in construction in progress reflecting capital projects in various stages of completion. The City chose to report its roads using the modified approach accepted under the new reporting model. This allows the City to make additions and deletions to the overall asset figure without actually depreciating. The conditions of the City's road pavement are measured using a pavement condition index (PCI). The City has adopted the following condition categories. "Very Good" (100-80), "Good" (79-60), "Fair" (59-40), "Poor" (39-20), and "Very Poor" (19-0).

It is the policy of the City to maintain a pavement condition index of good (79-60). In 2003, the City had a pavement condition index rating of "Good" (73). The City has maintained a "Good" (74) rating in 2004. The City maintains there are not material variances between the needed expenditures and the actual expenditures for the maintenance of infrastructure for 2004.

More information regarding the modified approach can be found on pages 109 and 112-113 in the Required Supplementary Information (RSI) section of this report.

Business-type activities. Capital assets for the business-type activities total \$606 million with an accumulated depreciation figure of \$193 million for a net book value of \$413 million. The amount also includes \$60 million in construction in progress reflecting capital projects in various stages of completion. A five year financial and capital plan put together for the 2001-2005 period anticipates spending \$81 million of revenue capital and \$75 million of financed capital during this time period. Major projects include: replacement of the preliminary treatment facilities and repairs to the secondary facilities at the Water Pollution Control Plant, completion of a Long-term Control Plan for Combined Sewer Overflows (CSO's) and to begin implementing projects to reduce the number of CSO's and the volume of discharges directly to the rivers, Combined Sewer Capacity Improvements to reduce the risk of basement backups, replacement of six miles of water mains per year, increasing finished water storage capacity, and replacement of water meters with updated technology. During 2004, approximately \$31 million was spent on capital projects.

Primary Government
Capital Assets, net of depreciation
(amounts expressed in thousands)

	Governmental activities		Business-type activities		Total	
	2004	2003	2004	2003	2004	2003
Land	\$ 19,760	\$ 16,453	\$ 4,177	\$ 4,177	\$ 23,937	\$ 20,630
Distribution and collection	-	-	338,291	308,825	338,291	308,825
Roads	419,597	396,692	-	-	419,597	396,692
Buildings and improvements	128,475	127,828	97,047	90,528	225,522	218,356
Machinery and equipment	47,336	44,589	107,117	101,934	154,453	146,523
Construction in progress	5,460	1,492	59,713	58,602	65,173	60,094
Net investment in joint venture	3,645	3,560	-	-	3,645	3,560
Less: Accumulated depreciation	(60,000)	(52,967)	(193,142)	(182,313)	(253,142)	(235,280)
Total	\$ 564,273	\$ 537,647	\$ 413,203	\$ 381,753	\$ 977,476	\$ 919,400

Additional information regarding the City's capital assets can be found in Note 3 on pages 77-80 of this report.

Long-term debt. At the end of the current fiscal year, the City's Primary Government had total bonded debt outstanding of \$107.5 million. Of this amount \$41.8 million is considered to be general obligation bonds, special obligation bonds, or first mortgage bonds. The City is responsible to pay for this debt with general revenues. The remaining \$65.7 million is revenue bonds that are paid for from the revenues earned by the business-type fund that is responsible for the debt.

City of Fort Wayne
Long-term Debt
(amounts expressed in thousands)

	Governmental activities		Business-type activities		Total	
	2004	2003	2004	2003	2004	2003
General obligation bonds	\$ 8,720	\$ 12,680	\$ -	\$ -	\$ 8,720	\$ 12,680
Special obligation bonds	25,230	29,860	-	-	25,230	29,860
First mortgage bonds	7,870	9,450	-	-	7,870	9,450
Capital leases	11,887	8,421	-	-	11,887	8,421
Notes & loans payable	1,181	1,954	23,564	15,288	24,745	17,242
Mortgages payable	42	42	-	-	42	42
Net pension obligation	85,388	77,548	-	-	85,388	77,548
Compensated absences	7,781	7,349	1,815	1,737	9,596	9,086
Accrued interest payable	-	-	-	2,559	-	2,559
Accrued pension cost	-	-	-	46	-	46
Other long-term liabilities	-	-	33	189	33	189
Revenue bonds	-	-	65,707	72,145	65,707	72,145
Total	\$ 148,099	\$ 147,304	\$ 91,119	\$ 91,964	\$ 239,218	\$ 239,268

The City's total debt decreased by \$50 thousand during the current fiscal year including additions of \$30.23 million and reductions of \$30.28 million.

The City of Fort Wayne currently maintains an AA- rating from Standard & Poor's and an Aa2 rating from Moody's for its general obligation debt. The City's water utility maintains at A rating from Standard &

Poor's and a Aaa from Moody's for its revenue bonds. The City's Wastewater Utility has a A- rating from Standard & Poor's and a AAA rating from Moody's for it's revenue bonds.

Additional information on the City's long-term debt can be found in Note 4 on pages 82-89 of this report.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the City is currently 5.8 percent, which is up from a rate of 5.2 percent a year ago. This is close to the state's average unemployment rate of 6.0 percent, and is above the national average of 5.2 percent.

The City's population will increase due to annexation; therefore, it will entitle the City to a larger percentage of the COIT and CEDIT tax dollars distributed to the county.

Due to passage of Senate Bill 1 in 2003, the City's ability to raise property taxes is limited. The City does not anticipate any property tax rate increase for 2005. Utilities management will evaluate rate increases for Water, Wastewater and Stormwater in 2005 with targeted effective dates in 2005 or early 2006.

These factors along with others were considered when preparing the City's budget for the 2005 fiscal year.

The City is preparing for deficit spending over the next couple of years while the expenditures for the Aboite annexation begin to hit the City budget without receiving the corresponding property tax increase. This will decrease the City's unreserved fund balance until the revenues for the Aboite annexation become available in 2007.

Request for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the City's Controllers office, One Main Street, City of Fort Wayne, Indiana, 46802.

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BASIC FINANCIAL STATEMENTS



CITY OF FORT WAYNE
STATEMENT OF NET ASSETS
December 31, 2004

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current assets:				
Cash and cash equivalents-unrestricted	\$ 56,941,554	\$ 18,752,075	\$ 75,693,629	\$ 3,626,954
Investments-unrestricted	895,000	-	895,000	1,314,327
Receivables (net of allowances for uncollectibles):				
Accounts	-	6,849,815	6,849,815	380,925
Taxes	4,659,028	-	4,659,028	-
Interest	22,789	71,527	94,316	-
Intergovernmental	4,053,333	-	4,053,333	15,629,846
Loans	1,690,526	-	1,690,526	491,143
Miscellaneous	1,395,547	18,162	1,413,709	20,565
Internal balances	(564,196)	564,196	-	-
Inventories	1,178,196	1,120,923	2,299,119	-
Prepaid expense	178,822	132,841	311,663	-
Total current assets	70,450,599	27,509,539	97,960,138	21,463,760
Noncurrent assets:				
Cash and cash equivalents-restricted	-	27,752,085	27,752,085	14,901,543
Investments-restricted	-	22,828,694	22,828,694	-
Assessments receivables	867,478	64,263	931,741	-
Assets held for resale	13,729,607	-	13,729,607	-
Deferred debits	481,552	1,246,063	1,727,615	429,236
Net investment in direct financing lease	614,081	-	614,081	22,231,756
Capital assets:				
Land, roads and construction in progress	444,817,151	63,889,668	508,706,819	28,064,423
Other capital assets, net of depreciation	119,455,450	349,313,026	468,768,476	8,820,519
Total noncurrent assets	579,965,319	465,093,799	1,045,059,118	74,447,477
Total assets	650,415,918	492,603,338	1,143,019,256	95,911,237
Liabilities				
Current liabilities:				
Accounts payable	2,887,462	3,682,911	6,570,373	322,971
Accrued group insurance benefits	1,010,644	-	1,010,644	-
Compensated absences payable	5,858,998	795,740	6,654,738	-
Contracts payable	734,789	125,060	859,849	3,592,922
Retainage payable	406,233	-	406,233	92,914
Accrued interest payable	694,936	4,354,439	5,049,375	643,359
Capital leases payable	2,815,438	-	2,815,438	777,000
Notes and loans payable	7,188,098	821,000	8,009,098	-
General obligation bonds payable	995,000	-	995,000	-
Special obligation bonds payable	4,740,000	-	4,740,000	-
First mortgage bonds	1,595,000	-	1,595,000	-
Revenue bonds payable	-	7,362,499	7,362,499	-
Customer deposits	-	1,251,400	1,251,400	21,022
Deferred revenue	4,129,305	-	4,129,305	-
Other liabilities	441,640	2,742,063	3,183,703	-
Total current liabilities	33,497,543	21,135,112	54,632,655	5,450,188

CITY OF FORT WAYNE
STATEMENT OF NET ASSETS
December 31, 2004

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities:				
Compensated absences	1,921,914	1,019,332	2,941,246	-
Capital leases payable	9,071,684	-	9,071,684	30,646,298
Notes and loans payable	993,193	22,742,558	23,735,751	-
Mortgage payable	42,000	-	42,000	-
General obligation bonds payable (net)	7,720,263	-	7,720,263	-
Special obligation bonds payable (net)	20,375,725	-	20,375,725	-
First mortgage bonds payable (net)	6,314,708	-	6,314,708	-
Revenue bonds payable (net)	-	58,828,404	58,828,404	-
Lease rental revenue bonds payable (net)	-	-	-	33,252,553
Net pension obligation	85,387,521	-	85,387,521	-
Other liabilities	-	32,818	32,818	-
Total noncurrent liabilities	131,827,008	82,623,112	214,450,120	63,898,851
Total liabilities	165,324,551	103,758,224	269,082,775	69,349,039
<u>Net assets</u>				
Invested in capital assets, net of related debt	508,789,081	328,189,954	836,979,035	5,461,644
Restricted for:				
Debt service	-	11,577,722	11,577,722	-
Capital projects	-	8,547,377	8,547,377	-
Community trust	-	25,922,405	25,922,405	-
Unrestricted	(23,697,714)	14,607,656	(9,090,058)	21,100,554
Total net assets	\$ 485,091,367	\$ 388,845,114	\$ 873,936,481	\$ 26,562,198

The notes to the financial statements are an integral part of this statement.

CITY OF FORT WAYNE
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2004

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating	Capital	Primary Government			
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 33,415,208	\$ 26,065,716	\$ 3,799,763	\$ -	\$ (3,549,729)	\$ -	\$ (3,549,729)	\$ -
Public safety	80,775,673	1,084,587	1,962,331	-	(77,728,755)	-	(77,728,755)	-
Highways and streets	16,275,839	2,749,257	9,355,945	-	(4,170,637)	-	(4,170,637)	-
Sanitation	11,650	-	18,450	-	6,800	-	6,800	-
Health and welfare	1,978,936	369,635	80,336	-	(1,528,965)	-	(1,528,965)	-
Economic opportunity	539,527	750	249,860	-	(288,917)	-	(288,917)	-
Economic development	12,807,160	412,003	23,600	-	(12,371,557)	-	(12,371,557)	-
Culture and recreation	15,208,568	4,919,555	1,098,094	-	(9,190,919)	-	(9,190,919)	-
Urban redevelopment and housing	7,725,149	67,143	3,484,881	-	(4,173,125)	-	(4,173,125)	-
Interest on long-term debt	2,343,378	-	-	-	(2,343,378)	-	(2,343,378)	-
Total governmental activities	<u>171,081,088</u>	<u>35,668,646</u>	<u>20,073,260</u>	<u>-</u>	<u>(115,339,182)</u>	<u>-</u>	<u>(115,339,182)</u>	<u>-</u>
Business-type activities:								
Water	20,118,692	24,006,361	-	1,252,718	-	5,140,387	5,140,387	-
Wastewater	21,581,577	29,123,296	-	1,350,443	-	8,892,162	8,892,162	-
Stormwater	5,129,101	5,242,971	-	1,634,194	-	1,748,064	1,748,064	-
Parking garages	1,066,214	890,030	-	-	-	(176,184)	(176,184)	-
Solid waste	6,620,643	6,763,694	-	-	-	143,051	143,051	-
Other	906,619	1,831,641	-	-	-	925,022	925,022	-
Total business-type activities	<u>55,422,846</u>	<u>67,857,993</u>	<u>-</u>	<u>4,237,355</u>	<u>-</u>	<u>16,672,502</u>	<u>16,672,502</u>	<u>-</u>
Total primary government	<u>\$ 226,503,934</u>	<u>\$ 103,526,639</u>	<u>\$ 20,073,260</u>	<u>\$ 4,237,355</u>	<u>(115,339,182)</u>	<u>16,672,502</u>	<u>(98,666,680)</u>	<u>-</u>
Component units:								
HANDS	\$ 752,632	\$ -	\$ 1,044,675	\$ -	\$ -	\$ -	\$ -	\$ 292,043
Summit	30	-	-	-	-	-	-	(30)
UEA	568,981	1,137,060	-	-	-	-	-	568,079
C&TA	2,161,964	409,176	-	1,969,250	-	-	-	216,462
RA	-	-	-	-	-	-	-	-
Total component units	<u>\$ 3,483,607</u>	<u>\$ 1,546,236</u>	<u>\$ 1,044,675</u>	<u>\$ 1,969,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,076,554</u>
General revenues:								
Property taxes					80,344,000	-	80,344,000	-
CEDIT					15,830,142	-	15,830,142	-
Indiana room tax income					-	-	-	2,310,534
Other tax					18,222,124	-	18,222,124	136,689
Grants and contributions not restricted to a specific program					20,608,081	-	20,608,081	-
Unrealized gain (See Note 14)					-	1,505,331	1,505,331	-
Unrestricted investment earnings					538,372	1,584,415	2,122,787	207,204
Refunds and reimbursements					239,812	-	239,812	11,781
Other					3,678,570	153,891	3,832,461	1,009
Transfers					3,978,115	(3,978,115)	-	-
Total general revenues and transfers					<u>143,439,216</u>	<u>(734,478)</u>	<u>142,704,738</u>	<u>2,667,217</u>
Change in net assets					<u>28,100,034</u>	<u>15,938,024</u>	<u>44,038,058</u>	<u>3,743,771</u>
Net assets - beginning					456,991,333	372,907,090	829,898,423	22,818,427
Net assets - ending					<u>\$ 485,091,367</u>	<u>\$ 388,845,114</u>	<u>\$ 873,936,481</u>	<u>\$ 26,562,198</u>

The notes to the financial statements are an integral part of this statement.

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CITY OF FORT WAYNE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2004

	General	Highways and Streets	CEDIT	Parks
<u>Assets</u>				
Cash and cash equivalents	\$ 13,449,504	\$ 2,993,292	\$ 9,068,970	\$ 4,665,516
Investments	-	-	-	-
Receivables (net of allowances for uncollectibles):				
Interest	12,809	-	-	-
Taxes	2,368,128	-	-	514,672
Intergovernmental	439,613	649,995	23,600	-
Loans	563,030	-	277,500	-
Miscellaneous	760,792	54,100	-	169,007
Interfund receivable - pooled cash	-	-	-	-
Due from other funds	98,239	-	-	-
Assessments receivable	-	-	-	-
Net investment in direct financing lease	614,081	-	-	-
Assets held for resale	-	-	16,413	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 18,306,196</u>	<u>\$ 3,697,387</u>	<u>\$ 9,386,483</u>	<u>\$ 5,349,195</u>
 <u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 485,284	\$ 74,715	\$ 266,962	\$ 347,392
Contracts payable	-	-	453,779	84,200
Retainage payable	-	44,651	229,814	-
Notes Payable	-	-	-	-
Interfund payable	179,390	-	-	-
Interfund payable - pooled cash	-	-	-	-
Advance from other funds	383,640	-	-	-
Due to other funds	165,676	-	-	-
Accrued interest payable	12,809	-	-	-
Deferred revenue:				
Unavailable	2,982,209	7,506	23,600	514,672
Unearned	3,533,023	-	-	163,380
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>7,742,031</u>	<u>126,872</u>	<u>974,155</u>	<u>1,109,644</u>
Fund balances:				
Reserved for:				
Encumbrances	449,676	944,763	972,783	1,001,897
Noncurrent loans receivable	383,640	-	52,500	-
Assets held for resale	-	-	16,413	-
Unreserved, reported in:				
General fund	9,730,849	-	-	-
Special revenue funds	-	2,625,752	-	3,237,654
Capital projects funds	-	-	7,370,632	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>10,564,165</u>	<u>3,570,515</u>	<u>8,412,328</u>	<u>4,239,551</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 18,306,196</u>	<u>\$ 3,697,387</u>	<u>\$ 9,386,483</u>	<u>\$ 5,349,195</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FORT WAYNE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2004

	Fire	Redevelopment	Non-major Governmental Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 1,904,861	\$ 15,681,896	\$ 6,232,834	\$ 53,996,873
Investments	-	-	895,000	895,000
Receivables (net of allowances for uncollectibles):				
Interest	-	-	9,980	22,789
Taxes	1,752,425	23,274	529	4,659,028
Intergovernmental	229	-	2,939,896	4,053,333
Loans	-	-	849,996	1,690,526
Miscellaneous	1,882	-	356,903	1,342,684
Interfund receivable - pooled cash	-	-	2,253,190	2,253,190
Due from other funds	550	-	-	98,789
Assessments receivable	-	-	867,478	867,478
Net investment in direct financing lease	-	-	-	614,081
Assets held for resale	-	13,713,194	-	13,729,607
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 3,659,947</u>	<u>\$ 29,418,364</u>	<u>\$ 14,405,806</u>	<u>\$ 84,223,378</u>
 <u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 71,039	\$ 485,526	\$ 358,174	\$ 2,089,092
Contracts payable	-	147,830	48,980	734,789
Retainage payable	-	131,034	734	406,233
Notes Payable	-	7,000,000	-	7,000,000
Interfund payable	-	-	-	179,390
Interfund payable - pooled cash	-	-	2,253,190	2,253,190
Advance from other funds	-	-	-	383,640
Due to other funds	-	-	78,891	244,567
Accrued interest payable	-	49,716	-	62,525
Deferred revenue:				
Unavailable	1,752,425	23,274	3,203,416	8,507,102
Unearned	-	-	432,902	4,129,305
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>1,823,464</u>	<u>7,837,380</u>	<u>6,376,287</u>	<u>25,989,833</u>
 Fund balances:				
Reserved for:				
Encumbrances	61,612	24,087	1,479,006	4,933,824
Noncurrent loans receivable	-	-	615,122	1,051,262
Assets held for resale	-	13,713,194	-	13,729,607
Unreserved, reported in:				
General fund	-	-	-	9,730,849
Special revenue funds	1,774,871	-	1,649,841	9,288,118
Capital projects funds	-	7,843,703	4,285,550	19,499,885
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>1,836,483</u>	<u>21,580,984</u>	<u>8,029,519</u>	<u>58,233,545</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 3,659,947</u>	<u>\$ 29,418,364</u>	<u>\$ 14,405,806</u>	<u>\$ 84,223,378</u>

The notes to the financial statements are an integral part of this statement.

City of Fort Wayne, Indiana
Reconciliation of the Balance Sheet to the Statement of Net Assets
Governmental Funds
December 31, 2004

Total **fund balances** for governmental funds \$ 58,233,545

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore, are not reported in the funds.

Those assets consist of:

Land	19,733,249	
Roads accounted for using the modified approach	419,596,767	
Construction in progress	5,437,548	
Buildings, net of \$19,076,178 accumulated depreciation	34,925,047	
Improvements other than buildings, net of \$11,681,733 accumulated depreciation	62,073,042	
Machinery and equipment, net of \$27,906,654 accumulated depreciation	18,974,620	
Net investment in joint venture, net of \$709,332 accumulated depreciation	<u>2,935,377</u>	
Total capital assets		563,675,650

Bond issuance costs associated with new debt issued by the City in 2004 were reported as expenditures in the governmental funds when the debt was issued, whereas bond issuance costs are deferred in the statement of net assets. Deferred bond issuance costs are amortized, over the life of the debt issued, as an adjustment to interest expense (functionalized) in the statement of activities. 481,552

Some assets are not available to pay for current-period expenditures and therefore, are deferred in the funds. 1,291,000

Internal services funds are used by the City to account for the financing of goods or services provided by one department or agency to other City departments or agencies, generally on a cost reimbursement basis. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service fund net assets are: 1,497,856

City tax collections related to 2004 will be collected beyond the 60 day period used to record revenue in the fund statements. Revenue and a corresponding receivable for this amount are included in the government-wide statements. 4,659,028

State shared revenue appropriated during the State of Indiana's fiscal year ended June 30, 2004 will be collected by the City in calendar year 2005. Revenue and a corresponding receivable for the amount appropriated but not received by December 31, 2004 are included in the government-wide statements. 2,686,461

Some of the City's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore, are deferred in the funds. 1,208,230

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and therefore, are not reported in the funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net assets. Also, during the year the City issued new debt. The discount or premium received was reported in the governmental funds when the debt was issued, whereas these amounts are deferred and amortized, over the remaining life of the new debt, as an adjustment to interest expense (functionalized) in the statement of activities.

Balances at December 31, 2004 are:

Bonds payable	(41,820,000)	
Bond interest payable	(438,914)	
Unamortized loss on refunding	113,305	
Unamortized discount	147,106	
Unamortized premium	(181,107)	
Leases payable	(11,887,122)	
Lease interest payable	(173,736)	
Loans payable	(1,181,291)	
Loan interest payable	(19,761)	
Mortgage payable	(42,000)	
Compensated absences payable	<u>(7,770,914)</u>	
Total long-term liabilities		(63,254,434)

Net pension obligations, including the 1925 Police Officers' Pension Plan, the 1937 Firefighters' Pension Plan, and the Sanitary Officers' Pension Plan are not due and payable in the current period and therefore, are not reported in the funds, but are included in the government-wide statements. (85,387,521)

Total **net assets** of governmental activities \$ 485,091,367

The notes to the financial statements are an integral part of this statement.

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CITY OF FORT WAYNE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2004

	<u>General</u>	<u>Highways and Streets</u>	<u>CEDIT</u>	<u>Parks</u>
Revenues:				
Taxes	\$ 55,149,296	\$ 1,853,777	\$ 15,830,142	\$ 10,346,888
Special assessments	-	-	-	-
Licenses and permits	1,770,403	-	-	32,505
Intergovernmental	3,138,043	9,346,824	-	80,227
Charges for services	3,045,557	665,547	-	4,826,133
Fines and forfeits	1,168,463	-	6,020	-
Other	899,322	150,837	93,956	1,111,103
	<u>65,171,084</u>	<u>12,016,985</u>	<u>15,930,118</u>	<u>16,396,856</u>
Total revenues				
Expenditures:				
Current:				
General government	10,560,302	-	-	-
Public safety	41,397,133	-	-	-
Highways and streets	4,947,368	15,479,528	-	-
Sanitation	-	-	-	-
Health and welfare	1,861,099	-	-	-
Economic opportunity	539,527	-	-	-
Economic development	2,740,813	-	-	-
Culture and recreation	-	-	-	17,818,095
Urban redevelopment and housing	-	-	-	-
Debt service:				
Principal	-	-	3,659,799	-
Interest	-	-	826,338	-
Capital outlay	-	-	10,431,514	-
	<u>62,046,242</u>	<u>15,479,528</u>	<u>14,917,651</u>	<u>17,818,095</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>3,124,842</u>	<u>(3,462,543)</u>	<u>1,012,467</u>	<u>(1,421,239)</u>
Other financing sources (uses):				
Transfers in	3,544,017	161,000	1,578,190	3,473,954
Transfers out	(274,459)	(137,000)	(8,374,115)	(37,154)
Capital leases issued	-	-	-	-
	<u>3,269,558</u>	<u>24,000</u>	<u>(6,795,925)</u>	<u>3,436,800</u>
Total other financing sources (uses)				
Net change in fund balances	6,394,400	(3,438,543)	(5,783,458)	2,015,561
Fund balances - beginning	<u>4,169,765</u>	<u>7,009,058</u>	<u>14,195,786</u>	<u>2,223,990</u>
Fund balances - ending	<u>\$ 10,564,165</u>	<u>\$ 3,570,515</u>	<u>\$ 8,412,328</u>	<u>\$ 4,239,551</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FORT WAYNE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2004

	Fire	Redevelopment	Non-major Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 32,965,547	\$ 8,607,876	\$ 10,312	\$ 124,763,838
Special assessments	-	-	1,467,452	1,467,452
Licenses and permits	-	-	715,292	2,518,200
Intergovernmental	-	-	3,465,143	16,030,237
Charges for services	11,607	-	386,074	8,934,918
Fines and forfeits	1,121	-	659,980	1,835,584
Other	11,863	2,409,036	802,210	5,478,327
	<u>32,990,138</u>	<u>11,016,912</u>	<u>7,506,463</u>	<u>161,028,556</u>
Total revenues				
Expenditures:				
Current:				
General government	-	-	1,867,981	12,428,283
Public safety	27,179,394	-	2,590,916	71,167,443
Highways and streets	-	-	8,473	20,435,369
Sanitation	-	-	11,650	11,650
Health and welfare	-	-	87,114	1,948,213
Economic opportunity	-	-	-	539,527
Economic development	-	-	248,260	2,989,073
Culture and recreation	-	-	-	17,818,095
Urban redevelopment and housing	-	4,903,327	3,272,898	8,176,225
Debt service:				
Principal	-	1,229,184	3,040,201	7,929,184
Interest	-	272,413	341,983	1,440,734
Capital outlay	-	-	5,289,550	15,721,064
	<u>27,179,394</u>	<u>6,404,924</u>	<u>16,759,026</u>	<u>160,604,860</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>5,810,744</u>	<u>4,611,988</u>	<u>(9,252,563)</u>	<u>423,696</u>
Other financing sources (uses):				
Transfers in	-	2,919,883	4,620,709	16,297,753
Transfers out	-	(859,518)	(2,658,954)	(12,341,200)
Capital leases issued	-	-	5,675,000	5,675,000
	<u>-</u>	<u>2,060,365</u>	<u>7,636,755</u>	<u>9,631,553</u>
Total other financing sources (uses)				
Net change in fund balances	5,810,744	6,672,353	(1,615,808)	10,055,249
Fund balances - beginning	<u>(3,974,261)</u>	<u>14,908,631</u>	<u>9,645,327</u>	<u>48,178,296</u>
Fund balances - ending	<u>\$ 1,836,483</u>	<u>\$ 21,580,984</u>	<u>\$ 8,029,519</u>	<u>\$ 58,233,545</u>

The notes to the financial statements are an integral part of this statement.

City of Fort Wayne, Indiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
Governmental Funds
For the Year Ended December 31, 2004

Net change in **fund balances** - total governmental funds \$ 10,055,249

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets, which meet capitalization requirements, is capitalized. The cost of the depreciable assets is allocated over the estimated useful lives and reported as depreciation expense (functionalized).

Land	3,307,540	
Roads accounted for using the modified approach	22,904,623	
Construction in progress	3,945,089	
Buildings, net of \$1,537,820 depreciation expense	(1,339,047)	
Improvements other than buildings, net of \$1,908,674 depreciation expense	(1,460,124)	
Machinery and equipment, net of \$5,074,676 depreciation expense	(731,908)	
Net investment in joint venture, net of \$80,938 depreciation expense	<u>4,177</u>	
Net changes in capital assets		26,630,350

The issuance of long-term debt provides current financial resources to governmental funds, but increases the long-term liabilities on the statement of net assets. Repayment of principal for long-term debt consumes the current financial resources of governmental funds, but reduces long-term liabilities in the statement of net assets. This is the amount by which repayments exceeds issuance proceeds.

7,477,034

Governmental funds report the effect of bond issue costs, deferred loss on refunding, discounts and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

(120,227)

Some expenses were deferred as assets in the statement of net assets and therefore were not reported in the statement of activities, but were reported as expenditures in the governmental funds.

(505,045)

Net pension obligations, including the 1925 Police Officers' Pension Plan, the 1937 Firefighters' Pension Plan and the Sanitary Officers' Pension Plan are considered long-term obligations of the general government, but are not current expenditures.

(7,839,228)

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

(7,772,775)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.

(306,129)

Internal service funds are used by the City to account for the financing of goods and services provided by one department or agency to other City departments or agencies, generally on a cost reimbursement basis. The net revenue (expense) of the internal service funds is reported with governmental activities.

480,805

Changes in **net assets** of governmental activities \$ 28,100,034

The notes to the financial statements are an integral part of this statement.

CITY OF FORT WAYNE
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2004

	Business-type Activities - Enterprise Funds				Totals	Governmental
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds		Internal Service Funds
Assets						
Current assets:						
Cash and cash equivalents	\$ 961,075	\$ 12,786,831	\$ 3,737,616	\$ 1,266,553	\$ 18,752,075	\$ 2,944,681
Interest receivable	-	-	-	71,527	71,527	-
Accounts receivable (net of allowance for uncollectables)	2,492,124	3,783,362	548,567	25,762	6,849,815	-
Miscellaneous receivable	-	-	-	18,162	18,162	52,863
Interfund receivable	-	-	-	179,390	179,390	-
Due from other funds	166,285	695	608	1,089,256	1,256,844	97,995
Inventories	1,043,414	77,509	-	-	1,120,923	37,689
Prepaid expenses	64,025	63,311	644	4,861	132,841	28,329
Total current assets	4,726,923	16,711,708	4,287,435	2,655,511	28,381,577	3,161,557
Noncurrent assets:						
Restricted cash and cash equivalents	1,664,462	23,121,184	-	2,966,439	27,752,085	-
Restricted investments	-	-	-	22,828,694	22,828,694	-
Advance to other funds	-	-	-	383,640	383,640	-
Assessments receivable	-	64,263	-	-	64,263	-
Deferred debits	292,417	893,248	-	60,398	1,246,063	-
Capital assets:						
Land, improvements to land and construction in progress	13,013,615	45,862,145	2,879,822	2,134,086	63,889,668	49,587
Other capital assets (net of accumulated depreciation)	119,888,024	174,921,665	47,900,126	6,603,211	349,313,026	547,364
Total noncurrent assets	134,858,518	244,862,505	50,779,948	34,976,468	465,477,439	596,951
Total assets	139,585,441	261,574,213	55,067,383	37,631,979	493,859,016	3,758,508
Liabilities						
Current liabilities:						
Accounts payable	1,106,339	1,819,875	265,609	491,088	3,682,911	798,370
Due to other funds	546,915	576,666	124,462	7,635	1,255,678	-
Contracts payable	-	-	-	125,060	125,060	-
Compensated absences - current portion	424,642	294,541	74,610	1,947	795,740	9,998
Accrued group insurance benefits	-	-	-	-	-	1,010,644
Customer deposits	1,251,400	-	-	-	1,251,400	-
Loan payable	-	821,000	-	-	821,000	-
Revenue bonds payable - current portion	2,075,000	5,147,499	-	140,000	7,362,499	-
Accrued interest payable	37,294	4,272,585	-	44,560	4,354,439	-
Other current liabilities	583,148	2,126,324	25,105	7,486	2,742,063	441,640
Total current liabilities	6,024,738	15,058,490	489,786	817,776	22,390,790	2,260,652
Noncurrent liabilities:						
Compensated absences payable	614,502	347,346	55,359	2,125	1,019,332	-
Revenue bonds payable (net of discounts/ premiums)	9,617,068	47,551,336	-	1,660,000	58,828,404	-
Loans payable	-	20,827,558	-	1,915,000	22,742,558	-
Other noncurrent liabilities	-	-	-	32,818	32,818	-
Total noncurrent liabilities	10,231,570	68,726,240	55,359	3,609,943	82,623,112	-
Total liabilities	16,256,308	83,784,730	545,145	4,427,719	105,013,902	2,260,652
Net assets						
Invested in capital assets, net of related debt	121,501,988	151,255,281	50,779,948	4,652,737	328,189,954	596,951
Restricted for:						
Debt service	230,571	10,839,866	-	507,285	11,577,722	-
Capital projects	182,491	8,364,886	-	-	8,547,377	-
Community trust	-	-	-	25,922,405	25,922,405	-
Unrestricted	1,414,083	7,329,450	3,742,290	2,121,833	14,607,656	900,905
Total net assets	\$ 123,329,133	\$ 177,789,483	\$ 54,522,238	\$ 33,204,260	\$ 388,845,114	\$ 1,497,856

The notes to the financial statements are an integral part of this statement.

CITY OF FORT WAYNE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For The Year Ended December 31, 2004

	Business-type Activities - Enterprise Funds				Totals	Governmental
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds		Internal Service Funds
Operating revenues:						
Charges for goods and services	\$ 24,006,361	\$ 29,123,296	\$ 5,242,971	\$ 7,761,039	\$ 66,133,667	\$ 3,909,545
Leases	-	-	-	1,724,326	1,724,326	-
City contributions	-	-	-	-	-	15,115,302
Employee contributions	-	-	-	-	-	2,147,388
Total operating revenues	<u>24,006,361</u>	<u>29,123,296</u>	<u>5,242,971</u>	<u>9,485,365</u>	<u>67,857,993</u>	<u>21,172,235</u>
Operating expenses:						
Personnel services	6,136,551	4,139,967	1,237,919	230,788	11,745,225	492,391
Contractual services	1,619,266	2,911,748	231,140	6,694,000	11,456,154	3,122,362
Utilities	847,652	987,930	-	47,435	1,883,017	24,574
Chemicals	1,409,994	156,966	-	-	1,566,960	-
Administrative services	3,578,340	3,776,678	851,199	57,848	8,264,065	-
Other supplies and services	2,092,577	2,176,197	1,601,453	917,911	6,788,138	1,510,661
Insurance claims and premiums	-	-	-	-	-	15,689,300
Depreciation	4,363,491	6,053,960	1,207,390	496,250	12,121,091	40,614
Total operating expenses	<u>20,047,871</u>	<u>20,203,446</u>	<u>5,129,101</u>	<u>8,444,232</u>	<u>53,824,650</u>	<u>20,879,902</u>
Operating income	<u>3,958,490</u>	<u>8,919,850</u>	<u>113,870</u>	<u>1,041,133</u>	<u>14,033,343</u>	<u>292,333</u>
Nonoperating revenues (expenses):						
Interest and investment revenue	91,386	578,440	67,063	847,526	1,584,415	8
Unrealized gain (Note 14)	-	-	-	1,505,331	1,505,331	-
Miscellaneous revenue	28,891	-	-	125,000	153,891	166,902
Interest expense	-	(1,221,695)	-	(96,264)	(1,317,959)	-
Amortization of debt issuance costs	(70,821)	(156,436)	-	(3,553)	(230,810)	-
Miscellaneous expense	-	-	-	(49,427)	(49,427)	-
Total nonoperating revenue (expenses)	<u>49,456</u>	<u>(799,691)</u>	<u>67,063</u>	<u>2,328,613</u>	<u>1,645,441</u>	<u>166,910</u>
Income before contributions and transfers	4,007,946	8,120,159	180,933	3,369,746	15,678,784	459,243
Capital contributions	1,252,718	1,350,443	1,634,194	-	4,237,355	-
Transfers in	-	-	-	45,000	45,000	21,562
Transfers out	(1,098,603)	(1,583,512)	-	(1,341,000)	(4,023,115)	-
Change in net assets	4,162,061	7,887,090	1,815,127	2,073,746	15,938,024	480,805
Total net assets - beginning	<u>119,167,072</u>	<u>169,902,393</u>	<u>52,707,111</u>	<u>31,130,514</u>	<u>372,907,090</u>	<u>1,017,051</u>
Total net assets - ending	<u>\$ 123,329,133</u>	<u>\$ 177,789,483</u>	<u>\$ 54,522,238</u>	<u>\$ 33,204,260</u>	<u>\$ 388,845,114</u>	<u>\$ 1,497,856</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FORT WAYNE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For The Year Ended December 31, 2004

	Business-type Activities - Enterprise Funds					Governmental
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:						
Receipts from customers and users	\$ 23,766,996	\$ 27,659,407	\$ 5,217,424	\$ 7,933,320	\$ 64,577,147	\$ 21,572,011
Receipts from leases	-	-	-	1,690,000	1,690,000	-
Payments to suppliers	(9,739,119)	(11,246,874)	(2,894,669)	(7,754,581)	(31,635,243)	(20,791,004)
Payments to employees	(6,090,937)	(4,124,559)	(1,232,957)	(231,944)	(11,680,397)	(492,522)
Other receipts (payments)	(285,903)	434,840	17,808	-	166,745	-
Net cash provided by operating activities	7,651,037	12,722,814	1,107,606	1,636,795	23,118,252	288,485
Cash flows from noncapital financing activities:						
Transfer from other funds	-	-	-	45,000	45,000	21,562
Transfer to other funds	(1,098,603)	(2,358,990)	-	(1,341,000)	(4,798,593)	-
Net cash provided (used) by noncapital financing activities	(1,098,603)	(2,358,990)	-	(1,296,000)	(4,753,593)	21,562
Cash flows from capital and related financing activities:						
Proceeds from capital debt less issuance	(17,386)	7,149,560	-	-	7,132,174	-
Capital contributions	(92,216)	192,920	(5,989)	-	94,715	-
Other financing costs paid	-	(188,600)	-	-	(188,600)	-
Acquisition and construction of capital assets	(7,468,277)	(21,538,709)	(2,042,054)	(878,617)	(31,927,657)	(35,242)
Proceeds from sale of fixed assets	-	9,803	-	-	9,803	-
Principal paid on capital debt	(2,130,000)	(4,966,886)	-	(130,000)	(7,226,886)	-
Interest paid on capital debt	(530,297)	(4,729,205)	-	(99,866)	(5,359,368)	-
Net cash used by capital and related financing activities	(10,238,176)	(24,071,117)	(2,048,043)	(1,108,483)	(37,465,819)	(35,242)
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	-	-	-	3,324,394	3,324,394	-
Purchase of investments	-	-	-	(5,122,963)	(5,122,963)	-
Interest received	91,386	578,440	67,063	1,360,760	2,097,649	8
Net cash provided (used) by investing activities	91,386	578,440	67,063	(437,809)	299,080	8
Net increase (decrease) in cash and cash equivalents	(3,594,356)	(13,128,853)	(873,374)	(1,205,497)	(18,802,080)	274,813
Cash and cash equivalents, January 1	6,219,893	49,036,868	4,610,990	5,438,489	65,306,240	2,669,868
Cash and cash equivalents, December 31	\$ 2,625,537	\$ 35,908,015	\$ 3,737,616	\$ 4,232,992	\$ 46,504,160	\$ 2,944,681
Reconciliation of operating income to net cash provided by operating activities:						
Operating income	\$ 3,958,490	\$ 8,919,850	\$ 113,870	\$ 1,041,133	\$ 14,033,343	\$ 292,333
Adjustments to reconcile operating income to net cash provided by operating activities:						
Nonoperating revenue	-	-	-	125,000	125,000	166,902
Depreciation expense	4,363,491	6,053,960	1,207,390	496,250	12,121,091	40,614
Allowance for uncollectible accounts	9,931	416,166	17,541	-	443,638	-
(Increase) decrease in assets:						
Accounts receivable	(239,365)	(1,463,889)	(25,547)	182,835	(1,545,966)	269,377
Due from other funds	-	-	-	(169,876)	(169,876)	(36,504)
Inventories	-	-	-	-	-	(13,083)
Prepaid items	-	-	-	(4,861)	(4,861)	(3,632)
Other assets	(295,834)	18,674	267	-	(276,893)	-
Increase (decrease) in liabilities:						
Accounts payable	(145,676)	(1,221,947)	(205,915)	(32,530)	(1,606,068)	106,655
Accrued group insurance benefits	-	-	-	-	-	(395,256)
Compensated absence payable	-	-	-	(1,156)	(1,156)	(133)
Other current liabilities	-	-	-	-	-	(138,788)
Total adjustments	3,692,547	3,802,964	993,736	595,662	9,084,909	(3,848)
Net cash provided by operating activities	\$ 7,651,037	\$ 12,722,814	\$ 1,107,606	\$ 1,636,795	\$ 23,118,252	\$ 288,485
Noncash investing, capital and financing activities:						
Capital assets included in accounts payable	\$ 441,262	\$ 1,236,684	\$ 224,390	\$ -	\$ 1,902,336	\$ -
Capital assets included in contracts payable	-	-	-	125,060	-	-
Contributions of capital assets from government	1,344,934	1,933,001	1,640,183	-	4,918,118	-
Capitalized interest added to capital assets	530,996	2,146,558	-	-	2,677,554	-
Change in fair value of investments	-	-	-	2,741,239	2,741,239	-

The notes to the financial statements are an integral part of this statement.

CITY OF FORT WAYNE
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
December 31, 2004

	Pension Trust Funds	Agency Funds
	<u> </u>	<u> </u>
<u>Assets</u>		
Cash and cash equivalents	\$ 1,777,331	\$ 3,663,098
Receivables:		
Taxes	324,250	-
Intergovernmental	-	1,422
Miscellaneous	-	1,402
Interfund receivables - pooled cash	-	14,790
Due from other funds	-	48,529
Investments at fair value:		
Participation in investment pools of other governments	3,172,352	-
Certificates of deposit	<u> </u>	<u> </u>
	-	5,000
 Total assets	 <u>5,273,933</u>	 <u>\$ 3,734,241</u>
<u>Liabilities</u>		
Accounts payable	-	\$ 34,651
Accrued payroll and deductions	71,695	3,675,490
Trust payable	-	7,398
Due to other funds	-	1,912
Interfund payables - pooled cash	-	14,790
Deferred revenue - unavailable	<u>324,250</u>	<u> </u>
	-	-
 Total liabilities	 <u>395,945</u>	 <u>\$ 3,734,241</u>
 <u>Net assets</u>		
Held in trust for:		
Employees' pension benefits	<u>\$ 4,877,988</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF FORT WAYNE
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For The Year Ended December 31, 2004

	Pension Trust Funds
<u>Additions</u>	
Contributions:	
Employer	\$ 14,689,269
Plan members	96,375
Other	2,166
Investment income:	
Interest	<u>18</u>
 Total additions	 <u>14,787,828</u>
 <u>Deductions</u>	
Benefits and refunds paid to plan members and beneficiaries	14,798,375
Administrative expenses	<u>49,034</u>
 Total deductions	 <u>14,847,409</u>
 Changes in net assets	 (59,581)
 Net assets - beginning	 <u>4,937,569</u>
 Net assets - ending	 <u><u>\$ 4,877,988</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET ASSETS
 DISCRETELY PRESENTED COMPONENT UNITS
 December 31, 2004

	<u>HANDS</u>	<u>Summit</u>	<u>UEA</u>	<u>C&TA</u>	<u>RA</u>	<u>Totals</u>
Assets						
Current assets:						
Cash and cash equivalents	\$ -	\$ 88,025	\$ 895,998	\$ 2,642,931	\$ -	\$ 3,626,954
Investments	-	-	-	1,314,327	-	1,314,327
Receivables (net of allowances for uncollectibles):						
Accounts	-	-	132,758	248,167	-	380,925
Intergovernmental	725,125	-	-	14,904,721	-	15,629,846
Loans	358,948	-	132,195	-	-	491,143
Miscellaneous	1,352	-	-	-	19,213	20,565
Interfund receivable - pooled cash	-	-	681,474	-	-	681,474
Total current assets	1,085,425	88,025	1,842,425	19,110,146	19,213	22,145,234
Noncurrent assets:						
Restricted cash and cash equivalents	-	-	-	-	14,901,543	14,901,543
Net investment in direct financing lease (Note 19)	-	-	-	-	22,231,756	22,231,756
Deferred debits	-	-	-	-	429,236	429,236
Capital assets:						
Land, improvements and construction in progress	-	-	-	28,064,423	-	28,064,423
Other capital assets, net of depreciation	-	-	718,098	8,102,421	-	8,820,519
Total noncurrent assets	-	-	718,098	36,166,844	37,562,535	74,447,477
Total assets	1,085,425	88,025	2,560,523	55,276,990	37,581,748	96,592,711
Liabilities						
Current liabilities:						
Accounts payable	3,248	-	98,614	221,109	-	322,971
Contracts payable	-	-	-	-	3,592,922	3,592,922
Retainage payable	-	-	-	-	92,914	92,914
Interfund payable - pooled cash	681,474	-	-	-	-	681,474
Capital lease payable	-	-	-	777,000	-	777,000
Customer deposits	14,202	-	-	6,820	-	21,022
Total current liabilities	698,924	-	98,614	1,004,929	3,685,836	5,488,303
Current liabilities payable from restricted assets:						
Accrued interest payable	-	-	-	-	643,359	643,359
Noncurrent liabilities:						
Capital lease payable	-	-	-	30,646,298	-	30,646,298
Lease rental revenue bonds payable (net of premium) (Note 19)	-	-	-	-	33,252,553	33,252,553
Total noncurrent liabilities	-	-	-	30,646,298	33,252,553	63,898,851
Total liabilities	698,924	-	98,614	31,651,227	37,581,748	70,030,513
Net assets						
Invested in capital assets, net of related debt	-	-	718,098	4,743,546	-	5,461,644
Unrestricted	386,501	88,025	1,743,811	18,882,217	-	21,100,554
Total net assets	\$ 386,501	\$ 88,025	\$ 2,461,909	\$ 23,625,763	\$ -	\$ 26,562,198

The notes to the financial statements are an integral part of this statement.

CITY OF FORT WAYNE
 COMBINING STATEMENT OF ACTIVITIES
 DISCRETELY PRESENTED COMPONENT UNITS
 For The Year Ended December 31, 2004

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	HANDS	Summit	UEA	C&TA	RA	Totals
Component units:										
HANDS	\$ 752,632	-	\$ 1,044,675	\$ -	\$ 292,043	\$ -	\$ -	\$ -	\$ -	\$ 292,043
Summit	30	-	-	-	-	(30)	-	-	-	(30)
UEA	568,981	1,137,060	-	-	-	-	568,079	-	-	568,079
C&TA	2,161,964	409,176	-	1,969,250	-	-	-	216,462	-	216,462
RA	-	-	-	-	-	-	-	-	-	-
Total component units	\$ 3,483,607	\$ 1,546,236	\$ 1,044,675	\$ 1,969,250	292,043	(30)	568,079	216,462	-	1,076,554
General revenues:										
Indiana room tax income	-	-	-	-	-	-	-	2,310,534	-	2,310,534
Other tax	-	-	-	-	-	-	-	136,689	-	136,689
Unrestricted investment earnings	-	-	-	-	-	529	12,399	194,276	-	207,204
Reimbursement	-	-	-	-	-	-	11,781	-	-	11,781
Miscellaneous	-	-	-	-	37	10	962	-	-	1,009
Total general revenues					37	539	25,142	2,641,499	-	2,667,217
Change in net assets					292,080	509	593,221	2,857,961	-	3,743,771
Net assets - beginning					94,421	87,516	1,868,688	20,767,802	-	22,818,427
Net assets - ending					\$ 386,501	\$ 88,025	\$ 2,461,909	\$ 23,625,763	\$ -	\$ 26,562,198

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS



CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2004

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Fort Wayne (government) was established under the laws of the State of Indiana. The primary government is a municipal corporation governed by an elected Mayor and nine-member council and provides the following services: public safety (police and fire), highways and streets, health, welfare and social services, culture and recreation, public improvements, planning and zoning, general administrative services, electric, water, wastewater, stormwater, yard waste and urban redevelopment and housing. The accompanying financial statements present the activities of the primary government and its significant component units. The financial statements of the City of Fort Wayne (City) have been prepared in conformity with accounting principles generally accepted in the United States as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

The component units discussed below are included in the primary government's reporting entity because of the significance of their operational or financial relationships with the primary government. Blended component units, although legally separate entities, are in substance part of the government's operations and exist solely to provide services for the government; data from these units is combined with data of the primary government. Discretely presented component units are involved in activities of an operational nature independent from the government; their transactions are reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Unit

The Fort Wayne Municipal Building Corporation is a significant blended component unit of the primary government. The City created it in 1997 for the sole purpose of financing two fire stations, an animal care building and improvements to the City's Board of Works complex. In 2000, the City entered into a second agreement with the Municipal Building Corporation for the purpose of financing a fire station along with purchasing equipment to finish the new station. In 2002, the City entered into a third agreement with the Municipal Building Corporation for the purpose of financing a street and highway transportation building. The primary government appoints a voting majority of the Municipal Building Corporation's board and a financial benefit/burden relationship exists between the primary government and the Municipal Building Corporation. Although it is legally separate from the primary government, the Fort Wayne Municipal Building Corporation is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government. The Fort Wayne Municipal Building Corporation is reported as the Building Project fund (non-major capital projects fund).

Discretely Presented Component Units

The component units column in the financial statements include the financial data of the City's other component units. These units are reported in a separate column to emphasize that they are legally separate from the City.

The Neighborhood Care, Inc., doing business as HANDS (HANDS) is a significant discretely presented component unit of the primary government. The primary government appoints the eleven-member board. The primary government is able to impose its will and a financial benefit/burden relationship exists between the primary government and HANDS. HANDS is fiscally dependent on the primary government. It would be misleading to exclude HANDS from the primary government's financial statements because of its relationship with the primary government. HANDS was created by the City to administer the federally funded housing rehabilitation programs.

The *Summit Development Corporation* (Summit), formerly the *Kekionga Development Corporation of Fort Wayne* is a significant discretely presented component unit of the primary government. The primary government appoints all the members of the board. The primary government is able to impose its will and a financial benefit/burden relationship exists between the primary government and Summit. Summit is fiscally dependent on the primary government. It would be misleading to exclude Summit from the primary government's financial statements because of its relationship with the primary government. Summit was created by the City to finance and/or provide economic development services.

The *Fort Wayne Urban Enterprise Association, Inc.* (UEA) is a significant discretely presented component unit of the primary government. Fort Wayne Urban Enterprise Association, Inc. (UEA), is governed by an eleven-member board of which five are appointed by the Mayor, four are appointed by the City Council, and two are appointed by the Governor. The primary government appoints a voting majority of the UEA's board. The primary government is able to impose its will and a financial benefit/burden relationship exists between the primary government and UEA. UEA is fiscally dependent on the primary government. It would be misleading to exclude UEA from the primary government's financial statements because of its relationship with the primary government. The UEA initiates, coordinates, and promotes community development activities. The UEA acts as a liaison between residents, businesses, local governments, and the State for any and all development activity that may effect the enterprise zone.

The *Fort Wayne - Allen County Convention and Tourism Authority* (C&TA) is a significant discretely presented component unit of the primary government. Fort Wayne - Allen County Convention and Tourism Authority (C&TA) is governed by a seven-member board. The County appoints three members, three are appointed by the City, and the appointed members elect the seventh. C&TA's budget is subject to approval by the City Council. Any resolutions for the sale of revenue bonds are subject to review by the Mayor. Any sales of general obligation bonds are subject to approval by the City Council. A financial benefit/burden relationship exists between the primary government and the C&TA. It would be misleading to exclude C&TA from the primary government's financial statements because of its relationship with the primary government. C&TA operates the Grand Wayne Center (convention center) and promotes tourism. A hotel tax subsidizes C&TA's operations.

The *Fort Wayne Redevelopment Authority* (RA) is a significant discretely presented component unit of the primary government. Fort Wayne Redevelopment Authority is governed by a three-member board. The members of the board are appointed by the Mayor and must be residents of the City. The Fort Wayne Redevelopment Authority was established by the Fort Wayne Redevelopment Commission (a department of the City) in September 2000 and created by the City of Fort Wayne Common Council in February 2002. The Authority was organized under IC 36-7-14.5 as a separate body corporate and politic and as an instrumentality of the City, for the purpose of financing economic development improvements to be leased to the Commission. The RA's budget is subject to approval by the Commission. A financial burden/benefit relationship exists between the primary government and the RA. It would be misleading to exclude RA from the primary government's financial statements because of its relationship with the primary government.

The financial statements of the individual component units may be obtained from the Controller, City of Fort Wayne or their respective offices as follows:

Controller, City of Fort Wayne
Room 930 City-County Building
Fort Wayne, IN 46802

Fort Wayne Municipal Building Corporation
c/o Wells Fargo Bank Corporate Trust Department
111 E. Wayne Street
Fort Wayne, IN 46801

Neighborhood Care, Inc.
Room 880 City-County Building
Fort Wayne, IN 46802

Summit Development Corporation
Room 840 City-County Building
Fort Wayne, IN 46802

Fort Wayne Urban Enterprise Association, Inc.
1830 Wayne Trace
Fort Wayne, IN 46803

Fort Wayne-Allen County Convention and Tourism Authority
c/o Grand Wayne Center
120 West Jefferson Boulevard
Fort Wayne, IN 46802

Fort Wayne Redevelopment Authority
Redevelopment Commission
Room 840 City-County Building
Fort Wayne, IN 46802

City-County Building's Plaza Parking Garage Net Investment in Joint Venture

The primary government (City) is a participant in a joint venture agreement with Allen County (County) for the operation of the City-County Building's Plaza Parking Garage (Garage). The City and County each appoint three members of the Garage's Condominium Association (Association). The City and County jointly appoint the seventh member. The Association is a not-for-profit corporation and is responsible for the operation of the Garage.

The City and County each have a 50 percent equity interest in the venture, with each entity having invested approximately \$4.7 million in the project. The City's share of the construction cost was financed primarily from proceeds of a 1995 Tax Incremental Financing bond issue and a \$1.7 million 2001 Parking Garage Revenue bond issue. The City's equity interest was recorded in the City's Capital Assets. The Net Investment in Joint Venture will be increased (decreased) by 50% of the Association's net income (loss) each year. The City's equity interest increased \$85,115 for its share of 2004 net income. Complete separate financial statements for the Association may be obtained from the Controller, City of Fort Wayne, Room 930, One Main Street, Fort Wayne, IN 46802.

Related Organizations

The primary government's officials are also responsible for appointing the members of the boards of other organizations, but the primary government's accountability for these organizations does not extend beyond making the appointments. These organizations are called related organizations. The Fort Wayne Housing Authority, Fort Wayne Public Transportation Corporation, Headwaters Park Commission, and the Hospital Authority of Fort Wayne are related organizations of the City of Fort Wayne.

B. Government-Wide and Fund Financial Statements

Government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which direct expenses of a given function or segments are offset by program revenues. Direct expenses are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items, not properly included among program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the primary government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and permits, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives cash.

The government reports the following major governmental funds:

The General fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Highways and Streets fund (special revenue) accounts for the financial resources and expenses for construction, operation and maintenance of local and arterial roads and street system. The Motor Vehicle Highway and Local Roads and Streets funds have been combined to form the Highways and Streets fund.

The CEDIT fund (capital projects) accounts for the financial resources and expenses or projects related to the County Economic Development Income Tax (CEDIT). The CEDIT Income Tax, CEDIT Construction, Economic Development Incentive, Economic Development Infrastructure, and CEDIT Bond Construction funds have been combined to form the CEDIT fund.

The Parks fund (special revenue) accounts for the financial resources and expenses for the construction, operation and maintenance of the City's park system. The Park and Recreation General, Park Land and Water Conservation, Park Bond Redemption, Park Cumulative Building, Park Trust, Park Nonreverting Capital, Park Nonreverting Operating, and McMillen Ice Arena Construction Bond funds have been combined to form the Parks fund.

The Fire fund (special revenue) accounts for the financial resources and operations of the Fire District.

The Redevelopment fund (capital projects) accounts for the financial resources and expenses or projects related to redevelopment. The Redevelopment General, 1991 Tax Incremental Financing, 1992 Tax Incremental Financing-Getz Road, Civic Center Urban Renewal Reserve 1998, Tax Incremental Financing-FW. International Airport, 2002 Infrastructure Bond, Grand Wayne Center Miscellaneous Expenses, Grand Wayne Revenue Pool, 1995 Summit Park TIF Project, 1995 Apple Glen TIF Project, Brownfield Redevelopment, Centennial Industrial Park, Redevelopment District Capital, and Southtown Mall Project funds have been combined to form the Redevelopment fund.

The government reports the following major proprietary funds:

The Water Utility fund accounts for the operation of the government's water distribution system.

The Wastewater Utility fund accounts for the operation of the government's wastewater treatment plant, pumping stations and collection systems.

The Stormwater Utility fund accounts for the operation of the government's management of stormwater runoff.

Additionally, the government reports the following fund types:

The internal service funds (proprietary) account for health, general and auto liability, and worker's compensation insurance and garage services provided to other departments on a cost-reimbursement basis.

The pension trust funds (fiduciary) account for the activities of the 1925 Police Officers' Pension, 1937 Fire Firefighters' Pension and Sanitary Officers' Pension funds which accumulate resources for pension benefit payments.

Agency funds (fiduciary) account for the activities and assets held by the government as an agent for Allocated Expense Clearing, Payroll and Barrett Law Regular Waivered funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water, wastewater, stormwater function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the primary government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statute (IC 5-13-9) authorizes the government to invest in securities, including but not limited to,

federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Nonparticipating certificates of deposit, demand deposits and similar nonparticipating negotiable instruments that are not reported as cash and cash equivalents are reported as investments at cost.

Debt securities are reported at fair value. Debt securities are defined as securities backed by the full faith and credit of the United States Treasury or fully insured or guaranteed by the United States or any United States government agency.

Open-end mutual funds are reported at fair value.

Money market investments that mature within one year or less at the date of their acquisition are reported at amortized cost. Other money market investments are reported at fair value.

Investment income, including changes in the fair value of investments, is reported as revenue in the operating statement.

The City has invested \$3,172,352 in an external investment pool administered by the Public Employees' Retirement Fund Board of Trustees in accordance with IC 5-11-10.3-4.7. The fair value of the position in the pool is the same as the value of the pool shares. There is no regulatory oversight of the pool.

2. Interfund Transactions and Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Interfund receivables/payables" (current portion) or "Advances to/from other funds" (non-current portion). All other outstanding balances between funds are reported as "Due from/to other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "Internal balances."

3. Property Taxes

Property taxes levied are collected by the Treasurer of Allen County and are remitted to the City Controller in June and in December. State statutes (Indiana Code 6-1.1-17-16) require the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10. All property taxes collected by the County Treasurer and available for distribution were distributed to the primary government prior to December 31 of the year collected. Delinquent property taxes outstanding at year-end for governmental funds, net of allowance for uncollectible accounts, are recorded as a receivable with an offset to "Deferred revenue – unavailable" since the amounts are not considered available within 60 days.

4. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

5. Inventories and Prepaid Items

All inventories are valued at cost using the first in/first out (FIFO) method except for the Water Utility, which uses the average cost method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

6. Restricted Assets

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets because they are maintained separately and their use is limited by ordinance or applicable bond covenants.

7. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Governmental Activities:			
Land	All capitalized	N/A	N/A
Infrastructure	\$ 5,000	N/A	N/A
Buildings	5,000	Straight-line	40
Improvements other than buildings	5,000	Straight-line	20-25
Machinery and equipment	5,000	Straight-line	5-25
Net investment in joint venture	5,000	Straight-line	40
Business-type Activities (Solid Waste Management and Parking Garages):			
Land	All capitalized	N/A	N/A
Buildings and improvements	5,000	Straight-line	20-40
Equipment and other	5,000	Straight-line	5-25
Business-type Activities (Utilities and Yard Waste Facility):			
Land	All capitalized	N/A	N/A
Distribution and collection	500	Group	67
Buildings and improvements	500	Group	20-44
Equipment and other	500	Group	6-67

Infrastructure is reported using the modified approach. Accordingly, depreciation is not reported for this subsystem and all expenditures, except for additions and improvements made for the subsystem, are expensed. Management of the City has determined the condition level at which infrastructure assets are to be maintained. The City makes annual estimates of the amounts that must be expended to preserve and maintain these assets at the predetermined condition levels. The City also performs periodic condition assessments to verify that these condition levels are being maintained. The City of Fort Wayne has included infrastructure acquired prior to the implementation of GASB 34.

For depreciated assets, the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. In 2004, net interest capitalized for the Water Utility and Wastewater Utility was \$503,996 and \$2,146,558, respectively.

8. Assets Held for Resale

Assets held for resale are valued at lower of cost or market. These assets are held by the City with the intent to sell them in the future.

9. Compensated Absences

City employees are entitled to accumulate earned but unused sick and vacation pay benefits depending on their length of employment or whether or not they belong to a union. Vacation and sick pay is accrued when incurred in the proprietary funds and reported as a fund liability. Vacation and sick pay is accrued for employees of governmental funds in the government-wide statements. The major governmental and proprietary funds are primarily used to liquidate the liability for compensated absences.

Police Officers and Firefighters

Vacation Leave:

Vacation leave policies for police officers and firefighters are set forth in the appropriate union agreements with the City. Vacation leave for police officers ranges from five days per year after six months service to thirty days per year after twenty years service. The range of vacation leave for firefighters is as follows: Forty hour personnel - five days after one year service to thirty-seven days after twenty-five years service; Combat personnel - four days after one year service to sixteen days after twenty-five years service.

Sick Leave:

Police officers do not have an earned sick leave plan but receive pay while they are sick based on regulations set by their department. Firefighters injured or sick shall have leave paid by the City for a period of not more than one year.

Employees Other Than Police Officers and Firefighters

Generally, the employees of the City of Fort Wayne receive the following:

Vacation Leave:

<u>Length of Service</u>	<u>Vacation Leave</u>
6 Months to 1 Year	1 Week
1 Year to 5 Years	2 Weeks
6 Years to 14 Years	3 Weeks
15 Years to 19 Years	4 Weeks
Over 19 Years (hired before 1/1/96)	5 Weeks
Over 19 Years (hired after 1/1/96)	4 Weeks

Unused vacation shall automatically be carried over into the next year; however, amounts of more than one year's carryover shall be paid to the employee.

Sick Leave:

Employees hired before January 1, 2002 earn 2.31 hours of sick leave per week of full employment and employees hired 1/1/02 and after earn 1.54 hours of sick leave per week of full employment. Sick leave may be accumulated. An employee with ten years of service will receive compensation for unused sick leave upon retirement at \$1.00 for each hour up to 520 hours.

All City employees, except one bargaining unit, allow for either 50 percent of the employee's normal straight time hourly rate for each accumulated hour over 520, or an employee may receive credit at the rate of 100 percent of the employee's normal straight time hourly rate for each sick leave hour over 520 to be used for the purchase of group health insurance. The maximum payment per employee cannot exceed \$25,000.

10. Unbilled Revenue

The enterprise and the internal service funds accrue revenue for sales and services performed, but not yet billed, as of the balance sheet date.

11. Deferred Revenues

Deferred revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. "Deferred revenue – unavailable" is defined as revenue earned, but not available within a 60 day period (applies to fund statements only). "Deferred revenue – unearned" is available, but not earned at year-end (applies to government-wide and fund statements).

12. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred debits and amortized over the term of the related debt in the government-wide statement of net assets and the proprietary fund statements.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

13. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Note 2. Deposits and Investments

A. Primary Government

The primary government's deposits, made in accordance with IC 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the City to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise; discount notes issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise; repurchase agreements involving the purchase and guaranteed resale of any interest bearing obligations issued or fully insured or guaranteed by the United States, a United States government agency, an instrumentality of the United States, or a federal government sponsored enterprise; and money market mutual funds trust registered under the provisions of the federal Investment Company Act of 1940, as amended. The portfolio of an investment company or investment trust must be limited to direct obligation of the United States; obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise; and repurchase agreements fully collateralized by direct obligations of the United States and obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Certain other statutory restrictions apply to all investments made by local governmental units.

The City's investments are categorized below to give an indication of the risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name:

	Category			Reported Amount	Fair Value
	1	2	3		
Repurchase Agreements	\$ -	\$ -	\$ 73,316,281	\$ 73,316,281	\$ 73,316,281
Bonds	-	4,392,059	-	4,392,059	4,392,059
U.S. Government Securities	-	-	-	-	-
Common Stock	-	-	-	-	-
Total by Category	<u>\$ -</u>	<u>\$ 4,392,059</u>	<u>\$ 73,316,281</u>	<u>77,708,340</u>	<u>77,708,340</u>
Investments Not Subject To Categorization:					
Mutual Funds				<u>20,895,789</u>	<u>20,895,789</u>
Totals-Primary Government				<u>\$ 98,604,129</u>	<u>\$ 98,604,129</u>

The City has \$3,172,352 (reported amount and fair value) in an external investment pool administered by the Public Employees Retirement Fund Board of Trustees. This investment is not required to be categorized.

B. Discretely Presented Component Units

1. Deposits

The City's discretely presented component units' deposits with financial institutions of \$18,528,497 were entirely insured by federal depository insurance, with the exception of UEA's deposits in the amount of \$1,304,395. The UEA's deposits are categorized below to give an indication of the level of risk assumed by the UEA at year-end. Category 1 includes deposits that are insured or collateralized with securities held by the UEA or its agent in UEA's name. Category 2 includes deposits collateralized with securities held by the counter party's trust department or agent in UEA's name. Category 3 includes uncollateralized deposits, including any bank balance that is collateralized with securities held by the counter party, or by its trust department or agent but not in UEA's name:

	Category			Reported Amount
	1	2	3	
Deposits - UEA	<u>\$ 300,000</u>	<u>\$ 1,304,395</u>	<u>\$ -</u>	<u>\$ 1,604,395</u>

Note 3. Capital Assets

Capital asset activity for the year ended December 31, 2004 was as follows:

Primary government

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 16,452,986	\$ 3,307,540	\$ -	\$ 19,760,526
Roads accounted for using the Modified approach	396,692,144	22,904,623	-	419,596,767
Construction in progress	1,492,459	5,608,344	1,640,945	5,459,858
	<u>414,637,589</u>	<u>31,820,507</u>	<u>1,640,945</u>	<u>444,817,151</u>
Total capital assets not being depreciated				
Capital assets being depreciated:				
Buildings	54,521,524	198,773	-	54,720,297
Improvements other than buildings	73,306,225	448,550	-	73,754,775
Machinery and equipment	44,589,220	4,405,241	1,658,491	47,335,970
Net investment in joint venture	3,559,594	85,115	-	3,644,709
	<u>175,976,563</u>	<u>5,137,679</u>	<u>1,658,491</u>	<u>179,455,751</u>
Totals				
Less accumulated depreciation for:				
Buildings	17,943,925	1,551,981	-	19,495,906
Improvements other than buildings	9,773,059	1,908,674	-	11,681,733
Machinery and equipment	24,621,155	5,101,129	1,608,954	28,113,330
Net investment in joint venture	628,394	80,938	-	709,332
	<u>52,966,533</u>	<u>8,642,722</u>	<u>1,608,954</u>	<u>60,000,301</u>
Totals				
Total capital assets being depreciated, net	<u>123,010,030</u>	<u>(3,505,043)</u>	<u>49,537</u>	<u>119,455,450</u>
Total governmental activities capital assets, net	<u>\$ 537,647,619</u>	<u>\$ 28,315,464</u>	<u>\$ 1,690,482</u>	<u>\$ 564,272,601</u>

Primary government (continued)

	Beginning Balance	Additions	Reductions	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 4,176,536	\$ -	\$ -	\$ 4,176,536
Construction in progress	58,602,211	30,994,377	29,883,456	59,713,132
Total capital assets not being depreciated	<u>62,778,747</u>	<u>30,994,377</u>	<u>29,883,456</u>	<u>63,889,668</u>
Capital assets being depreciated:				
Distribution and collection	308,824,504	30,337,801	871,735	338,290,570
Buildings and improvements	90,527,567	6,522,052	2,501	97,047,118
Equipment and other	101,933,600	6,411,216	1,223,687	107,117,129
Totals	<u>501,285,671</u>	<u>43,271,069</u>	<u>2,098,923</u>	<u>542,454,817</u>
Less accumulated depreciation for:				
Distribution and collection	86,635,281	4,645,214	719,675	90,560,820
Buildings and improvements	41,275,861	2,391,943	600	43,667,204
Equipment and other	54,401,911	5,083,934	572,078	58,913,767
Totals	<u>182,313,053</u>	<u>12,121,091</u>	<u>1,292,353</u>	<u>193,141,791</u>
Total capital assets being depreciated, net	<u>318,972,618</u>	<u>31,149,978</u>	<u>809,570</u>	<u>349,313,026</u>
Total business-type activities capital assets, net	<u>\$ 381,751,365</u>	<u>\$ 62,144,355</u>	<u>\$ 30,693,026</u>	<u>\$ 413,202,694</u>

<u>Discretely presented component units:</u>	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 975,000	\$ -	\$ -	\$ 975,000
Construction in progress	8,737,996	18,351,427	-	27,089,423
Total capital assets not being depreciated	<u>9,712,996</u>	<u>18,351,427</u>	<u>-</u>	<u>28,064,423</u>
Capital assets being depreciated:				
Buildings and improvements	11,249,547	11,456	-	11,261,003
Machinery and equipment	2,358,841	23,625	69,617	2,312,849
Totals	<u>13,608,388</u>	<u>35,081</u>	<u>69,617</u>	<u>13,573,852</u>
Less accumulated depreciation for:				
Buildings and improvements	2,472,633	124,022	68,146	2,528,509
Machinery and equipment	2,010,465	214,359	-	2,224,824
Totals	<u>4,483,098</u>	<u>338,381</u>	<u>68,146</u>	<u>4,753,333</u>
Total capital assets being depreciated, net	<u>9,125,290</u>	<u>(303,300)</u>	<u>1,471</u>	<u>8,820,519</u>
Total discretely presented component units capital assets, net	<u>\$ 18,838,286</u>	<u>\$ 18,048,127</u>	<u>\$ 1,471</u>	<u>\$ 36,884,942</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 366,196
Public safety	3,825,975
Highways and streets	2,251,741
Health and welfare	108,788
Urban redevelopment and housing	18,709
Culture and recreation	2,030,699
Internal service funds*	<u>40,614</u>
Total depreciation expense - governmental activities	<u>\$ 8,642,722</u>
Business-type activities:	
Water	\$ 4,363,491
Wastewater	6,053,960
Stormwater	1,207,390
Parking garages	286,709
Solid waste	-
Other	<u>209,541</u>
Total depreciation expense - business-type activities	<u>\$ 12,121,091</u>

*Capital assets held by the primary government's internal service funds are charged to the various functions based on their usage of the assets.

Note 4. Short-Term Liabilities

A. Tax Anticipation Notes

The City of Fort Wayne issued a \$26,856,090 tax anticipation note in advance of property tax collections, depositing the proceeds into its General, Fire, Park, Fire Pension, and Police Pension Funds. This note was necessary due to the problems with the property tax reassessment of 2003 and the subsequent delay in receiving property tax revenues.

B. Bond Anticipation Notes

The City of Fort Wayne acting on behalf of the Redevelopment District of the City of Fort Wayne, authorized the issuance and sale of bond anticipation notes for \$7,000,000. The bond anticipation notes were issued in the expectation of the sale and issuance of bonds to be used for property acquisition and redevelopment for the Tillman Anthony Urban Renewal Area.

C. Commercial Notes

The City of Fort Wayne acting on behalf of the Redevelopment District of the City of Fort Wayne authorized the issuance of a \$2,999,000 commercial note. The purpose of the note was to due to a court order approving the appraisals of property in the Tillman Anthony Urban Renewal Area and requiring a deposit in advance of the bond anticipation note.

Short-term debt activity for the year ended December 31, 2004, was as follows:

	Beginning Balance	Issued	Repayments	Ending Balance
Tax anticipation notes	\$ -	\$ 26,856,090	\$ 26,856,090	\$ -
Bond anticipation notes	-	7,000,000	-	7,000,000
Commercial notes	-	2,999,000	2,999,000	-
Total	\$ -	\$ 36,855,090	\$ 29,855,090	\$ 7,000,000

Note 5. Long-term Debt

A. Changes in Long-term Debt

During the year ended December 31, 2004, the following changes occurred in liabilities reported on the Statement of Net Assets:

Primary government:

	Balance, 1/1/2004	Additions	Reductions	Balance, 12/31/2004	Current Portion
Governmental activities:					
General obligation bonds	\$ 12,680,000	\$ -	\$ 3,960,000	\$ 8,720,000	\$ 995,000
Special obligation bonds	29,860,000	-	4,630,000	25,230,000	4,740,000
Compensated absences	7,348,786	5,992,034	5,559,908	7,780,912	5,858,998
First mortgage bonds	9,450,000	-	1,580,000	7,870,000	1,595,000
Capital leases	8,420,993	5,675,000	2,208,871	11,887,122	2,815,438
Notes and loans payable	1,954,455	-	773,164	1,181,291	188,098
Mortgages payable	42,000	-	-	42,000	-
Net pension obligation	77,548,293	7,839,228	-	85,387,521	-
Totals	\$ 147,304,527	\$ 19,506,262	\$ 18,711,943	\$ 148,098,846	\$ 16,192,534

Primary government (continued)

	Balance, 1/1/2004	Additions	Reductions	Balance, 12/31/2004	Current Portion
Business-type activities:					
Revenue bonds	\$ 72,145,386	\$ -	\$ 6,437,886	\$ 65,707,500	\$ 7,362,499
Compensated absences	1,736,975	1,654,231	1,576,134	1,815,072	795,740
Accrued interest payable	2,559,007	-	2,559,007	-	-
Notes and loans payable	15,287,999	9,064,559	789,000	23,563,558	821,000
Other long-term liabilities	234,982	-	202,164	32,818	-
Totals	\$ 91,964,349	\$ 10,718,790	\$ 11,564,191	\$ 91,118,948	\$ 8,979,239

Discretely presented component units:

Lease rental revenue					
bonds payable	\$ 31,985,000	\$ -	\$ -	\$ 31,985,000	\$ -
Capital Leases	33,305,368	-	1,882,070	31,423,298	777,000
Totals	\$ 65,290,368	\$ -	\$ 1,882,070	\$ 63,408,298	\$ 777,000

B. Description of Bond Issues

Primary government:

	Balance 12-31-04	Current Portion	Premium (Discount)	Net Long-term
General Obligation Bonds:				
\$8,580,000, 1998 Redevelopment District Refunding and Improvement Bonds due in installments of \$270,000 to \$1,020,000 plus interest through February 1, 2010; interest at 4.40 percent to 6.45 percent.	\$ 4,870,000	\$ 815,000	\$ (4,737)	\$ 4,050,263
\$4,500,000 1999 Park District Improvement Bonds due in installments of \$180,000 to \$360,000 plus interest through July 1, 2019; interest at 5.6 percent to 6.05 percent.	3,850,000	180,000	-	3,670,000
Total General Obligation Bonds	\$ 8,720,000	\$ 995,000	\$ (4,737)	\$ 7,720,263

	<u>Balance 12-31-04</u>	<u>Current Portion</u>	<u>Premium (Discount)</u>	<u>Net Long-term</u>
Special Obligation Bonds:				
\$14,810,000, 1999 Economic Development Income Tax Revenue Bonds due in installments of \$1,000,000 to \$1,310,000 plus interest through December 1, 2006; interest at 4.15 percent to 4.25 percent.	\$ 4,610,000	\$ 2,000,000	\$ (3,637)	\$ 2,606,363
\$16,500,000, 2001 Economic Development Income Tax Revenue Bonds Due in installments of \$920,000 to \$1,170,000 plus interest through December 1, 2010; interest at 4.0 percent to 4.25 percent.	12,490,000	1,860,000	(54,424)	10,575,576
\$10,225,000, 2002 Infrastructure Bonds due in installments of \$435,000 to \$595,000 plus interest through December 1, 2012; interest at 3.5 percent to 4.25 percent.	<u>8,130,000</u>	<u>880,000</u>	<u>(56,214)</u>	<u>7,193,786</u>
Total Special Obligation Bonds	<u>\$ 25,230,000</u>	<u>\$ 4,740,000</u>	<u>\$ (114,275)</u>	<u>\$ 20,375,725</u>

	<u>Balance 12-31-04</u>	<u>Current Portion</u>	<u>Premium (Discount) (Deferral of loss on refunding)</u>	<u>Net Long-term</u>
First Mortgage Bonds:				
\$2,400,000, 2000A First Mortgage Bonds due in installments of \$250,000 to \$325,000 plus interest through January 15, 2010; interest at 4.75 percent.	\$ 1,710,000	\$ 250,000	\$ (7,394)	\$ 1,452,606
\$1,035,000, 2002 First Mortgage Bonds due in installments of \$95,000 to \$125,000 plus interest through January 1, 2012; interest at 3.40 percent to 4.7 percent.	855,000	95,000	(20,700)	739,300
\$6,555,000, 2003 First Mortgage Refunding Bonds due in installments of \$1,250,000 to \$1,400,000 plus interest through January 15, 2008; interest at 3.0 percent to 4.0 percent.	<u>5,305,000</u>	<u>1,250,000</u>	<u>67,802</u>	<u>4,122,802</u>
Total First Mortgage Bonds	<u>\$ 7,870,000</u>	<u>\$ 1,595,000</u>	<u>\$ 39,708</u>	<u>\$ 6,314,708</u>

Revenue Bonds:	Balance 12-31-04	Current Portion	Premium (Discount)	Net Long-term
\$1,000,000, 1979 Parking Garage Revenue bonds due in installments of \$75,000 to \$85,000 plus interest through January 1, 2006; interest at 7.25 percent.	\$ 160,000	\$ 75,000	\$ -	\$ 85,000
\$18,096,275, 1985 Sewage Works Revenue Refunding Bonds due in an installment of \$1,557,500 plus interest through 2005; interest at 9.625 percent.	1,557,500	1,557,500	-	-
\$7,100,000 1997 Water Works Revenue Bonds, interest rates range from 4.6 percent to 4.75 percent and mature serially in amounts ranging from \$495,000 to \$680,000, redeemable at 100 percent beginning in 2004	4,070,000	495,000	(25,446)	3,549,554
\$10,640,000, 1998 Sewage Works Junior Revenue Bonds, Series A due in installments of \$690,000 to \$975,000 plus interest through August 1, 2012; interest at 4.4 percent to 5.0 percent.	6,580,000	690,000	(7,588)	5,882,412
\$16,760,000, 1998 Sewage Works Junior Revenue Bonds, Series B due in installments of \$1,140,000 to \$1,535,000 plus interest through August 1, 2012; interest at 4.0 percent to 4.5 percent.	10,590,000	1,140,000	(7,320)	9,442,680
\$1,700,000, 2001 Parking Garage Revenue Bonds due in installments of \$65,000 to \$140,000 plus interest through January 15, 2021; interest at 4.06 percent to 5.59 percent.	1,640,000	65,000	-	1,575,000
\$5,220,000, 2002 Water Works Refunding Revenue Bonds due in installments of \$1,150,000 to \$1,260,000 plus interest through 2006; interest at 3.0 percent.	2,410,000	1,260,000	20,031	1,170,031
\$19,080,000, 2002 Sewage Works Junior Refunding Revenue Bonds, Series B due in installments of \$755,000 to \$1,845,000 plus interest through 2017; interest at 3.5 percent to 5.5 percent.	16,710,000	755,000	428,546	16,383,546

\$5,750,000, 2002 Sewage Works Junior Revenue Bonds, Series C due in installments of \$315,000 to \$500,000 plus interest through 2017; interest at 3.0 percent to 4.55 percent.	5,135,000	315,000	-	4,820,000
\$5,800,000, 2003 Water Works Revenue Bond due in installments of \$320,000 to \$505,000 plus interest through 2017; interest at 2.0 percent to 4.25 percent.	5,185,000	320,000	32,483	4,897,483
\$12,350,000, 2003 Sewage Works Junior Revenue Bonds in installments of \$690,000 to \$1,045,000 plus interest through 2018; interest at 2.125 percent to 3.80 percent.	<u>11,670,000</u>	<u>689,999</u>	<u>42,697</u>	<u>11,022,698</u>
Total Revenue Bonds	<u>\$ 65,707,500</u>	<u>\$ 7,362,499</u>	<u>\$ 483,403</u>	<u>\$ 58,828,404</u>

Discretely presented component units:

	<u>Balance 12-31-04</u>	<u>Current Portion</u>	<u>Premium (Discount)</u>	<u>Net Long-term</u>
Lease Rental Revenue Bonds:				
\$31,985,000 Lease Rental Revenue Bonds due in installments of \$735,000 to \$2,170,000 plus interest through February 1, 2028; interest at 2.5 percent to 5 percent.	<u>\$ 31,985,000</u>	<u>\$ -</u>	<u>\$ 1,267,553</u>	<u>\$ 33,252,553</u>

The general obligation bonds are backed by the full faith and credit of the City of Fort Wayne. Included in the general obligation bonds section above are Redevelopment District Bonds. These bonds are an obligation of the redevelopment district whose boundaries and taxing district are within the City.

The special obligation bonds and first mortgage bonds are not backed by the full faith and credit of the City of Fort Wayne. The 2002 Infrastructure Bonds and the 1999 and 2001 Economic Development Income Tax Revenue Bonds, special obligation bonds, are secured by a pledge of the City's Economic Development Income Tax revenues. The 2000A, 2002 and 2003 First Mortgage Bonds are secured by the pledge of the mortgaged property.

The general obligation, special obligation, and first mortgage bonds are payable from Governmental Funds. The revenue bonds are payable from Proprietary (Enterprise) Funds.

The lease rental revenue bonds are payable from the Redevelopment Authority, a discretely presented component unit of the City.

C. Debt Service Requirement to Maturity - Bonds

Annual debt service requirements to maturity on the bonds are as follows:

Primary government:

Year Ended December 31	General Obligation			Special Obligation		
	Principal	Interest	Totals	Principal	Interest	Totals
2005	\$ 995,000	\$ 436,923	\$ 1,431,923	\$ 4,740,000	\$ 986,968	\$ 5,726,968
2006	1,045,000	382,443	1,427,443	5,460,000	790,832	6,250,832
2007	1,125,000	327,466	1,452,466	2,975,000	596,244	3,571,244
2008	1,180,000	272,709	1,452,709	3,105,000	473,944	3,578,944
2009	1,235,000	215,333	1,450,333	3,250,000	342,988	3,592,988
2010-2014	1,520,000	708,538	2,228,538	5,700,000	329,425	6,029,425
2015-2019	1,620,000	301,468	1,921,468	-	-	-
Total	\$ 8,720,000	\$ 2,644,880	\$ 11,364,880	\$ 25,230,000	\$ 3,520,401	\$ 28,750,401

Year Ended December 31	First Mortgage			Revenue		
	Principal	Interest	Totals	Principal	Interest	Totals
2005	\$ 1,595,000	\$ 272,928	\$ 1,867,928	\$ 7,362,500	\$ 5,910,540	\$ 13,273,040
2006	1,660,000	206,347	1,866,347	6,665,000	2,460,709	9,125,709
2007	1,730,000	143,515	1,873,515	5,660,000	2,204,334	7,864,334
2008	1,790,000	82,971	1,872,971	5,920,000	1,969,733	7,889,733
2009	410,000	41,679	451,679	6,180,000	1,730,262	7,910,262
2010-2014	685,000	33,391	718,391	22,785,000	5,065,884	27,850,884
2015-2019	-	-	-	10,860,000	1,159,640	12,019,640
2020-2024	-	-	-	275,000	15,512	290,512
Total	\$ 7,870,000	\$ 780,831	\$ 8,650,831	\$ 65,707,500	\$ 20,516,614	\$ 86,224,114

Discretely presented component units:

Year Ended December 31	Lease Rental Revenue		
	Principal	Interest	Totals
2005	\$ -	\$ 1,550,262	\$ 1,550,262
2006	-	1,550,262	1,550,262
2007	735,000	1,541,075	2,276,075
2008	845,000	1,520,270	2,365,270
2009	580,000	1,499,950	2,079,950
2010-2014	6,390,000	6,618,750	13,008,750
2015-2019	6,870,000	5,033,250	11,903,250
2020-2024	8,490,000	3,101,250	11,591,250
2025-2028	8,075,000	832,125	8,907,125
Total	\$ 31,985,000	\$ 23,247,194	\$ 55,232,194

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

The Water Utility and Wastewater Utility bonds carry a pledge of all the revenues of the utilities and, upon default, the holders of the bonds are entitled to all the rights, remedies, and privileges required to compel the collection of sufficient revenues to provide for all payments of principal and interest.

D. Capital Leases Payable

Primary government:

The City has entered into the following capital leases for equipment with carrying values listed below:

Year	Description	Carrying Value
2000	Equipment	\$ 1,113,339
2001	Machinery and Equipment	1,952,000
2002	Equipment	3,930,907
2002	Street Maintenance Equipment	1,176,000
2003	Equipment	2,646,849
2003	Street Maintenance Equipment	198,790
2004	Equipment	2,100,000
2004	Fire Trucks	2,725,000
2004	Street Maintenance Equipment	850,000
Totals		<u>\$ 16,692,885</u>

Discretely presented component units:

In 2003, the Fort Wayne-Allen County Convention and Tourism Authority entered into a \$33,305,368 capital lease for expansion of the Grand Wayne Center.

The following is a schedule of minimum future lease payments and present values of the net minimum lease payments under these capital leases as of December 31, 2004:

Year Ended December 31	Primary Government Governmental Activities	Discretely Presented Component Units
2005	\$ 3,183,052	\$ 809,756
2006	3,057,375	1,586,256
2007	2,629,096	2,321,256
2008	1,912,397	2,412,256
2009	1,236,723	2,124,256
2010-2014	899,944	13,346,280
2015-2019	-	12,253,280
2020-2024	-	11,981,280
2025-2028	-	9,030,207
Total minimum lease payments	12,918,587	55,864,827
Less amount representing interest	1,031,465	24,441,529
Present value of net minimum lease payments	<u>\$ 11,887,122</u>	<u>\$ 31,423,298</u>

E. Loans Payable

<u>Governmental activities:</u>	<u>Balance, 12-31-04</u>
The City borrowed \$1,185,000 secured by a lease in 1994. The final payment due is \$80,500 plus interest at 6.25 percent through January 12, 2005. This loan is payable from the Fire Fund.	\$ 80,500
The City borrowed \$500,000 in 1999. The payments are due in installments of \$28,620 to \$30,454 plus interest at 2.5 percent through February 15, 2008. This loan is payable from the Redevelopment Fund.	205,791
The City borrowed \$1,140,000 in 1999. Payments are due in installments of \$50,000 to \$105,000 plus interest 3.9 to 5.2 percent through August 1, 2016. This loan is payable from the Community Development Block Grant Fund (non-major special revenue fund).	<u>895,000</u>
Total	<u>\$ 1,181,291</u>

Business-type activities:

During 2002 the City entered into a finance assistance agreement with the State of Indiana's Wastewater Revolving Loan program that allows for a maximum of \$23,500,000 for improvements to the wastewater treatment facility. At December 31, 2004, \$22,437,558 has been drawn down. The City anticipates drawing down the total amount by the end of 2005. Payments are due in installments of \$821,000 to \$1,663,000 plus interest at 4.0 percent through 2023.	\$ 21,648,558
On July 15, 2004 the City purchased for \$1,915,000 the 50% interest in Phase II of the Civic Parking Garage owned by the Fort Wayne Public Transportation Corporation. The City financed the purchase with a seven-year non-interest bearing loan. Payments are due in seven equal annual installments of \$273,571 from 2007 through 2013.	<u>1,915,000</u>
Total	<u>\$ 23,563,558</u>

Annual debt service requirements to maturity for the loans as of December 31, 2004, are as follows:

Year Ended December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	Principal	Interest	Totals
2005	\$ 188,098	\$ 44,778	\$ 232,876	\$ 821,000	\$ 859,619	\$ 1,680,619
2006	114,047	40,060	154,107	854,000	875,600	1,729,600
2007	120,532	37,249	157,781	1,161,571	841,440	2,003,011
2008	88,614	33,972	122,586	1,196,571	805,920	2,002,491
2009	65,000	31,508	96,508	1,233,571	769,000	2,002,571
2010-2014	400,000	111,954	511,954	6,502,287	3,237,280	9,739,567
2015-2019	205,000	15,969	220,969	6,580,000	2,065,640	8,645,640
2020-2023	-	-	-	5,214,558	640,040	5,854,598
Total	<u>\$ 1,181,291</u>	<u>\$ 315,490</u>	<u>\$ 1,496,781</u>	<u>\$ 23,563,558</u>	<u>\$ 10,094,539</u>	<u>\$ 33,658,097</u>

F. Mortgages Payable

As a result of the bankruptcy of the Midtowne Crossing project developer, a commercial unit is now owned by the City. The related mortgage is a debt of the City per an agreement with the bank. No payment will be made on this mortgage until the unit is sold. At the time of the sale, all proceeds will be turned over to the bank in settlement of the mortgage.

Note 6. Operating Leases

The City leases office space for various City Departments. These leases are considered for accounting purposes to be operating leases.

The City has a lease agreement with Allen County for space in the City-County Building. Rent is figured on a percentage of the total City-County building maintenance and operations cost based on the square footage occupied. The lease provides for annual adjustments based on the change in the consumer price index. The City's cost of this lease for 2004 amounted to \$1,094,031. Of the \$1,094,031 the City Utilities portion for leasing the City-County Building was \$255,434.

The City has a lease with TK Enterprises commencing June 1, 1999 and terminating May 31, 2009 for \$68,782 annually. The lease is for space at 303 E. Washington for the Neighborhood Code Enforcement offices.

The City had a lease with the McMillen Foundation, commencing July 1, 1994 and terminating June 30, 2004 for \$235,600 annually. The City renegotiated the lease with McMillen Foundation to commence on October 1, 2004 and terminating September 30, 2009 for \$200,000 annually. The lease payments for the period of July 1, 2004 through September 30, 2004 were at the monthly rate of \$19,633 which represents an annualized rate of \$235,600 a year. The lease is for the entire building at 1320 E. Creighton Avenue, which houses the Police Operations Center. The City may renew the lease for two five-year successive periods with 360 days notice. The renewal provides for an annual rental payment of \$200,000.

Note 7. Deficit Fund Balances – Deficit Net Assets

The following funds have deficit fund balances at December 31, 2004:

Primary government:

Governmental funds - Deficit Fund Balances:

Non-major Special Revenue Funds:

Parking Meter Fund	\$ 2,107
Omnibus Crime	4,671
Community Development Block Grants	2,146,730
Reimbursable State Grants	17,640
Urban Enterprise Association	8
Emergency Shelter Grant	<u>106,202</u>

Total Non-major Special Revenue funds \$ 2,277,358

Non-major Capital Projects Funds:

Civic Center Urban Renewal 1995 115

Total Deficit Fund Balances \$ 2,277,473

The following fund has deficit net assets at December 31, 2004:

Discretely presented component unit - Deficit Net Assets:

HANDS \$ 338,624

The deficit fund balances listed above will be eliminated in 2005 by a decrease in expenditures and an increase in revenues.

Note 8. Interfund Balances and Activity

A. Due To/From Other Funds

The composition of due to / from other funds as of December 31, 2004, is as follows:

Due To	Due From								Total
	General	Fire	Water	Wastewater	Stormwater	Non-major Enterprise	Internal Service	Agency	
Governmental:									
General	\$ -	\$ -	\$ 165,676	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,676
Non-major Governmental	78,891	-	-	-	-	-	-	-	78,891
Proprietary:									
Water	12,586	238	-	-	-	471,648	37,866	24,577	546,915
Wastewater	4,903	252	-	-	-	497,790	49,397	24,324	576,666
Stormwater	1,847	56	-	-	-	112,193	10,706	(340)	124,462
Non-major Enterprise	12	4	-	-	-	7,625	26	(32)	7,635
Fiduciary:									
Agency	-	-	609	695	608	-	-	-	1,912
Totals	<u>\$ 98,239</u>	<u>\$ 550</u>	<u>\$ 166,285</u>	<u>\$ 695</u>	<u>\$ 608</u>	<u>\$ 1,089,256</u>	<u>\$ 97,995</u>	<u>\$ 48,529</u>	<u>\$ 1,502,157</u>

Due to / from other funds resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

B. Interfund Receivables/Payables

The following are reported in the fund financial statements:

<u>Receivable Fund</u>		<u>Payable Fund</u>
Proprietary:		Governmental:
Other Non-major Enterprise	<u>\$ 179,390</u>	General
		<u>\$ 179,390</u>

The interfund receivable and payable reflect the current portion of a \$2.2 million dollar loan between the Community Trust and the General Fund. Specifics of the loan and long-term portion are reflected in the following advances to and advances from note disclosure.

C. Advances To/From Other Funds:

The following are reported in the fund financial statements:

<u>Receivable Fund</u>		<u>Payable Fund</u>
Proprietary:		Governmental:
Other Non-major Enterprise	<u>\$ 383,640</u>	General
		<u>\$ 383,640</u>

The Community Trust Account loaned the City's General Fund \$2.2 million on July 23, 1992. The City is to repay the loan at the interest rate of 4.55 percent per year in equal annual installments through July 1, 2007. The City's General Fund subsequently loaned Allen County \$2.2 million to cover a portion of the costs of construction of a minor league baseball stadium on the property owned by Allen County and the Allen County War Memorial Coliseum. The County is to repay the City the loan at the interest rate of 4.55 percent per year in equal annual installments through July 1, 2007.

B. Interfund Transfers:

Interfund transfers for the year ended December 31, 2004 in the fund financial statements were as follows:

Transfer From	Transfer To								Total
	General	Highways and Streets	CEDIT	Parks	Redevelopment	Non-major Governmental	Non-major Internal Service	Non-major Enterprise	
Governmental:									
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 274,459	\$ -	\$ -	\$ 274,459
Highways and Streets	-	-	137,000	-	-	-	-	-	137,000
EDIT	50,000	-	1,397,690	3,473,925	925,250	2,527,250	-	-	8,374,115
Parks	-	-	37,125	29	-	-	-	-	37,154
Redevelopment	-	-	-	-	859,518	-	-	-	859,518
Non-major Governmental	811,902	-	6,375	-	115	1,819,000	21,562	-	2,658,954
Proprietary:									
Water Utility	1,098,603	-	-	-	-	-	-	-	1,098,603
Wastewater Utility	1,583,512	-	-	-	-	-	-	-	1,583,512
Non-major Enterprise	-	161,000	-	-	1,135,000	-	-	45,000	1,341,000
Total	\$ 3,544,017	\$ 161,000	\$ 1,578,190	\$ 3,473,954	\$ 2,919,883	\$ 4,620,709	\$ 21,562	\$ 45,000	\$ 16,364,315

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt payments become due and (3) use unrestricted revenues from the general fund to finance various programs accounted for in other funds in accordance with statute or budgetary authorizations.

Note 9. 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; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disaster. The City assumes some of these risks as described below and carries commercial insurance from independent third parties for excess risk. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

A. General and Auto Liability

Beginning July 15, 1989, the City established the General and Auto Liability Insurance fund. The City is currently retaining three risks in this internal service fund: general, auto, and police professional liability, while continuing to buy premium insurance for a number of other risks.

The City is assuming the risk in these three areas up to the Indiana governmental tort liability limit of \$300,000 per occurrence and \$5,000,000 per aggregate. Funding levels are determined by a formula based on actuarially recommended minimums by type of risk. Interfund premiums are billed on a cost allocation basis most appropriate to type of risk involved, and are treated as quasi-external interfund transfers. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

At December 31, 2004, the total of these liabilities was \$334,923. This liability is the City's best estimate based on available information. An analysis of claims activities is presented below:

	Beginning Balance	Claims and Changes In Estimates	Claim Payments	Ending Balance
2003	\$ 390,004	\$ 263,944	\$ 258,540	\$ 395,408
2004	395,408	50,747	111,232	334,923

B. Group Health Insurance

The City's Group Health Insurance fund, an internal service fund, services the risk of loss related to employee health claims. An excess policy covers individual claims in excess of \$150,000 per year. In addition, the insurance company assumes the risk when total monthly claims exceed an amount based upon an aggregate monthly factor that averaged \$1,194,673 in 2004.

Premiums are paid into the Group Health Insurance fund by all insured funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based primarily upon the insured funds' number of employees, and are reported as quasi-external interfund transactions. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

At December 31, 2004, the total of these liabilities was \$1,010,644. This liability is the City's best estimate based on available information. An analysis of claims activities is presented below:

	Beginning Balance	Claims and Changes In Estimates	Claim Payments	Ending Balance
2003	\$ 1,363,498	\$ 12,845,114	\$ 12,802,712	\$ 1,405,900
2004	1,405,900	13,435,241	13,830,497	\$ 1,010,644

C. Worker's Compensation Insurance

The City's Worker's Compensation fund, an internal service fund, began on July 14, 1991, servicing the risk of loss related to employee on-the-job injury. The risk of loss related to Police Officers and Firefighters is assumed separately from the worker's compensation fund, as defined under the Indiana Police and Fire Pension Fund laws.

Indiana worker's compensation laws require the City to compensate an employee with partial temporary disabilities at a rate of 66 2/3% of the difference between the employee's average weekly wages before and after the accident. An excess policy covers individual claims in excess of \$225,000 per employee per injury.

Premiums are paid into the Worker's Compensation Fund by all insured funds and are available to pay claims, claim reserves, and administrative costs of the program. Actuarially recommended interfund premiums are based primarily upon the insured funds' number of employees and the risk involved in their jobs, and are reported as quasi-external interfund transactions.

Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

At December 31, 2004, the total of these liabilities was \$106,717. This liability is the City's best estimate based on available information. An analysis of claims activities is presented below:

	Beginning Balance	Claims and Changes In Estimates	Claim Payments	Ending Balance
2003	\$ 151,041	\$ 254,991	\$ 221,013	\$ 185,019
2004	185,019	173,188	251,490	106,717

Note 10. Segment Information

	Parking Garage I	2001 Parking Garage Addition	
Types of Good or Services Provided:	Used to account for revenues and expenses in connection with operating the Civic Center Parking Garage I.	Used to account for revenues and expenses in connection with the joint City and County parking facility addition.	
Condensed Statement of Net Assets			
			<u>Totals</u>
Assets:			
Current assets	\$ 94,469	\$ -	\$ 94,469
Restricted assets	218,364	288,921	507,285
Unamortized bond issuance costs	-	60,398	60,398
Capital assets	2,625,256	1,512,297	4,137,553
Total assets	<u>2,938,089</u>	<u>1,861,616</u>	<u>4,799,705</u>
Liabilities:			
Current liabilities	205,860	103,760	309,620
Noncurrent liabilities	85,000	1,575,000	1,660,000
Total liabilities	<u>290,860</u>	<u>1,678,760</u>	<u>1,969,620</u>
Net assets:			
Invested in capital assets, net of related debt	2,459,456	(166,463)	2,292,993
Restricted	218,364	288,921	507,285
Unrestricted	(30,591)	60,398	29,807
Total net assets	<u>\$ 2,647,229</u>	<u>\$ 182,856</u>	<u>\$ 2,830,085</u>
Condensed Statement of Revenues, Expenses and Changes in Net Assets			
Charges for goods and services	\$ 322,386	\$ 167,451	\$ 489,837
Leases	34,326	-	34,326
Depreciation expense	89,094	40,873	129,967
Other operating expenses	113,506	-	113,506
Operating income	154,112	126,578	280,690
Nonoperating revenues (expenses):			
Investment earnings	-	3	3
Interest expense	(11,600)	(84,664)	(96,264)
Amortization of bond issuance costs	-	(3,553)	(3,553)
Transfers	45,000	-	45,000
Change in net assets	187,512	38,364	225,876
Total net assets - beginning	<u>2,459,717</u>	<u>144,492</u>	<u>2,604,209</u>
Total net assets - ending	<u>\$ 2,647,229</u>	<u>\$ 182,856</u>	<u>\$ 2,830,085</u>
Condensed Statement of Cash Flows			
Net cash provided (used) by:			
Operating activities	\$ 229,728	\$ 167,451	\$ 397,179
Noncapital financing activities	45,000	-	45,000
Capital and related financing activities	(962,755)	(145,728)	(1,108,483)
Investing activities	-	3	3
Net increase (decrease) in cash and cash equivalents	(688,027)	21,726	(666,301)
Cash and cash equivalents, January 1	<u>984,827</u>	<u>267,195</u>	<u>1,252,022</u>
Cash and cash equivalents, December 31	<u>\$ 296,800</u>	<u>\$ 288,921</u>	<u>\$ 585,721</u>

Note 11. Post Employment Health Care Benefits

In addition to providing pension benefits, the City, as authorized by IC 5-10-8, also provides health care benefits for 200 retired police officers and firefighters based upon union agreements. Police officers who are members of the Patrolmen's Benevolent Association and all firefighters, earn 20 percent credit for each year completed after 20 years toward health insurance. This continues up to a maximum of 25 years completed which would give an individual a 100 percent City paid health insurance plan. Police officers who are members of the Fraternal Order of Police and retire with 20 years of service, are eligible for 100 percent City paid health insurance. The City also provides health care benefits for 35 retirees from other departments throughout the City who retire and select to receive their sick leave payment in the form of health insurance premiums (see Note 1.D.9). No other retired employees receive City funded health care benefits. These and similar benefits for active employees are provided through an insurance company whose premiums are based on the benefits paid during the year. The City recognizes the cost of providing these benefits by recording expenditures when paid in the appropriate governmental funds. During the year, the cost of providing post retirement health care was approximately \$2,428,777.

Note 12. Conduit Debt

From time to time, the City of Fort Wayne has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City of Fort Wayne, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2004, there were 22 series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for 15 series issued after July 1, 1985 was \$73,758,711. The aggregate principal amount payable for the 7 series issued prior to July 1, 1985, could not be determined; however, their original issue amounts totaled \$33,552,000.

Note 13. Restricted Assets

The City has restricted assets for the following Proprietary (Enterprise) fund accounts:

Sinking Fund Account

The Sewage Works Junior Revenue Bonds of 1998, Series A and Series B, require monthly deposits into a sinking fund account of net revenues of the Wastewater Utility in an amount equal to at least 1/12th of the following calendar year's principal and interest payments. In addition, a 10 percent surplus of monthly deposits is required. An amount equal to the maximum annual principal and interest requirements is also required to be paid into this account, nominally titled the Sewage Works Reserve Account.

The Sewage Works Junior Revenue Refunding Bonds of 2002 A, B, C and 2003 Series require monthly deposits into a sinking fund account of Wastewater Utility net revenues in an amount equal to at least 1/12th of the following year's principal and interest payments. In addition, a 10 percent surplus of monthly deposits is required. Surety bonds purchased by the Utilities cover the Sewer Works Reserve Account requirements.

The Sewage Works Revenue Refunding Bonds of 1985 require a minimum balance of the next year's principal and interest payments, a 10 percent surplus of next year's principal and interest, and an additional amount equal to the Sewage Works Reserve Requirement be deposited into a sinking fund account. The Sewage Works Reserve Requirement is defined as one year's maximum principal and interest less the next year's principal and interest already included.

Monthly deposits into a sinking fund account of Water Utility net revenues are required to be in an amount equal to at least 1/6th of the next semi-annual interest payment and 1/12th of the next annual principal payment. Upon meeting certain minimum balance requirements, transfers may be made to unrestricted cash accounts. Surety bonds purchased by the Utilities cover the Waterworks Reserve Account requirements.

The Parking Garage Revenue Bonds of 1979 require monthly deposits in an amount equal to 10 percent of the next principal payment and 20 percent of the next interest payment deposited to this account.

The 2001 Parking Garage Revenue Bonds require quarterly distributions in an amount equal to 1/4th of each years debt service payment.

Construction Account

Bond issue proceeds used in the construction of capital assets.

Replacement Account

This account, required by the EPA, exists to provide resources to maintain capacity and performance of the Wastewater Utility.

Customer Deposits Account

Customer deposits are refundable amounts received from Water Utility customers to insure against nonpayment of billings or water main damages.

Connection Fees Account

Resources from specific area connection fees to be used for future development costs in those areas are accumulated in this account.

Tank Painting Account

Resources for elevated tank painting maintenance are accumulated in this account.

Community Trust

See Note 16.

Restricted assets at year-end consisted of the following:

Asset Type / Account	Enterprise Funds			Totals
	Water Utility	Wastewater Utility	Other Non-major Enterprise	
Cash and cash equivalents				
Sinking account	\$ 230,571	\$ 10,839,866	\$ 507,285	\$ 11,577,722
Construction account	-	3,925,616	-	3,925,616
Replacement account	-	6,657,609	-	6,657,609
Customer deposits account	1,251,400	-	-	1,251,400
Connection fees account	-	1,698,093	-	1,698,093
Tank painting account	182,491	-	-	182,491
Community trust	-	-	2,459,154	2,459,154
Totals	<u>1,664,462</u>	<u>23,121,184</u>	<u>2,966,439</u>	<u>27,752,085</u>
Investments				
Community trust	-	-	22,828,694	22,828,694
Total Restricted assets	<u>\$ 1,664,462</u>	<u>\$ 23,121,184</u>	<u>\$ 25,795,133</u>	<u>\$ 50,580,779</u>

Note 14. Unrealized Gain

An unrealized gain of \$1,505,331 is reported in the government-wide (business-type activities) and proprietary fund financial statements. This gain is the result of Community Trust investment activity in the Electric Utility.

Note 15. Lease of Electric Utility

Effective March 1, 1975, the City of Fort Wayne leased its Electric Utility to a private electric utility for a term of thirty-five years with an option for another fifteen years. Rental payments are due and payable in equal monthly installments in advance on the first day of each month. Rental payments made at any time within thirty days after the due date are not delinquent. The following table shows rental income on the noncancelable lease for the term of the lease:

Annual Amount	Five Year Period	Five Year Totals	Received	Future Rentals
\$ 1,440,000	3-1-75 to 2-29-80	\$ 7,200,000	\$ 7,200,000	\$ -
1,490,000	3-1-80 to 2-28-85	7,450,000	7,450,000	-
1,540,000	3-1-85 to 2-28-90	7,700,000	7,700,000	-
1,590,000	3-1-90 to 2-28-95	7,950,000	7,950,000	-
1,640,000	3-1-95 to 2-29-00	8,200,000	8,200,000	-
1,690,000	3-1-00 to 2-28-05	8,450,000	8,168,333	281,667
1,740,000	3-1-05 to 2-25-10	<u>8,700,000</u>	<u>-</u>	<u>8,700,000</u>
Totals		<u>\$ 55,650,000</u>	<u>\$ 46,668,333</u>	<u>\$ 8,981,667</u>

Note 16. City of Fort Wayne Community Trust

City Council established the Community Trust Fund in 1975 to account for a portion of the proceeds received from a private utility leasing the assets of the Electric Utility. The trust receives \$270,000 annually from rents received in addition to income earned on the investments of the trust funds. The trust fund is to enable the City to reclaim its Electric Utility by reimbursing the private utility for additions and extensions upon default of its obligations under the lease or upon termination of the lease. Under the provisions of the ordinance, the corpus of the trust is to be free from invasion as long as the lease is in force. However, as long as certain provisions are met, including approval by the citizens of Fort Wayne, the City Council has the ability to amend this ordinance and permit invasion of the trust corpus.

Note 17. Net Investment in Direct Financing Lease

In 1996, the City began leasing a building to the Three Rivers Ambulance Authority (TRAA). The lease is classified as a direct financing lease. The lease provides for monthly payments of \$5,829 to the City through maturity in 2016. Upon completion of the lease term, TRAA shall have the option to renew the lease for consecutive one year terms with annual payments of \$1.

The following is a schedule of the future minimum lease payments and the net investment in the direct financing lease:

Year	Amount
2005	\$ 69,947
2006	69,947
2007	69,947
2008	69,947
2009	69,947
2010-2014	349,735
2015-2016	<u>110,755</u>
Total Minimum Lease Payments	\$ 810,225
Less: Unearned Interest Income	<u>(196,144)</u>
Net Investment in Direct Financing Lease	<u>\$ 614,081</u>

Note 18. Deferred Revenue

The City reports the following deferred revenue balances in the governmental funds as of December 31, 2004:

<u>Deferred Revenue</u>	<u>Taxes</u>	<u>Direct Financing Lease</u>	<u>Assessments</u>	<u>Inter-governmental</u>	<u>Total</u>
Unavailable:					
General	\$ 2,368,128	\$ 614,081	\$ -	\$ -	\$ 2,982,209
CEDIT	-	-	-	23,600	23,600
Parks	514,672	-	-	-	514,672
Fire	1,752,425	-	-	-	1,752,425
Redevelopment	23,274	-	-	-	23,274
Highways and Streets	7,506	-	-	-	7,506
Other Non-major Governmental	529	-	594,149	2,608,738	3,203,416
Total	\$ 4,666,534	\$ 614,081	\$ 594,149	\$ 2,632,338	\$ 8,507,102
Unearned:					
General	\$ 3,533,023	\$ -	\$ -	\$ -	\$ 3,533,023
Parks	147,523	-	-	-	147,523
Other Non-major Governmental	-	-	-	448,759	448,759
Total	\$ 3,680,546	\$ -	\$ -	\$ 448,759	\$ 4,129,305

Note 19. Redevelopment Authority – Grand Wayne Center Expansion Project

The Redevelopment Authority (RA) was established by the Fort Wayne Redevelopment Commission (a department of the City of Fort Wayne). The Mayor appoints the board members of the RA. The financial transactions of the Redevelopment Commission are accounted for in a major fund titled Redevelopment Fund on the financial statements. The Redevelopment Authority (a discretely presented component unit of the City of Fort Wayne) was established to account for the financing and expansion of the Grand Wayne Center (GWC). The GWC is a convention center owned and managed by the Fort Wayne-Allen County Convention and Tourism Authority (C&TA) (a discretely presented component unit of the City of Fort Wayne). The City of Fort Wayne will not directly benefit from the expansion, but the expansion is an integral part of the revitalization of City of Fort Wayne’s downtown.

The RA will oversee a \$41,996,250 expansion of the Grand Wayne Center (GWC). The expansion will add approximately 130,000 square feet to the GWC. Construction is expected to be completed in 2005. The expansion will be funded by:

<u>Source:</u>	<u>Amount:</u>
C&TA Contributions	\$ 3,840,000
FW CEDIT Fund Contributions	864,250
Allen County CEDIT Funds Contribution	450,000
FW Community Trust Light Lease Monies	1,472,000
State and Private Grants	1,500,000
Miscellaneous	564,632
Lease Rental Revenue Bonds	<u>33,305,368</u>
Total Sources	<u>\$ 41,996,250</u>

The C&TA titled the GWC to the Redevelopment Authority so the lease revenue bonds sold by the RA would have a secured interest. For legal reasons, the Redevelopment Commission will lease the GWC from the RA. The Redevelopment Commission will sublease the GWC to the C&TA. The C&TA will make lease payments to the Redevelopment Commission. The Redevelopment Commission will make lease payments to the Redevelopment Authority. The Redevelopment Authority will use these payments to retire the lease rental revenue bonds they borrowed to finance the renovation and expansion.

The C&TA will report on their financial statements a Capital Lease Payable, which is the net present value of the lease payable at December 31, 2004. The Redevelopment Authority will report on their financial statements a lease rental revenue bonds payable, which is the net amount of the lease rental revenue bonds and bond premium due at December 31, 2004.

The C&TA exclusively will manage and maintain the GWC. When the lease rental bonds are retired in 2028 or sooner, the RA will transfer title of the GWC to the C&TA.

Note 20. Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City Attorney the resolution of these matters will not have a material adverse effect on the financial condition of the City.

The City is committed to providing various infrastructure improvements to recently annexed areas. These improvements will be done through a combination of assessments under the Barrett Law and Utilities' funds, and will be provided on a cost-sharing basis with affected homeowners.

The Utilities have been informed by the United States Environmental Protection Agency (EPA) that the combined storm and sanitary sewer system does not comply with federal regulations and has been ordered to develop a corrective plan for approval by the EPA. In July 2001, the City submitted the final draft of its long-term control plan. If approved, the plan will require an expenditure of an estimated \$250 million over the next 25 years in wastewater projects. Failure to submit an acceptable plan can result in fines, penalties or other damages. At this time, the Utilities cannot conclude whether the assertion of fines or penalties by the EPA is probable or remote, nor can they conclude the amount of damages, if assessed, nor to the possible costs of the agreed corrective action.

Note 21. Subsequent Events

In February 2005, the City of Fort Wayne entered into a \$2,943,540 Capital Lease. The lease proceeds will be used to purchase vehicles and vehicle equipment for several City departments.

In February 2005, the City of Fort Wayne acting on behalf of the Redevelopment District of the City of Fort Wayne authorized the issuance and sale of an additional \$1,000,000 in bond anticipation notes (see Note 4B).

In March 2005, the Fort Wayne Municipal Building Corporation issued \$4,215,000 in Bonds for the construction and equipping of two new fire station facilities. The City of Fort Wayne has pledged County Economic Development Income Tax ("CEDIT") revenues for the payment of the biannual lease rentals.

In March 2005, the Water Utility issued \$16,700,000 of Water Works Revenue Bonds. The proceeds from the bonds will be used to pay for issuance costs and costs associated with certain improvements to the waterworks system of the city; such as, the construction and equipping of an emergency generator facility, the design of two pump buildings and the St. Joe Dam project, the winterization of Plant No. 3, the acquisition and installation of replacement drives and shafts at Plant No. 2, completion of Phase 2 of the Lake Avenue Feeder and Northwest Feeder Main projects, and the replacement of several mains.

In March 2005, the Fort Wayne Redevelopment District issued \$10,000,000 in Special Obligation Bonds. Proceeds from the bond issue will be used to construct and install improvements within the District including street extensions and facilities. The City of Fort Wayne has pledged County Economic Development Income Tax ("CEDIT") revenues for the payment of principal and interest.

In March 2005, the City of Fort Wayne issued \$25,000,000 in County Economic Development Income Tax Special Obligation Bonds. The proceeds will be used to finance the cost of proposed economic development projects. The project includes the construction and installation of infrastructure and lighting improvements to various streets located within the City of Fort Wayne. The City of Fort Wayne has pledged County Economic Development Income Tax ("CEDIT") revenues for the payment of principal and interest.

In May 2005, the City of Fort Wayne acting for and on behalf of the Redevelopment District of the City of Fort Wayne issued \$6,690,000 in Redevelopment District Taxable Revenue Bonds and \$3,310,000 in Redevelopment District Revenue Bonds. The proceeds will be used to refund all the outstanding Fort Wayne Redevelopment District Bond Anticipation Notes, finance the cost of property acquisition and redevelopment in or serving the Tillman Anthony Urban Renewal Area and pay expenses incidental to the issuance of the 2005 A Bonds. The City of Fort Wayne has pledged the incremental sales, use and income tax revenues generated by the Community Revitalization Enhancement District (CRED) established within the area, City Light Lease revenues, as well as the incremental tax revenues generated by the tax increment allocation area located within the area for the payment of principal and interest.

Note 22. Pension Plans

1. Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

a. Public Employees' Retirement Fund

Plan Description

The City of Fort Wayne contributes to the Public Employees' Retirement Fund (PERF), a defined benefits pension plan. The Public Employees' Retirement Fund (PERF) is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern most requirements of the system and give the City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at three percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The primary government's annual pension cost and related information, as provided by the actuary, is presented in this note. The Net Pension Obligation (NPO) cannot be separated between the governmental and business-type activities for the government-wide statement of net assets, therefore none is being reported.

b. 1925 Police Officers' Pension Plan

Plan Description

The City contributes to the 1925 Police Officers' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The financial statements

included in this note are prepared using the economic resources measurement focus and the accrual basis of accounting, with the exception that plan liabilities for benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Separate GAAP-basis audited financial statements are not issued for this plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute. Administrative costs of the plan are included in the annual operating budget of the fund. The government's annual pension cost and related information as provided by the actuary, is presented in this note. The Net Pension Obligation (NPO) is considered an obligation of the City and is reflected in the Statement of Net Assets.

c. 1937 Firefighters' Pension Plan

Plan Description

The City contributes to the 1937 Firefighters' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The financial statements included in this note are prepared using the economic resources measurement focus and the accrual basis of accounting, with the exception that plan liabilities for benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Separate GAAP-basis audited financial statements are not issued for this plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute. Administrative costs of the plan are included in the annual operating budget of the fund. The government's annual pension cost and related information as provided by the actuary, is presented in this note. The Net Pension Obligation (NPO) is considered an obligation of the City and is reflected in the Statement of Net Assets.

d. Sanitary Officers' Pension Plan

Plan Description

The City contributes to the Sanitary Officers' Pension Plan which is a single-employer defined benefit pension plan. The plan includes all sanitary officers hired before April 1, 1982. The plan is administered by the local pension board. The City contributes to the plan because of a mandate by the Allen County Circuit Court, Cause No. CC-73-519. The plan members are employees of Allen County. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The financial statements included in this note are prepared using the economic resources measurement focus and the accrual basis of accounting, with the exception that plan liabilities for benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Separate GAAP-basis audited financial statements are not issued for this plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the Sanitary Officers' Pension Plan are established by state statute. Administrative costs of the plan are included in the annual operating budget of the fund. The government's annual pension cost and related information as provided by the actuary, is presented in this note. The Net Pension Obligation (NPO) is considered an obligation of the City and is reflected in the Statement of Net Assets.

e. Tables of Required Information

	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
Annual Required Contribution	\$ 1,819,086	\$ 13,823,000	\$ 10,694,000	\$ 947,674
Interest on NPO	(95,483)	2,772,000	2,244,000	31,719
Adjustment to Annual Required Contribution	108,811	(4,625,000)	(3,744,000)	(7,858)
Annual Pension Cost	1,832,414	11,970,000	9,194,000	971,535
Contributions Made	2,337,597	7,289,000	6,504,000	503,307
Increase in NPO	(505,183)	4,681,000	2,690,000	468,228
NPO, Beginning of Year	(1,317,012)	41,062,000	33,241,000	3,245,293
NPO, End of Year	\$ (1,822,195)	\$ 45,743,000	\$ 35,931,000	\$ 3,713,521

The Net Pension Obligation reported in the Statement of Net Assets is \$85,387,521 (1925 Police Officers' Pension, \$45,743,000; 1937 Firefighters' Pension, \$35,931,000; Sanitary Officers' Pension, \$3,713,521). The change in Net Pension Obligation for the year as reported in the Statement of Activities, as an expense in the Public Safety category of Governmental activities, is \$7,839,228 (1925 Police Officers' Pension, \$4,681,000; 1937 Firefighters' Pension, \$2,690,000; Sanitary Officers' Pension, \$468,228).

Contribution Rates:	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
City	6%	905%	1,135%	724%
Plan Members	3%	6%	6%	3%
Actuarial Assumptions:	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
Actuarial Valuation Date	07/01/04	01/01/04	01/01/04	01/01/04
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	Level Percentage of Projected Payroll, Closed	Level Percentage of Projected Payroll, Closed	Level Percentage of Projected Payroll, Closed	Level Percentage of Projected Payroll, Closed
Remaining Amortization Period	33 years	13	13	13
Asset Valuation Method	4 year Smoothed Market	4 year Smoothed Market	4 year Smoothed Market	4 year Smoothed Market

Acutarial Assumptions:	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
Investment Rate fo Return	7.25%	7%	7%	6.75%
Projected Future Salary Increases	5%	5%	5%	10%
Attributed to Inflation	4%	4%	4%	5%
Attributed to Merit/Seniority	1%	1%	1%	0%
Attributed to Post-Retirement Benefit	0%	0%	0%	5%
Cost-of-Living Adjustments	2%	2%	2%	2%

Three Year Trend Information

<u>PERF</u>			
<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2002	\$ 1,796,732	114%	\$ (1,407,639)
6/30/2003	2,195,731	96%	(1,317,012)
6/30/2004	1,832,414	128%	(1,822,195)

1925 Police Officers' Pension Plan

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2001	\$ 12,704,500	97%	\$ 31,635,386
12/31/2002	16,615,614	43%	41,062,000
12/31/2003	11,970,000	61%	45,743,000

1937 Firefighters' Pension Plan

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2001	\$ 10,649,600	42%	\$ 25,271,064
12/31/2002	14,489,936	45%	33,241,000
12/31/2003	9,194,000	71%	35,931,000

Sanitary Officers' Pension Plan

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2001	\$ 892,343	47%	\$ 2,506,813
12/31/2002	914,516	19%	3,245,293
12/31/2003	971,535	52%	3,713,521

Plan Membership

<u>Group</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers's Pension</u>
Retirees and Beneficiaries			
Currently Receiving Benefits	357	305	19
Active Employees - Vested	28	11	3
Active Employees - Nonvested	0	0	0

f. Financial Statements for Defined Benefit Plans

Statements of Fiduciary Net Assets:

	1925 Police Officers Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
<u>Assets</u>			
Cash and cash equivalents	\$ 769,116	\$ 873,206	\$ 135,009
Receivables:			
Taxes	156,571	139,644	28,035
Investments at fair value:			
Participation in investment pools of other governments	1,691,473	1,480,879	-
Total assets	2,617,160	2,493,729	163,044
<u>Liabilities</u>			
Accrued payroll and deductions	37,200	32,288	2,207
Deferred revenue - unavailable	156,571	139,644	28,035
Total liabilities	193,771	171,932	30,242
<u>Net assets</u>			
Held in trust for:			
Employees' pension benefits	\$ 2,423,389	\$ 2,321,797	\$ 132,802

Statements of Changes in Fiduciary Net Assets:

	1925 Police Officers Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
<u>Additions</u>			
Contributions:			
Employer	\$ 7,536,902	\$ 6,653,416	\$ 498,951
Plan members	58,802	33,217	4,356
Other	2,166	-	-
Investment income:			
Interest	9	9	-
Total additions	7,597,879	6,686,642	503,307
<u>Deductions</u>			
Benefits and refunds	7,554,127	6,821,541	422,707
Administrative expenses	21,957	24,582	2,495
Total deductions	7,576,084	6,846,123	425,202
Changes in net assets	21,795	(159,481)	78,105
Net assets - beginning	2,401,594	2,481,278	54,697
Net assets - ending	\$ 2,423,389	\$ 2,321,797	\$ 132,802

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The City contributes to the 1977 Police Officers' and Firefighters' Pension and Disability Fund, a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting and requirements for contributions by employers and by employees. Covered employees may retire at age fifty-five with twenty years of service. An employee with twenty years of service may leave service, but will not receive benefits until reaching age fifty-five. The plan also provides for death and disability benefits.

PERF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Costs

Plan members are required to contribute 6 percent of the first class police officers' and firefighters' salary and the City is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21 percent of the first class police officers' and firefighters' salary. The contribution requirements of plan members and the City are established by the Board of Trustees of PERF. The City's contributions to the plan for the years ending December 31, 2004, 2003, and 2002 were \$6,458,384, \$6,085,404, and \$5,444,440, respectively, which were equal to the required contributions for each year.

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 For The Year Ended December 31, 2004

	General Fund			
	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 62,679,814	\$ 62,679,814	\$ 55,149,296	\$ (7,530,518)
Licenses and permits	1,823,498	1,823,498	1,770,403	(53,095)
Intergovernmental	5,329,502	5,329,502	3,138,043	(2,191,459)
Charges for services	3,704,898	3,704,898	3,045,557	(659,341)
Fines and forfeits	992,941	992,941	1,168,463	175,522
Other	<u>457,302</u>	<u>457,302</u>	<u>899,322</u>	<u>442,020</u>
Total revenues	<u>74,987,955</u>	<u>74,987,955</u>	<u>65,171,084</u>	<u>(9,816,871)</u>
Expenditures:				
Current:				
General government	11,432,812	11,220,789	10,560,302	660,487
Public safety	42,364,800	42,198,013	41,397,133	800,880
Highways and streets	5,488,305	5,275,110	4,947,368	327,742
Health and welfare	1,957,145	1,934,478	1,861,099	73,379
Economic opportunity	619,254	610,545	539,527	71,018
Economic development	<u>2,808,186</u>	<u>2,859,787</u>	<u>2,740,813</u>	<u>118,974</u>
Total expenditures	<u>64,670,502</u>	<u>64,098,722</u>	<u>62,046,242</u>	<u>2,052,480</u>
Other financing sources (uses):				
Operating transfers in	572,791	572,791	3,544,017	2,971,226
Operating transfers out	<u>(274,459)</u>	<u>(274,459)</u>	<u>(274,459)</u>	<u>-</u>
Total other financing sources	<u>298,332</u>	<u>298,332</u>	<u>3,269,558</u>	<u>2,971,226</u>
Net change in fund balance	10,615,785	11,187,565	6,394,400	(4,793,165)
Fund balance - beginning	<u>4,169,765</u>	<u>4,169,765</u>	<u>4,169,765</u>	<u>-</u>
Fund balance - ending	<u>\$ 14,785,550</u>	<u>\$ 15,357,330</u>	<u>\$ 10,564,165</u>	<u>\$ (4,793,165)</u>

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULES
 MAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2004

	Highways and Streets				Parks				Fire					
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)		
	Original	Final		Original	Final		Original	Final	Original	Final				
Revenues:														
Taxes	\$ 1,770,681	\$ 1,770,681	\$ 1,853,777	\$ 83,096	\$ 12,066,931	\$ 12,066,931	\$ 10,346,888	\$ (1,720,043)	\$ 35,751,299	\$ 35,751,299	\$ 32,965,547	\$ (2,785,752)		
Licenses and permits	-	-	-	-	11,000	11,000	32,505	21,505	-	-	-	-		
Intergovernmental	9,668,301	9,668,301	9,346,824	(321,477)	80,227	80,227	80,227	-	-	-	-	-		
Charges for services	992,594	992,594	665,547	(327,047)	3,282,574	3,282,574	4,826,133	1,543,559	1,128	1,128	11,607	10,479		
Fines and forfeits	-	-	-	-	-	-	-	-	220	220	1,121	901		
Other	-	-	150,837	150,837	2,859,975	2,859,975	1,111,103	(1,748,872)	83	83	11,863	11,780		
Total revenues	12,431,576	12,431,576	12,016,985	(414,591)	18,300,707	18,300,707	16,396,856	(1,903,851)	35,752,730	35,752,730	32,990,138	(2,762,592)		
Expenditures:														
Current:														
Public safety:														
Personal services	-	-	-	-	-	-	-	-	-	-	25,887,633	25,684,621	25,403,969	280,652
Supplies	-	-	-	-	-	-	-	-	-	-	646,393	638,822	509,570	129,252
Other services and charges	-	-	-	-	-	-	-	-	-	-	1,128,080	1,189,116	1,075,058	114,058
Capital outlay	-	-	-	-	-	-	-	-	-	-	246,111	199,409	190,797	8,612
Highways and streets:														
Personal services	7,702,319	7,656,366	7,506,065	150,301	-	-	-	-	-	-	-	-	-	-
Supplies	2,007,231	2,083,297	1,851,731	231,566	-	-	-	-	-	-	-	-	-	-
Other services and charges	3,076,031	2,573,021	2,355,124	217,897	-	-	-	-	-	-	-	-	-	-
Capital outlay	208,276	4,261,620	3,766,608	495,012	-	-	-	-	-	-	-	-	-	-
Culture and recreation:														
Personal services	-	-	-	-	8,554,521	8,465,509	8,309,951	155,558	-	-	-	-	-	-
Supplies	-	-	-	-	1,465,435	1,188,520	1,560,618	(372,098)	-	-	-	-	-	-
Other services and charges	-	-	-	-	7,328,086	7,314,102	6,931,683	382,419	-	-	-	-	-	-
Capital outlay	-	-	-	-	1,059,299	1,059,299	1,015,843	43,456	-	-	-	-	-	-
Total expenditures	12,993,857	16,574,304	15,479,528	1,094,776	18,407,341	18,027,430	17,818,095	209,335	27,908,217	27,711,968	27,179,394	532,574		
Other financing sources (uses):														
Operating transfers in	-	-	161,000	161,000	3,513,954	3,513,954	3,473,954	(40,000)	-	-	-	-	-	-
Operating transfers out	-	-	(137,000)	(137,000)	(37,154)	(37,154)	(37,154)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	24,000	24,000	3,476,800	3,476,800	3,436,800	(40,000)	-	-	-	-	-	-
Net change in fund balances	(562,281)	(4,142,728)	(3,438,543)	704,185	3,370,166	3,750,077	2,015,561	(1,734,516)	7,844,513	8,040,762	5,810,744	(2,230,018)		
Fund balances - beginning	7,009,058	7,009,058	7,009,058	-	2,223,990	2,223,990	2,223,990	-	(3,974,261)	(3,974,261)	(3,974,261)	-		
Fund balances - ending	\$ 6,446,777	\$ 2,866,330	\$ 3,570,515	\$ 704,185	\$ 5,594,156	\$ 5,974,067	\$ 4,239,551	\$ (1,734,516)	\$ 3,870,252	\$ 4,066,501	\$ 1,836,483	\$ (2,230,018)		

The notes to RS1 are an integral part of RS1.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 INFRASTRUCTURE – MODIFIED REPORTING

Comparison of Needed-to-Actual Maintenance/Preservation:

Roads	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Arterial					
Needed	\$ 684,069	\$ 3,633,337	\$ 6,858,502	N/A	N/A
Actual	700,128	3,563,575	7,634,647	N/A	N/A
Collector					
Needed	63,114	731,323	210,935	N/A	N/A
Actual	63,114	524,084	146,895	N/A	N/A
Residential					
Needed	2,440,135	6,757,534	4,888,170	N/A	N/A
Actual	2,388,097	5,883,572	5,945,313	N/A	N/A

Condition Rating:

Average Pavement Condition Index (PCI)

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Total System	74	73	69	67

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07/01/02	\$ 42,795,969	\$ 47,602,537	\$ (4,806,568)	90%	\$ 36,081,493	(13%)
07/01/03	43,176,722	44,231,973	(1,055,251)	98%	38,021,759	(3%)
07/01/04	43,920,812	47,948,698	(4,027,886)	92%	41,000,931	(10%)

1925 Police Officers' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01/01/99	\$ 791,192	\$ 125,825,500	\$ (125,034,308)	1%	\$ 2,673,700	(4,676%)
01/01/00	284,721	127,979,700	(127,694,979)	0%	2,136,300	(5,977%)
01/01/01	1,699,371	132,369,100	(130,669,729)	1%	1,859,800	(7,026%)
01/01/02	5,503,965	127,661,900	(122,157,935)	4%	1,635,400	(7,470%)
01/01/03	3,937,791	122,111,000	(118,173,209)	3%	2,324,000	(5,085%)
01/01/04	2,401,594	122,193,000	(119,791,406)	2%	1,528,000	(7,840%)

1937 Firefighters' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01/01/99	\$ 775,783	\$ 111,863,400	\$ (111,087,617)	1%	\$ 1,586,500	(7,002%)
01/01/00	353,446	110,838,200	(110,484,754)	0%	1,483,000	(7,450%)
01/01/01	750,868	112,144,900	(111,394,032)	1%	1,072,600	(10,385%)
01/01/02	4,848,516	110,820,900	(105,972,384)	4%	914,400	(11,589%)
01/01/03	3,923,831	94,791,000	(90,867,169)	4%	1,610,000	(5,644%)
01/01/04	2,481,278	109,884,000	(107,402,722)	2%	942,000	(11,402%)

Sanitary Officers' Pension

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01/01/99	\$ 88,100	\$ 8,749,100	\$ (8,661,000)	1%	\$ 216,800	(3,995%)
01/01/00	124,557	8,176,700	(8,052,143)	2%	187,400	(4,366%)
01/01/01	187,515	7,755,934	(7,568,419)	2%	197,855	(3,920%)
01/01/02	108,987	7,967,195	(7,858,208)	1%	204,430	(3,844%)
01/01/03	291,158	8,007,386	(7,716,228)	4%	126,741	(6,088%)
01/01/04	54,697	8,122,631	(8,067,934)	1%	130,965	(6,160%)

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF CONTRIBUTIONS FROM THE
 EMPLOYER AND OTHER CONTRIBUTING ENTITIES

1925 Police Officers' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
		City	State
12/31/98	\$ 12,989,100	24%	22%
12/31/99	12,555,600	23%	21%
12/31/00	13,001,000	37%	23%
12/31/01	13,788,400	25%	53%
12/31/02	13,737,000	40%	12%
12/31/03	13,823,000	41%	12%

1937 Firefighters' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
		City	State
12/31/98	\$ 11,828,700	27%	23%
12/31/99	10,972,500	23%	25%
12/31/00	11,165,400	33%	24%
12/31/01	11,564,300	33%	57%
12/31/02	11,809,000	47%	9%
12/31/03	10,694,000	47%	14%

Sanitary Officers' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
		City	State
12/31/98	\$ 873,000	41%	
12/31/99	853,600	48%	
12/31/00	837,716	49%	
12/31/01	875,476	47%	
12/31/02	892,263	20%	
12/31/03	947,674	53%	

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE, INDIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2004

Note 1. Budgets and Budgetary Accounting

- A. The City follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:
1. The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
 2. Prior to adoption, the City advertises the budget and the City Council holds public hearings to obtain taxpayer comments.
 3. In September of each year the budget is approved by the City Council through passage of an ordinance.
 4. Copies of the budget ordinance and advertisements are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the City Controller receives approval from the Indiana Department of Local Government Finance. The budget ordinance as approved by the Indiana Department of Local Government Finance becomes the City's expenditures budget. The City's maximum tax levy is restricted by Indiana Law, with certain adjustments and exceptions. If the advertised budget exceeds the spending and tax limits of the state control laws, an excess levy can be granted by the Indiana Department of Local Government Finance, upon appeal by the City.
 5. The legal level of budgetary control (the level at which expenditures may not exceed appropriations without the governing body's approval) is by object classification for all funds except for the General Fund, which is by object classification within each department. The City's management cannot transfer budgeted appropriations between object classifications of a budget, without approval of the City Council. Any revisions that alter the total appropriations for any fund or any department of the General Fund must be approved by the City Council and, in some instances, by the Indiana Department of Local Government Finance.
 6. Formal budgetary integration is required by State statute and is employed as a management control device. An annual budget was legally adopted for the following funds:
 - Major Funds:
 - General Fund
 - Special Revenue Funds:
 - Highways and Streets, Parks, Fire
 - Capital Projects Funds:
 - CEDIT, Redevelopment
 - Non-Major Funds:
 - Special Revenue Funds:
 - Abandoned Vehicle, Parking Meter, Law Enforcement Training, Cable Television, Unsafe Building, Domestic Violence, Rainy Day
 - Capital Projects Funds:
 - Cumulative Capital Improvement
 - Debt Service Fund:
 - City Bond Redemption
 7. The City's budgetary process is based upon GAAP. Appropriations lapse with the expiration of the budgetary period unless encumbered by a purchase order or contract. Encumbered appropriations are carried over and added to the subsequent year's budget.

8. Budgeted amounts are as originally adopted, or as amended by the City Council and approved by the Indiana Department of Local Government Finance in the regular legal manner. Net increases to the original appropriations totaled \$4,534,446 in 2004.

B. Expenditures in Excess of Appropriations

For the year ended December 31, 2004, expenditures exceeded budgeted appropriations at the legal level of control (object classification for all funds except the General Fund, which is by object classification within each department) in the following funds, by the amounts below:

<u>Fund</u>	<u>Department</u>	<u>Object</u>	<u>Excess</u>
General	Board of Works	Personal Services	\$ 593
General	Property Mangement	Personal Services	1,673
General	Payroll	Personal Services	1,070
General	Weights and Measures	Personal Services	4,354
General	Weights and Measures	Supplies	670
General	City Engineer	Personal Services	197
General	Right of Way	Supplies	39
General	Metropolitan Human Relations	Supplies	89
Parks		Supplies	372,098
Law Enforcement Training		Other Services and Charges	5,970
Cable Television		Capital Outlay	2,371

Excess of expenditures over appropriations in the above object classifications resulted from failure to obtain approval from the City Council to increase the object classifications. Available fund balances and/or sufficient balances in other object classifications within the fund and department funded the over-expenditures.

Note 2. Infrastructure Assets – Modified Approach

The condition of the City's road pavement is measured using a pavement condition index (PCI). This pavement condition index is only one field of a larger database that takes into account many distress factors found in pavement surfaces. The PCI uses a measurement scale that is based upon a condition index ranging from less than 0 or "Very Poor" condition pavement to 100 for "Very Good" condition pavement.

Those condition categories are "Very Good" (100-80), "Good" (79-60), "Fair" (59-40), "Poor" (39-20), and "Very Poor" (19-0). It is the City's policy to maintain road pavement infrastructure at a condition category of "Good". Condition reports using a weighted average are compiled on an annual basis to determine the total system's status. The City field assess one third (1/3) of the total miles each year to keep the information current.

SUPPLEMENTARY INFORMATION



Major Governmental Funds

General Fund – the general operating fund of the City. Tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures of the City are paid from the General Fund.

Those departments by function that are included in the General Fund are:

General Government:

Mayor
Controller
City Clerk and Council
Board of Works
Law
Internal Audit
Data Processing/ACS
Property Management
Human Resources
Payroll
Purchasing

Public Safety:

Weights and Measures
Police Merit Commission
Police
Communications

Highways and Streets:

Street Lighting
City Engineer
Flood Control
Traffic Engineering Administration
Right of Way
Transportation Engineering Services

Health and Welfare:

Animal Control

Economic Opportunity:

Metropolitan Human Relations

Economic Development:

Community and Economic Development

Special Revenue Funds – used to account for revenues derived for a specific purpose. The title of the fund is descriptive of the activities involved.

Highways and Streets – funds set aside from state gasoline tax distributions and local wheel taxes for the specific purpose of constructing and maintaining local streets and alleys.

Parks – to account for the operation of the City park system.

Fire – to account for the operation of the Fire District.

Capital Projects Funds – are used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

CEDIT – to account for revenues received from the County Economic Development Income Tax (CEDIT) and for construction of projects funded by these revenues.

Redevelopment – to account for the redevelopment functions of the City.

CITY OF FORT WAYNE, INDIANA
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
 GENERAL FUND
 For The Year Ended December 31, 2004

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
General government:				
Mayor				
Personal services	\$ 773,140	\$ 761,071	\$ 738,703	\$ 22,368
Supplies	11,235	11,235	8,010	3,225
Other services and charges	83,906	84,245	60,792	23,453
Capital outlay	9,300	7,867	7,240	627
Controller				
Personal services	708,212	694,581	678,974	15,607
Supplies	8,325	8,325	7,339	986
Other services and charges	357,623	414,236	394,583	19,653
Capital outlay	5,590	4,700	1,481	3,219
City Clerk and Council				
Personal services	741,519	741,519	728,068	13,451
Supplies	15,229	12,729	10,779	1,950
Other services and charges	58,847	55,556	45,208	10,348
Capital outlay	950	950	742	208
Board of Works				
Personal services	447,287	447,992	448,585	(593)
Supplies	4,020	3,670	2,197	1,473
Other services and charges	1,982,755	2,016,036	2,008,211	7,825
Capital outlay	4,550	2,076	2,076	-
Law				
Personal services	263,966	269,672	268,726	946
Supplies	2,072	1,942	1,561	381
Other services and charges	164,175	150,789	131,049	19,740
Capital outlay	1,300	2,900	2,583	317
Internal Audit				
Personal services	188,232	184,966	177,778	7,188
Supplies	500	500	479	21
Other services and charges	9,145	7,811	5,487	2,324
Capital outlay	2,000	2,000	-	2,000
Data Processing / ACS				
Personal services	146,364	147,322	145,007	2,315
Supplies	68,880	64,248	38,292	25,956
Other services and charges	2,200,851	2,061,027	1,805,095	255,932
Capital outlay	412,320	322,489	292,796	29,693
Property Management				
Personal services	107,165	109,060	110,733	(1,673)
Supplies	2,455	1,633	717	916
Other services and charges	1,128,322	1,125,876	1,047,366	78,510
Capital outlay	19,850	850	850	-

(Continued)

CITY OF FORT WAYNE, INDIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2004
(Continued)

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
General government:				
Human Resources				
Personal services	523,132	524,065	511,569	12,496
Supplies	7,651	7,645	3,807	3,838
Other services and charges	142,154	140,977	97,291	43,686
Capital outlay	15,739	15,739	8,721	7,018
Payroll				
Personal services	215,661	215,844	216,914	(1,070)
Supplies	2,725	2,366	2,713	(347)
Other services and charges	7,978	7,914	6,938	976
Capital outlay	2,224	2,224	-	2,224
Purchasing				
Personal services	370,680	374,006	373,471	535
Supplies	29,390	31,369	24,866	6,503
Other services and charges	181,893	175,267	139,494	35,773
Capital outlay	3,500	3,500	3,011	489
Total General government	<u>11,432,812</u>	<u>11,220,789</u>	<u>10,560,302</u>	<u>660,487</u>
Public safety:				
Weights and Measures				
Personal services	107,160	106,185	110,539	(4,354)
Supplies	5,125	5,125	5,795	(670)
Other services and charges	10,706	10,481	9,764	717
Police Merit Commission				
Personal services	2,500	2,500	2,500	-
Supplies	200	200	-	200
Other services and charges	250	250	-	250
Police				
Personal services	32,707,401	32,602,477	32,123,306	479,171
Supplies	809,223	875,556	873,235	2,321
Other services and charges	3,646,473	3,621,681	3,475,894	145,787
Capital outlay	166,721	166,721	150,321	16,400
Communications				
Personal services	4,630,592	4,504,728	4,389,449	115,279
Supplies	71,991	67,109	66,054	1,055
Other services and charges	162,208	171,528	140,157	31,371
Capital outlay	44,250	63,472	50,119	13,353
Total Public safety	<u>42,364,800</u>	<u>42,198,013</u>	<u>41,397,133</u>	<u>800,880</u>

(Continued)

CITY OF FORT WAYNE, INDIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2004
(Continued)

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
Highways and streets:				
Street Lighting				
Personal services	712,035	705,805	690,709	15,096
Supplies	570,119	396,635	285,560	111,075
Other services and charges	1,648,376	1,638,710	1,597,871	40,839
Capital outlay	33,700	5,200	3,656	1,544
City Engineer				
Personal services	240,617	241,971	242,168	(197)
Supplies	1,829	1,551	1,497	54
Other services and charges	19,745	10,899	10,138	761
Capital outlay	-	5,000	4,450	550
Flood Control				
Personal services	150,930	149,116	148,680	436
Supplies	5,160	5,160	3,128	2,032
Other services and charges	142,780	183,019	125,316	57,703
Capital outlay	101,587	72,731	18,398	54,333
Traffic Engineering Administration				
Personal services	463,656	463,656	463,656	-
Right of Way				
Personal services	287,653	291,479	291,169	310
Supplies	2,000	3,220	3,259	(39)
Other services and charges	5,925	5,962	5,811	151
Transportation Engineering Services				
Personal services	957,076	957,076	950,494	6,582
Supplies	56,864	52,200	34,045	18,155
Other services and charges	88,253	85,720	67,363	18,357
Capital outlay	-	-	-	-
Total Highways and streets	<u>5,488,305</u>	<u>5,275,110</u>	<u>4,947,368</u>	<u>327,742</u>
Health and welfare:				
Animal Control				
Personal services	1,549,005	1,544,086	1,514,173	29,913
Supplies	83,484	77,120	70,467	6,653
Other services and charges	317,726	297,768	265,591	32,177
Capital outlay	6,930	15,504	10,868	4,636
Total Health and welfare	<u>1,957,145</u>	<u>1,934,478</u>	<u>1,861,099</u>	<u>73,379</u>

(Continued)

CITY OF FORT WAYNE, INDIANA
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
 GENERAL FUND
 For The Year Ended December 31, 2004
 (Continued)

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
Economic opportunity:				
Metropolitan Human Relations				
Personal services	554,613	543,613	493,781	49,832
Supplies	5,650	5,650	5,739	(89)
Other services and charges	57,791	61,282	40,007	21,275
Capital outlay	1,200	-	-	-
Total Economic opportunity	<u>619,254</u>	<u>610,545</u>	<u>539,527</u>	<u>71,018</u>
Economic development:				
Community and Economic Development				
Personal services	2,172,439	2,172,198	2,101,424	70,774
Supplies	40,050	37,389	35,754	1,635
Other services and charges	570,248	624,751	578,666	46,085
Capital outlay	25,449	25,449	24,969	480
Total Economic development	<u>2,808,186</u>	<u>2,859,787</u>	<u>2,740,813</u>	<u>118,974</u>
Total General Fund	<u>\$ 64,670,502</u>	<u>\$ 64,098,722</u>	<u>\$ 62,046,242</u>	<u>\$ 2,052,480</u>

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER BUDGETED MAJOR GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004

	Redevelopment				CEDIT			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 8,658,302	\$ 8,658,302	\$ 8,607,876	\$ (50,426)	\$ 15,680,052	\$ 15,680,052	\$ 15,830,142	\$ 150,090
Fines and forfeits	-	-	-	-	-	-	6,020	6,020
Other	2,409,122	2,409,122	2,409,036	(86)	90,000	90,000	93,956	3,956
Total revenues	11,067,424	11,067,424	11,016,912	(50,512)	15,770,052	15,770,052	15,930,118	160,066
Expenditures:								
Urban redevelopment and housing:								
Personal Services	331,976	318,873	314,867	4,006	-	-	-	-
Supplies	3,145	3,145	3,105	40	-	-	-	-
Other Services and Charges	3,987,590	3,983,024	3,881,229	101,795	-	-	-	-
Capital Outlay	1,075,454	1,075,454	704,126	371,328	-	-	-	-
Debt Service:								
Principal	1,229,184	1,229,184	1,229,184	-	3,659,799	3,659,799	3,659,799	-
Interest	272,413	272,413	272,413	-	826,338	826,338	826,338	-
Capital Outlay	-	-	-	-	8,582,438	11,130,890	10,431,514	699,376
Total expenditures	6,899,762	6,882,093	6,404,924	477,169	13,068,575	15,617,027	14,917,651	699,376
Other financing sources (uses):								
Transfers in	2,919,768	2,919,768	2,919,883	115	1,578,190	1,578,190	1,578,190	-
Transfers out	(859,518)	(859,518)	(859,518)	-	(8,374,115)	(8,374,115)	(8,374,115)	-
Total other financing sources (uses)	2,060,250	2,060,250	2,060,365	115	(6,795,925)	(6,795,925)	(6,795,925)	-
Net change in fund balances	6,227,912	6,245,581	6,672,353	426,772	(4,094,448)	(6,642,900)	(5,783,458)	859,442
Fund balances - beginning	14,908,631	14,908,631	14,908,631	-	14,195,786	14,195,786	14,195,786	-
Fund balances - ending	\$ 21,136,543	\$ 21,154,212	\$ 21,580,984	\$ 426,772	\$ 10,101,338	\$ 7,552,886	\$ 8,412,328	\$ 859,442

Non-major Governmental Funds

Special Revenue Funds – used to account for revenues derived for a specific purpose. The title of the fund is descriptive of the activities involved. The City maintains the following non-major special revenue funds:

- Weather Service** – to account for funds received from the private sector for the continuation of the local weather service facility.
- Abandoned Vehicle** – to account for funds used for the enforcement of the Abandoned Vehicle Ordinance of removing abandoned or inoperable vehicles from the residential neighborhoods.
- Parking Meter** – to account for revenues and expenses in connection with operating City parking meters.
- Law Enforcement Training** – to account for fees used for the continuing education and training of law enforcement officers.
- Omnibus Crime** – to account for all State grants related to victims assistance or criminal justice.
- Cable Television** – to account for a portion of the cable television franchise fee revenue restricted to expenditures for local cable access programming grants.
- Community Development Block Grants** – to account for funds granted to the City by the U.S. Department of Housing and Urban Development under the Community Development Block Grant entitlement programs.
- Reimbursable State Grants** – to account for funds granted to the City various State community development and social service programs.
- Unsafe Building** – to account for funds used to remove unsafe and severely deteriorated buildings from residential neighborhoods throughout the City.
- DED International Trade** – to account for revenues and expenditures related to international trade.
- HOME** – to account for funds granted to the City under the U.S. Department of Housing and Urban Development HOME program which are to be used to rehabilitate single and multi-family housing units.
- Federal Revolving** – to account for various federal funds received for specific purposes.
- Urban Development Action Grant** – to account for funds granted to the City by the U.S. Department of Housing and Urban Development for specific categorical grants promoting economic and housing development.
- Urban Enterprise Association** – to account for funds that provide one-third of the Urban Enterprise Association (UEA) administrator's wage and benefit package and all the UEA secretaries' wages and benefit packages, as well as staff support by the City and UEA through a contractual arrangement.
- Emergency Shelter Grant** – to account for funds granted to the City under the U.S. Department of Housing and Urban Development Emergency Shelter Program which are to be used to provide emergency shelter and other services for displaced families and individuals.
- Central City Housing** – to account for funds which are to be used for home rehabilitation in Southeast Fort Wayne.
- General Donation** – to account for donations, restricted by donors, for purposes normally related to General Fund expenditures.
- Domestic Violence** – to account for taxes received and appropriated by the City Council for the prevention and education of domestic violence, rape, and sexual harassment.
- Animal Care Donation** – to account for donations, restricted by donors, for animal care and other humane expenditures.
- Animal Control Special Project** – to account for all revenues, generated by fund raising activities, and expenditures for specific animal care needs.
- Barrett Law Surplus** – to account for excess revenues and expenditures related to the City's Barrett Law process.
- Rainy Day Fund** – to account for transfers of unused and unencumbered CREDIT Funds.

Non-major Governmental Funds (continued)

Debt Service Funds – used to account for the accumulation of resources for and the payment of general long-term debt principal and interest. The City maintains the following non-major debt service fund:

City Bond Redemption – to account for the accumulation of resources for and payment of general obligation bond issues of the City. In 1998, the City began funding the general obligation debt from the CEDIT Income Tax Fund and transferring it to the City Bond Redemption Fund for payment.

** This is the only debt service fund that the city maintains that is not part of another major fund, therefore combining statements are not necessary.

Capital Projects Funds – used to account for financial resources to be used for the acquisition or construction of capital projects. The City maintains the following non-major capital projects funds:

Equipment Purchase – to account for proceeds of leases to be used for the acquisition of equipment.

Civic Center Urban Renewal 1995 – to account for bond proceeds and expenditures for the purpose of paying expenses incurred in connection with the project, acquisition, and redevelopment of the property in the area.

Cumulative Capital Improvement – to account for cigarette tax distributions.

TIF Allocation – to account for revenue and disbursements established for the 1991 Tax Incremental Financing fund.

1994 Safety Bond – to account for park bond issue proceeds and expenditures related to various park improvements.

2001 Safety Bond – to account for the bond proceeds received from the Safety Bond of 2001 used for the construction of three fire stations and the Communications 800MHz project.

Building Project – to account for the proceeds of bonds secured by a lease for the construction of three fire stations, an animal care building and improvements to the City's Board of Works complex.

Barrett Law Revolving Improvement – to account for all financial resources related to projects constructed wholly or in part from Redevelopment District proceeds (except tax increment bonds), General Obligation Bonds, and any participating federal and state grants, including any required City local matching funds.

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 December 31, 2004

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Capital Projects Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 1,796,335	\$ -	\$ 4,436,499	\$ 6,232,834
Investments	175,000	-	720,000	895,000
Receivables (net of allowances for uncollectibles):				
Interest	8,671	-	1,309	9,980
Taxes	529	-	-	529
Intergovernmental	2,927,126	-	12,770	2,939,896
Loans	849,996	-	-	849,996
Miscellaneous	277,308	-	79,595	356,903
Interfund receivable - pooled cash	2,253,190	-	-	2,253,190
Assessments receivable	-	-	867,478	867,478
Total assets	<u>\$ 8,288,155</u>	<u>\$ -</u>	<u>\$ 6,117,651</u>	<u>\$ 14,405,806</u>
 <u>Liabilities and fund balances</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 246,691	\$ -	\$ 111,483	\$ 358,174
Contracts payable	48,980	-	-	48,980
Retainage payable	-	-	734	734
Due to other funds	78,891	-	-	78,891
Interfund payable - pooled cash	2,253,190	-	-	2,253,190
Deferred revenue:				
Unavailable	2,596,497	-	606,919	3,203,416
Unearned	432,902	-	-	432,902
Total liabilities	<u>5,657,151</u>	<u>-</u>	<u>719,136</u>	<u>6,376,287</u>
 <u>Fund balances:</u>				
Reserved for:				
Encumbrances	366,041	-	1,112,965	1,479,006
Noncurrent loans receivable	615,122	-	-	615,122
Unreserved, reported in:				
Special revenue funds	1,649,841	-	-	1,649,841
Capital projects funds	-	-	4,285,550	4,285,550
Total fund balances	<u>2,631,004</u>	<u>-</u>	<u>5,398,515</u>	<u>8,029,519</u>
Total liabilities and fund balances	<u>\$ 8,288,155</u>	<u>\$ -</u>	<u>\$ 6,117,651</u>	<u>\$ 14,405,806</u>

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Capital Projects Funds	Totals
Revenues:				
Taxes	\$ 10,312	\$ -	\$ -	\$ 10,312
Special assessments	-	-	1,467,452	1,467,452
Licenses and permits	715,292	-	-	715,292
Intergovernmental	2,639,250	-	825,893	3,465,143
Charges for services	386,074	-	-	386,074
Fines and forfeits	659,980	-	-	659,980
Other	776,695	-	25,515	802,210
	<u>5,187,603</u>	<u>-</u>	<u>2,318,860</u>	<u>7,506,463</u>
Total revenues				
Expenditures:				
Current:				
General government	1,867,981	-	-	1,867,981
Public safety	2,590,916	-	-	2,590,916
Highways and streets	8,473	-	-	8,473
Sanitation	11,650	-	-	11,650
Health and welfare	87,114	-	-	87,114
Economic development	248,260	-	-	248,260
Urban redevelopment and housing	3,272,898	-	-	3,272,898
Debt service:				
Principal	-	490,000	2,550,201	3,040,201
Interest	-	12,250	329,733	341,983
Capital outlay	-	-	5,289,550	5,289,550
	<u>8,087,292</u>	<u>502,250</u>	<u>8,169,484</u>	<u>16,759,026</u>
Total expenditures				
Deficiency of revenues under expenditures	<u>(2,899,689)</u>	<u>(502,250)</u>	<u>(5,850,624)</u>	<u>(9,252,563)</u>
Other financing sources (uses):				
Transfers in	343,459	2,321,250	1,956,000	4,620,709
Transfers out	(428,082)	(1,819,000)	(411,872)	(2,658,954)
Capital leases issued	-	-	5,675,000	5,675,000
	<u>(84,623)</u>	<u>502,250</u>	<u>7,219,128</u>	<u>7,636,755</u>
Total other financing sources				
Net change in fund balances	(2,984,312)	-	1,368,504	(1,615,808)
Fund balances - beginning	<u>5,615,316</u>	<u>-</u>	<u>4,030,011</u>	<u>9,645,327</u>
Fund balances - ending	<u>\$ 2,631,004</u>	<u>\$ -</u>	<u>\$ 5,398,515</u>	<u>\$ 8,029,519</u>

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2004

Assets	Weather Service	Abandoned Vehicle	Parking Meter	Law Enforcement Training	Omnibus Crime	Cable Television	Community Development Block Grants	Reimbursable State Grants	Unsafe Building	DED International Trade	HOME
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,541	\$ -	\$ -	\$ 162,950	\$ 8,759	\$ -
Investments	-	-	-	-	-	-	-	-	-	-	-
Receivables (net of allowances for uncollectibles):	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	2,457	18,300	-	2,048,323	72,455	4,776	-	355,699
Loans	-	-	-	-	-	-	-	-	-	-	766,996
Miscellaneous	-	-	-	190	-	172,893	-	-	7,402	5,217	-
Interfund receivable - pooled cash	-	-	-	247,171	-	102,152	-	-	-	11,496	635,242
Total assets	\$ -	\$ -	\$ -	\$ 249,818	\$ 18,300	\$ 281,586	\$ 2,048,323	\$ 72,455	\$ 175,128	\$ 25,472	\$ 1,757,937

Liabilities and fund balances

Liabilities:	Accounts payable	Contracts payable	Due to other funds	Interfund payable - pooled cash	Deferred revenue:	Unavailable	Unearned	Total liabilities
Accounts payable	\$ -	\$ -	\$ 1,932	\$ 174	\$ -	\$ 225	\$ -	\$ 21,381
Contracts payable	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Interfund payable - pooled cash	-	-	175	-	22,971	-	-	11,321
Deferred revenue:	-	-	-	-	-	-	-	-
Unavailable	-	-	-	-	-	2,048,323	-	55,804
Unearned	-	-	-	-	-	-	19,901	-
Total liabilities	-	-	2,107	174	22,971	225	90,095	21,381

Fund balances:

Reserved for:	Encumbrances	Noncurrent loans receivable	Unreserved, reported in:	Special revenue funds	Total fund balances	Total liabilities and fund balances
-	-	-	-	-	-	-
-	16,698	7,660	-	-	76,546	76,546
-	-	-	-	-	548,722	548,722
-	(18,805)	241,984	(4,671)	(17,640)	728,983	728,983
-	(2,107)	249,644	(4,671)	(17,640)	1,354,251	1,354,251
\$ -	\$ -	\$ 249,818	\$ 18,300	\$ 72,455	\$ 1,757,937	\$ 1,757,937

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2004

	Federal Revolving	Urban Development Action Grant	Urban Enterprise Association	Emergency Shelter Grant	Central City Housing	General Donation	Domestic Violence	Animal Care Donation	Animal Control Special Project	Barrett Law Surplus	Rainy Day Fund	Totals
Assets												
Cash and cash equivalents	\$ -	\$ 260,517	\$ -	\$ -	\$ 52,238	\$ 426,474	\$ 9,712	\$ 444,039	\$ 116,218	\$ 62,567	\$ 246,320	\$ 1,796,335
Investments	-	-	-	-	-	-	-	-	-	175,000	-	175,000
Receivables (net of allowances for uncollectibles):												
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	529	-	-	8,671	-	8,671
Intergovernmental	331,952	-	-	79,181	-	13,983	-	-	-	-	-	2,927,126
Loans	-	83,000	-	-	-	-	-	-	-	-	-	849,966
Miscellaneous	5	-	91,211	-	-	390	-	-	-	-	-	277,308
Interfund receivable - pooled cash	446,936	91,219	-	-	-	-	-	-	-	-	718,974	2,253,190
Total assets	\$ 778,893	\$ 434,736	\$ 91,211	\$ 79,181	\$ 52,238	\$ 440,847	\$ 10,241	\$ 444,039	\$ 116,218	\$ 246,238	\$ 965,294	\$ 8,288,155

Liabilities and fund balances

Liabilities:												
Accounts payable	\$ 40,075	\$ 2,175	\$ -	\$ 27,021	\$ -	\$ 535	\$ 550	\$ -	\$ 3,160	\$ -	\$ -	\$ 246,691
Contracts payable	48,980	-	-	-	-	-	-	-	-	-	-	48,980
Due to other funds	-	-	-	-	-	-	-	-	-	78,891	-	78,891
Interfund payable - pooled cash	-	-	91,219	79,181	-	-	-	-	-	-	-	2,253,190
Deferred revenue:												
Unavailable	56,961	-	-	79,181	-	-	529	-	-	-	-	2,596,497
Unearned	413,001	-	-	-	-	-	-	-	-	-	-	432,902
Total liabilities	559,017	2,175	91,219	185,383	-	535	1,079	-	3,160	78,891	-	5,657,151
Fund balances:												
Reserved for:												
Encumbrances	35,824	4,350	-	-	-	34,045	3,956	-	9,207	-	-	366,041
Noncurrent loans receivable	-	66,400	-	-	-	-	-	-	-	-	-	615,122
Unreserved, reported in:												
Special revenue funds	184,052	361,811	(8)	(106,202)	52,238	406,267	5,206	444,039	103,851	167,347	965,294	1,649,841
Total fund balances	219,876	432,561	(8)	(106,202)	52,238	440,312	9,162	444,039	113,058	167,347	965,294	2,631,004
Total liabilities and fund balances	\$ 778,893	\$ 434,736	\$ 91,211	\$ 79,181	\$ 52,238	\$ 440,847	\$ 10,241	\$ 444,039	\$ 116,218	\$ 246,238	\$ 965,294	\$ 8,288,155

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 December 31, 2004

Assets	Equipment Purchase	Civic Center Urban Renewal 1995	Cumulative Capital Improvement	TIF Allocation	1994 Safety Bond	2001 Safety Bond	Building Project	Barrett Law Revolving Improvement	Totals
Cash and cash equivalents	\$ 1,584,800	\$ -	\$ 1,083,891	\$ 2,728	\$ -	\$ 20,714	\$ 927,245	\$ 817,121	\$ 4,436,499
Investments	-	-	-	-	-	-	-	720,000	720,000
Receivables (net of allowances for uncollectibles):									
Interest	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	12,770	-	-	-	1,309	-	1,309
Miscellaneous	79,595	-	-	-	-	-	-	-	79,595
Assessments receivable	-	-	-	-	-	-	-	867,478	867,478
Total assets	\$ 1,664,395	\$ -	\$ 1,096,661	\$ 2,728	\$ -	\$ 20,714	\$ 928,554	\$ 2,404,599	\$ 6,117,651
Liabilities and fund balances									
Liabilities:									
Accounts payable	\$ 79,595	\$ 115	\$ 31,423	\$ -	\$ -	\$ 350	\$ -	\$ -	\$ 111,483
Retainage payable	-	-	-	-	-	-	-	734	734
Deferred revenue:									
Unavailable	-	-	12,770	-	-	-	-	594,149	606,919
Total liabilities	79,595	115	44,193	-	-	350	-	594,883	719,136
Fund balances:									
Reserved for:									
Encumbrances	-	-	169,984	-	-	14,427	928,554	-	1,112,965
Unreserved, reported in:									
Capital projects funds	1,584,800	(115)	882,484	2,728	-	5,937	-	1,809,716	4,285,550
Total fund balances	1,584,800	(115)	1,052,468	2,728	-	20,364	928,554	1,809,716	5,398,515
Total liabilities and fund balances	\$ 1,664,395	\$ -	\$ 1,096,661	\$ 2,728	\$ -	\$ 20,714	\$ 928,554	\$ 2,404,599	\$ 6,117,651

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2004

	Weather Service	Abandoned Vehicle	Parking Meter	Law Enforcement Training	Omnibus Crime	Cable Television	Community Development Block Grants	Reimbursable State Grants	Unsafe Building	DED International Trade	HOME	Federal Revolving
Revenues:												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	21,480	-	693,812	-	-	-	-	-	-
Intergovernmental	-	-	-	-	49,874	-	-	402,903	-	-	122,748	1,838,682
Charges for services	-	-	201,903	131,213	-	-	-	-	-	-	23,240	32
Fines and forfeits	-	-	-	30,546	16,022	-	-	50,000	114,677	-	-	448,710
Other	-	-	-	85	-	50,000	-	-	390	11,085	-	254,505
Total revenues	-	-	201,903	183,324	65,896	743,812	-	452,903	115,067	11,085	145,988	2,541,929
Expenditures:												
Current:												
General government	-	-	411,318	-	-	700,151	-	-	-	-	-	659,841
Public safety	-	-	-	151,460	67,609	-	-	375,021	237,816	-	-	1,476,622
Highways and streets	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	7,015	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	17,743	-	-
Urban redevelopment and housing	-	-	-	-	-	-	2,220,893	154,308	-	-	397,076	373,412
Total expenditures	-	-	411,318	151,460	67,609	700,151	2,220,893	536,344	237,816	17,743	397,076	2,509,875
Excess (deficiency) of revenues over (under) expenditures	-	-	(209,415)	31,864	(1,713)	43,661	(2,220,893)	(83,441)	(122,749)	(6,658)	(251,088)	32,054
Other financing sources (uses):												
Transfers in	-	-	200,000	-	-	-	-	-	-	-	-	69,000
Transfers out	(53)	(78,344)	-	-	-	(45,000)	-	(24,976)	-	-	-	(225,230)
Total other financing sources (uses)	(53)	(78,344)	200,000	-	-	(45,000)	-	(24,976)	-	-	-	(156,230)
Net change in fund balances	(53)	(78,344)	(9,415)	31,864	(1,713)	(1,339)	(2,220,893)	(108,417)	(122,749)	(6,658)	(251,088)	(124,176)
Fund balances - beginning	53	78,344	7,308	217,780	(2,958)	282,700	74,163	90,777	276,496	32,130	1,605,339	344,052
Fund balances - ending	\$ -	\$ -	\$ (2,107)	\$ 249,644	\$ (4,671)	\$ 281,361	\$ (2,146,730)	\$ (17,640)	\$ 153,747	\$ 25,472	\$ 1,354,251	\$ 219,876

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2004

	Urban Development Action Grant	Urban Enterprise Association	Emergency Shelter Grant	Central City Housing	General Donation	Domestic Violence	Animal Care Donation	Animal Control Special Project	Barrett Law Surplus	Rainy Day Fund	Totals
Revenues:											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,312	\$ -	\$ -	\$ -	\$ -	\$ 10,312
Licenses and permits	-	-	-	-	-	-	-	-	-	-	715,292
Intergovernmental	-	-	6,000	-	219,043	-	-	-	-	-	2,639,250
Charges for services	-	-	-	-	29,686	-	-	-	-	-	386,074
Fines and forfeits	-	-	-	-	25	-	-	-	-	-	659,980
Other	5	212,359	-	-	115,735	-	13,783	89,398	29,350	-	776,695
Total revenues	5	212,359	6,000	-	364,489	10,312	13,783	89,398	29,350	-	5,187,603
Expenditures:											
Current:											
General government	-	-	-	-	9,937	-	-	-	86,734	-	1,867,981
Public safety	-	-	-	-	279,977	2,411	-	-	-	-	2,590,916
Highways and streets	-	-	-	-	8,473	-	-	-	-	-	8,473
Sanitation	-	-	-	-	4,635	-	-	-	-	-	11,650
Health and welfare	-	-	-	-	-	-	10,774	76,340	-	-	87,114
Economic development	18,150	212,367	-	-	-	-	-	-	-	-	248,260
Urban redevelopment and housing	-	-	90,955	36,254	-	-	-	-	-	-	3,272,898
Total expenditures	18,150	212,367	90,955	36,254	303,022	2,411	10,774	76,340	86,734	-	8,087,292
Excess (deficiency) of revenues over (under) expenditures	(18,145)	(8)	(84,955)	(36,254)	61,467	7,901	3,009	13,058	(57,384)	-	(2,899,689)
Other financing sources (uses):											
Transfers in	-	-	-	-	74,459	-	-	-	-	-	343,459
Transfers out	-	-	-	-	-	-	(54,479)	-	-	-	(428,052)
Total other financing sources (uses)	-	-	-	-	74,459	-	(54,479)	-	-	-	(84,623)
Net change in fund balances	(18,145)	(8)	(84,955)	(36,254)	135,926	7,901	(51,470)	13,058	(57,384)	-	(2,984,312)
Fund balances - beginning	450,706	-	(21,247)	88,492	304,386	1,261	495,509	100,000	224,731	965,294	5,615,316
Fund balances - ending	\$ 432,561	\$ (8)	\$ (106,202)	\$ 52,238	\$ 440,312	\$ 9,162	\$ 444,039	\$ 113,058	\$ 167,347	\$ 965,294	\$ 2,631,004

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 For The Year Ended December 31, 2004

Revenues:	Equipment Purchase	Civic Center Urban Renewal 1995	Cumulative Capital Improvement	TIF Allocation	1994 Safety Bond	2001 Safety Bond	Building Project	Barrett Law Revolving Improvement	Totals
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,467,452	\$ 1,467,452
Intergovernmental	-	-	825,893	-	-	-	-	-	825,893
Other	8,345	-	9	-	-	6,285	5,694	5,182	25,515
Total revenues	8,345	-	825,902	-	-	6,285	5,694	1,472,634	2,318,860
Expenditures:									
Debt service:									
Principal	-	-	-	-	-	970,201	1,580,000	-	2,550,201
Interest	-	-	-	-	-	-	329,733	-	329,733
Capital outlay	4,156,449	117	561,783	20,069	-	350	-	550,782	5,289,550
Total expenditures	4,156,449	117	561,783	20,069	-	970,551	1,909,733	550,782	8,169,484
Excess (deficiency) of revenues over (under) expenditures	(4,148,104)	(117)	264,119	(20,069)	-	(964,266)	(1,904,039)	921,852	(5,850,624)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	1,956,000	-	1,956,000
Transfers out	-	(115)	(405,382)	-	(6,375)	-	-	-	(411,872)
Capital leases issued	5,675,000	-	-	-	-	-	-	-	5,675,000
Total other financing sources (uses)	5,675,000	(115)	(405,382)	-	(6,375)	-	1,956,000	-	7,219,128
Net change in fund balances	1,526,896	(232)	(141,263)	(20,069)	(6,375)	(964,266)	51,961	921,852	1,368,504
Fund balances - beginning	57,904	117	1,193,731	22,797	6,375	984,630	876,593	887,864	4,030,011
Fund balances - ending	\$ 1,584,800	\$ (115)	\$ 1,052,468	\$ 2,728	\$ -	\$ 20,364	\$ 928,554	\$ 1,809,716	\$ 5,398,515

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004

	Abandoned Vehicle			Parking Meter			Cable Television			Variance Positive (Negative)	
	Budgeted Amounts		Actual	Budgeted Amounts		Actual	Budgeted Amounts		Actual		
	Original	Final		Original	Final		Original	Final			
Revenues:											
Licenses and Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 744,000	\$ 735,664	\$ 693,812	\$ (41,852)
Charges for services	-	-	-	-	198,400	201,903	3,503	-	-	-	-
Other	-	-	-	-	-	-	-	50,000	50,000	50,000	-
Total revenues	-	-	-	198,400	198,400	201,903	3,503	794,000	785,664	743,812	(41,852)
Expenditures:											
General government:											
Personal services	-	-	-	386,092	386,092	356,796	29,296	-	-	-	-
Supplies	-	-	-	12,617	14,945	13,750	1,195	300	300	199	101
Other services and charges	-	-	-	24,760	21,102	20,029	1,073	817,324	739,615	693,581	46,034
Capital outlay	-	-	-	20,744	20,787	20,743	44	-	4,000	6,371	(2,371)
Total expenditures	-	-	-	444,213	442,926	411,318	31,608	817,624	743,915	700,151	43,764
Other financing sources (uses):											
Transfers in	(78,344)	(78,344)	(78,344)	-	-	200,000	200,000	(45,000)	(45,000)	(45,000)	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources	(78,344)	(78,344)	(78,344)	-	-	200,000	200,000	(45,000)	(45,000)	(45,000)	-
Net change in fund balances	(78,344)	(78,344)	(78,344)	(245,813)	(244,526)	(9,415)	235,111	(68,624)	(3,251)	(1,339)	1,912
Fund balances - beginning	78,344	78,344	78,344	7,308	7,308	7,308	-	282,700	282,700	282,700	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ (238,505)	\$ (237,218)	\$ (2,107)	\$ 235,111	\$ 214,076	\$ 279,449	\$ 281,361	\$ 1,912

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004

	Unsafe Building			Domestic Violence			Law Enforcement Training			Variance Positive (Negative)
	Budgeted Amounts		Actual	Budgeted Amounts		Actual	Budgeted Amounts		Actual	
	Original	Final		Original	Final		Original	Final		
Revenues:										
Taxes	\$ -	\$ -	\$ -	\$ 8,446	\$ 10,312	\$ 1,866	\$ -	\$ -	\$ 21,480	\$ -
Licenses and Permits										
Intergovernmental	70,000	70,000	-	-	-	-	-	-	-	-
Charges for services										
Fines and forfeits	72,000	72,000	114,677	-	-	-	-	-	131,213	38,713
Other	-	-	390	-	-	-	-	-	30,546	(2,605)
									85	(174)
Total revenues	142,000	142,000	115,067	8,446	10,312	1,866	150,000	150,000	183,324	33,324
Expenditures:										
Public safety:										
Supplies										
Other services and charges	20,000	20,000	8,612	150	149	1	-	-	-	-
Capital outlay	426,224	388,717	229,204	7,150	2,262	932	163,011	140,815	146,785	(5,970)
Total expenditures	446,224	408,717	237,816	7,300	3,344	933	173,011	150,490	151,460	(970)
Net change in fund balances	(304,224)	(266,717)	(122,749)	1,146	7,901	2,799	(23,011)	(490)	31,864	32,354
Fund balances - beginning	276,496	276,496	276,496	1,261	1,261	-	217,780	217,780	217,780	-
Fund balances - ending	(27,728)	9,779	153,747	2,407	9,162	2,799	194,769	217,290	249,644	32,354

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004

	Rainy Day Fund				City Bond Redemption				Cumulative Capital Improvement			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final			Original	Final		
Revenues:												
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,021,820	\$ 825,893	\$ (195,927)	
Other	-	-	-	-	-	-	-	-	40,000	9	(39,991)	
Total revenues	-	-	-	-	-	-	-	-	1,061,820	825,902	(235,918)	
Expenditures:												
Debt Service:												
Principal	-	-	-	-	490,000	490,000	490,000	-	-	-	-	-
Interest	-	-	-	-	12,250	12,250	12,250	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	959,532	561,783	107,885	
Total expenditures	-	-	-	-	502,250	502,250	502,250	-	959,532	561,783	107,885	
Other financing sources (uses):												
Transfers in	-	-	-	-	2,321,250	2,321,250	2,321,250	-	-	-	-	-
Transfers out	-	-	-	-	(1,819,000)	(1,819,000)	(1,819,000)	-	(405,382)	(405,382)	-	-
Total other financing sources (uses)	-	-	-	-	502,250	502,250	502,250	-	(405,382)	(405,382)	-	-
Net change in fund balances	-	-	-	-	-	-	-	-	(303,094)	(141,263)	(128,033)	
Fund balances - beginning	965,294	965,294	965,294	-	-	-	-	-	1,193,731	1,193,731	-	
Fund balances - ending	\$ 965,294	\$ 965,294	\$ 965,294	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 890,637	\$ 1,052,468	\$ (128,033)	

Non-major Proprietary Funds

Enterprise Funds – used to account for the financing of services to the general public where all or most of the costs involved are financed by user charges for such services. The City maintains the following non-major enterprise funds:

Solid Waste Management – to account for the cost of collecting, disposing, and recycling of solid waste.

Parking Garage I – to account for revenues and expenses in connection with operating the Civic Center Parking Garage 1.

Parking Garage II – to account for revenues and expenses in connection with operating the Civic Center Parking Garage 2.

Midtowne Parking Garage – to account for operating revenues and expenses for the operation of the Midtowne Crossing Garage.

2001 Parking Garage Addition – to account for revenues and expenses in connection with the joint City and County parking facility addition.

Electric Utility – to account for lease payments from a private electric utility through the year 2010.

Yardwaste Facility – to account for the activities of the yard waste facility.

Internal Service Funds – used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City maintains the following non-major internal service funds.

Group Health Insurance – to account for revenues and expenditures related to the employee medical insurance plan.

General and Auto Liability Insurance – to account for financial requirements to self-insure for general liability and automobile liability.

Worker's Compensation – to account for financial requirements to self-insure for worker's compensation liability.

Garage – to account for services rendered to maintain the City fleet of vehicles and equipment.

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET ASSETS
 NON-MAJOR PROPRIETARY FUNDS
 December 31, 2004

	Business-type Activities - Other Non-major Enterprise Funds							Governmental Activities - Internal Service Funds					
	Solid Waste Management	Parking Garage I	Parking Garage II	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals	Group Health Insurance	General and Auto Liability Insurance	Worker's Compensation	Garage	Totals
Assets													
Current assets:													
Cash and cash equivalents	\$ 12,573	\$ 78,436	\$ 22,496	\$ 18,757	\$ -	\$ 1,015,062	\$ 119,229	\$ 1,266,553	\$ 1,386,150	\$ 766,767	\$ 529,817	\$ 261,947	\$ 2,944,681
Interest receivable	-	-	-	-	-	71,527	-	71,527	-	-	-	-	-
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	1,656	24,106	25,762	-	-	-	-	-
Miscellaneous receivable	-	11,442	-	6,720	-	-	-	18,162	35,502	13,346	-	4,015	52,863
Interfund receivable	-	-	-	-	-	179,390	-	179,390	-	-	-	-	179,390
Due from other funds	1,089,256	-	-	-	-	-	-	1,089,256	-	-	-	97,995	97,995
Inventories	-	-	-	-	-	-	-	-	-	-	-	37,689	37,689
Prepaid expenses	-	4,591	270	-	-	-	-	4,861	-	28,329	-	-	28,329
Total current assets	1,101,829	94,469	22,766	25,477	-	1,267,635	143,335	2,655,511	1,421,652	808,442	529,817	401,646	3,161,557
Noncurrent assets:													
Restricted cash and cash equivalents	-	218,364	-	-	288,921	2,459,154	-	2,966,439	-	-	-	-	-
Restricted investments	-	-	-	-	-	22,828,694	-	22,828,694	-	-	-	-	-
Advance to other funds	-	-	-	-	-	383,640	-	383,640	-	-	-	-	-
Unamortized issuance cost	-	-	-	-	60,398	-	-	60,398	-	-	-	-	-
Capital assets:													
Land, improvements to land and construction in progress	-	1,502,578	498,901	-	-	132,607	-	2,134,086	-	-	-	49,587	49,587
Other capital assets (net of accumulated depreciation)	-	1,122,678	2,552,456	325,000	1,512,297	1,032,149	58,631	6,603,211	-	-	-	547,364	547,364
Total noncurrent assets	-	2,843,620	3,051,357	325,000	1,861,616	26,836,244	58,631	34,976,488	-	-	-	596,951	596,951
Total assets	1,101,829	2,938,089	3,074,123	350,477	1,861,616	28,103,879	201,966	37,631,979	1,421,652	808,442	529,817	998,597	3,758,508
Liabilities													
Current liabilities:													
Accounts payable	490,878	-	-	-	-	210	-	491,088	366,841	46,010	6,884	378,635	798,370
Due to other funds	-	-	-	-	-	4,363	3,272	7,635	-	-	-	-	-
Contracts payable	-	125,060	-	-	-	-	-	125,060	-	-	-	-	-
Compensated absences - current portion	314	-	-	-	-	933	700	1,947	-	2,457	3,037	4,504	9,998
Accrued group insurance benefits	-	-	-	-	-	-	-	-	1,010,644	-	-	-	1,010,644
Revenue bonds payable - current portion	-	75,000	-	-	65,000	-	-	140,000	-	-	-	-	-
Accrued interest payable	-	5,800	-	-	38,760	-	-	44,560	-	-	-	-	-
Other current liabilities	-	-	-	-	-	7,254	232	7,486	-	334,923	106,717	-	441,640
Total current liabilities	491,192	205,860	-	103,760	-	12,760	4,204	817,776	1,377,485	383,390	116,638	383,139	2,260,652
Noncurrent liabilities:													
Compensated absences payable	-	-	-	-	-	1,214	911	2,125	-	-	-	-	-
Revenue bonds payable (net of discount)	-	85,000	-	-	1,575,000	-	-	1,660,000	-	-	-	-	-
Loans payable	-	-	1,915,000	-	-	-	-	1,915,000	-	-	-	-	-
Other noncurrent liabilities	-	-	-	-	-	32,818	-	32,818	-	-	-	-	-
Total noncurrent liabilities	-	85,000	1,915,000	-	1,575,000	34,032	911	3,609,943	-	-	-	-	-
Total liabilities	491,192	290,860	1,915,000	-	1,678,760	46,792	5,115	4,427,719	1,377,485	383,390	116,638	383,139	2,260,652
Net assets													
Invested in capital assets, net of related debt	-	2,459,456	1,136,357	-	(166,463)	1,164,756	58,631	4,652,737	-	-	-	596,951	596,951
Restricted for:													
Debt service	-	218,364	-	-	286,921	-	-	507,285	-	-	-	-	-
Community trust	-	-	-	-	-	25,922,405	-	25,922,405	-	-	-	-	-
Unrestricted	610,637	(30,591)	22,766	350,477	60,398	969,926	138,220	2,121,833	44,167	425,052	413,179	18,507	900,905
Total net assets	\$ 610,637	\$ 2,647,229	\$ 1,159,123	\$ 350,477	\$ 182,656	\$ 28,057,087	\$ 196,851	\$ 33,204,260	\$ 44,167	\$ 425,052	\$ 413,179	\$ 615,458	\$ 1,497,856

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 NON-MAJOR PROPRIETARY FUNDS
 For The Year Ended December 31, 2004

	Business-type Activities - Other Non-major Enterprise Funds							Governmental Activities - Internal Service Funds					
	Solid Waste Management	Parking Garage I	Parking Garage II	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals	Group Health Insurance	General and Auto Liability Insurance	Worker's Compensation	Garage	Totals
Operating Revenues:													
Charges for goods and services	\$ 6,763,694	\$ 322,386	\$ 287,551	\$ 78,316	\$ 167,451	\$ 816	\$ 140,825	\$ 7,761,039	\$ -	\$ -	\$ -	\$ 3,909,545	\$ 3,909,545
Leases	-	34,326	-	-	-	1,690,000	-	1,724,326	-	-	-	-	-
City contributions	-	-	-	-	-	-	-	-	13,396,631	1,129,136	589,535	-	15,115,302
Employee contributions	-	-	-	-	-	-	-	-	2,147,388	-	-	-	2,147,388
Total operating revenues	6,763,694	356,712	287,551	78,316	167,451	1,690,816	140,825	9,485,365	15,544,019	1,129,136	589,535	3,909,545	21,172,235
Operating expenses:													
Personnel services	162,338	-	-	-	-	-	68,450	230,788	104,814	116,357	112,235	158,985	492,391
Contractual services	6,419,876	77,263	195,922	-	-	-	939	6,694,000	8,436	578,028	105,815	2,430,083	3,122,362
Utilities	-	20,574	26,861	-	-	-	-	47,435	-	-	-	24,574	24,574
Administrative services	-	-	-	-	-	33,055	24,793	57,848	-	-	-	-	-
Other supplies and services	38,429	15,669	275,725	67,674	-	498,097	22,317	917,911	6,528	4,212	8,834	1,491,087	1,510,661
Insurance claims and premiums	-	-	-	-	-	-	-	-	15,234,965	279,634	173,368	1,343	15,689,300
Depreciation	-	89,094	144,242	12,500	40,873	201,917	7,624	496,250	-	-	-	40,614	40,614
Total operating expenses	6,620,643	202,600	642,750	80,174	40,873	733,069	124,123	8,444,232	15,354,743	978,231	400,242	4,146,686	20,879,902
Operating income (loss)	143,051	154,112	(355,199)	(1,858)	126,578	957,747	16,702	1,041,133	189,276	150,905	189,293	(237,141)	292,333
Nonoperating revenues (expenses):													
Interest and investment revenue	-	-	-	-	3	847,523	-	847,526	-	8	-	-	8
Unrealized gain (Note 13)	-	-	-	-	-	1,505,331	-	1,505,331	-	-	-	-	-
Miscellaneous revenue	-	-	125,000	-	-	-	-	125,000	97,391	38,630	26,047	4,834	166,902
Interest expense	-	(11,600)	-	-	(84,664)	-	-	(96,264)	-	-	-	-	-
Amortization of debt issuance costs	-	-	-	-	(3,553)	-	-	(3,553)	-	-	-	-	-
Miscellaneous expense	-	-	-	-	-	(49,427)	-	(49,427)	-	-	-	-	-
Total nonoperating revenue (expenses)	-	(11,600)	125,000	(1,858)	(88,214)	2,303,427	-	2,328,613	97,391	38,638	26,047	4,834	166,910
Income (loss) before contributions and transfers	143,051	142,512	(230,199)	(1,858)	38,364	3,261,174	16,702	3,369,746	286,667	189,543	215,340	(232,307)	459,243
Transfers in	-	45,000	-	-	-	-	-	45,000	-	-	-	21,562	21,562
Transfers out	(161,000)	-	(45,000)	-	-	(1,135,000)	-	(1,341,000)	-	-	-	-	-
Change in net assets	(17,949)	187,512	(275,199)	(1,858)	38,364	2,126,174	16,702	2,073,746	286,667	189,543	215,340	(210,745)	480,805
Total net assets - beginning	628,586	2,459,717	1,434,322	352,335	144,492	25,930,913	180,149	31,130,514	(242,500)	235,509	197,839	826,203	1,017,051
Total net assets - ending	\$ 610,637	\$ 2,647,229	\$ 1,159,123	\$ 350,477	\$ 182,856	\$ 28,057,087	\$ 196,851	\$ 33,204,260	\$ 44,167	\$ 425,052	\$ 413,179	\$ 615,458	\$ 1,497,856

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CASH FLOWS
 NON-MAJOR PROPRIETARY FUNDS
 For The Year Ended December 31, 2004

	Business-type Activities - Other Non-major Enterprise Funds										Governmental Activities - Internal Service Funds				
	Solid Waste Management	Parking Garage I	Parking Garage II	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals	Group Health Insurance	Auto Liability Insurance	Worker's Compensation	Garage	Totals		
Cash flows from operating activities:															
Receipts from customers and users	\$ 6,593,831	\$ 347,823	\$ 412,550	\$ 76,704	\$ 167,451	\$ 187,288	\$ 147,673	\$ 7,933,320	\$ 15,701,549	\$ 1,376,533	\$ 616,612	\$ 3,877,317	\$ 21,572,011		
Payments to suppliers	(6,483,463)	(118,095)	(498,777)	(67,874)	-	(537,620)	(48,952)	(7,754,581)	(15,520,120)	(938,633)	(362,593)	(3,969,658)	(20,791,004)		
Payments to employees	(163,494)	-	-	-	-	-	(68,450)	(231,944)	(104,813)	(116,910)	(112,269)	(158,530)	(492,522)		
Net cash provided (used) by operating activities	(53,126)	229,728	(86,227)	9,030	167,451	1,339,668	30,271	1,636,795	76,616	320,990	141,750	(250,871)	288,485		
Cash flows from noncapital financing activities:															
Transfer from other funds	(161,000)	45,000	(45,000)	-	-	(1,135,000)	-	45,000	-	-	-	21,562	21,562		
Transfer to other funds	-	-	-	-	-	-	-	(1,341,000)	-	-	-	-	-		
Net cash provided (used) by noncapital financing activities	(161,000)	45,000	(45,000)	-	-	(1,135,000)	-	(1,296,000)	-	-	-	21,562	21,562		
Cash flows from capital and related financing activities:															
Capital contributions	-	-	-	-	-	-	-	-	-	-	-	-	-		
Acquisition and construction of capital assets	-	(878,617)	-	-	-	-	-	(878,617)	-	-	-	(35,242)	(35,242)		
Principal paid on capital debt	-	(70,000)	-	-	(60,000)	-	-	(130,000)	-	-	-	-	-		
Interest paid on capital debt	-	(14,138)	-	-	(85,728)	-	-	(99,866)	-	-	-	-	-		
Net cash used by capital and related financing activities	-	(962,755)	-	-	(145,728)	-	-	(1,108,483)	-	-	-	(35,242)	(35,242)		
Cash flows from investing activities:															
Proceeds from sales and maturities of investments	-	-	-	-	-	3,324,394	-	3,324,394	-	-	-	-	-		
Purchase of investments	-	-	-	-	-	(5,122,963)	-	(5,122,963)	-	-	-	-	-		
Interest received	-	-	-	-	3	1,360,757	-	1,360,760	-	8	-	-	8		
Net cash provided (used) by investing activities	-	-	-	-	3	(437,812)	-	(437,809)	-	8	-	-	8		
Net increase (decrease) in cash and cash equivalents	(214,126)	(688,027)	(131,227)	9,030	21,726	(233,144)	30,271	(1,205,497)	76,616	320,998	141,750	(264,551)	274,813		
Cash and cash equivalents, January 1	226,689	984,827	153,723	9,727	267,195	3,707,360	88,958	5,438,489	1,309,534	445,769	388,067	526,498	2,669,868		
Cash and cash equivalents, December 31	12,573	296,800	22,496	18,757	288,921	3,474,216	119,229	4,232,992	1,386,150	766,767	529,817	261,947	2,944,681		
Reconciliation of operating income to net cash provided (used) by operating activities:															
Operating income	\$ 143,051	\$ 154,112	\$ (355,199)	\$ (1,858)	\$ 126,578	\$ 957,747	\$ 16,702	\$ 1,041,133	\$ 189,276	\$ 150,905	\$ 189,293	\$ (237,141)	\$ 292,333		
Adjustments to reconcile operating income to net cash provided (used) by operating activities:															
Nonoperating revenue	-	-	125,000	-	-	-	-	125,000	97,391	38,630	26,047	4,834	166,902		
Depreciation expense	-	89,094	144,242	12,500	40,873	201,917	7,624	496,250	-	-	-	40,614	40,614		
(Increase) decrease in assets:															
Miscellaneous receivable	14	(8,887)	-	(1,612)	-	186,472	6,848	182,835	60,139	208,766	1,030	(558)	269,377		
Due from other funds	(169,876)	-	-	-	-	-	-	(169,876)	-	-	-	(36,504)	(36,504)		
Inventories	-	-	-	-	-	-	-	-	-	-	-	(13,083)	(13,083)		
Prepaid items	-	(4,591)	(270)	-	-	-	-	(4,861)	-	(3,632)	-	-	(3,632)		
Increase (decrease) in liabilities:															
Accounts payable	(25,159)	-	-	-	-	(6,468)	(903)	(32,530)	125,066	(12,640)	3,717	(9,488)	106,655		
Accrued group insurance benefits	-	-	-	-	-	-	-	-	(395,256)	-	-	-	(395,256)		
Compensated absences payable	(1,156)	-	-	-	-	-	-	(1,156)	-	(53)	(35)	455	(133)		
Other current liabilities	-	-	-	-	-	-	-	-	-	(60,486)	(78,302)	-	(138,788)		
Total adjustments	(196,177)	75,616	268,972	10,888	40,873	381,921	13,569	595,662	(12,660)	170,085	(47,543)	(13,730)	(3,848)		
Net cash provided (used) by operating activities	\$ (53,126)	\$ 229,728	\$ (86,227)	\$ 9,030	\$ 167,451	\$ 1,339,668	\$ 30,271	\$ 1,636,795	\$ 76,616	\$ 320,990	\$ 141,750	\$ (250,871)	\$ 288,485		
Noncash investing, capital and financing activities:															
Capital assets included in contracts payable	-	125,060	-	-	-	-	-	125,060	-	-	-	-	-		
Change in fair value of investments	-	-	-	-	-	2,741,239	-	2,741,239	-	-	-	-	-		

Non-major Fiduciary Funds

Pension Trust Funds – used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans. The City maintains the following non-major pension trust funds:

Fire Pension – to account for the provision of retirement and disability benefits to firefighters hired prior to May 1, 1977.

Police Pension – to account for the provision of retirement and disability benefits to police officers hired prior to May 1, 1977.

Sanitary Officers' Pension – to account for the provision of retirement and disability benefits to employees of the County Health departments.

Agency Funds – used to account for resources that are custodial in nature. They generally are amounts held by the City on behalf of third parties. The City maintains the following non-major agency funds.

Allocated Expense Clearing – to account for revenues allocated from various internal funds to be expended as one unit cost.

Payroll – to account for payroll of City and City Utilities employees.

Barrett Law Regular Waivered – account for property owner assessment receipts held by the City as agent for the repayment of related contractor Barrett Law Bonds.

CITY OF FORT WAYNE
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 PENSION TRUST FUNDS
 December 31, 2004

	Pension Trust Funds			
	Fire Pension	Police Pension	Sanitary Officers' Pension	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 873,206	\$ 769,116	\$ 135,009	\$ 1,777,331
Receivables:				
Taxes	139,644	156,571	28,035	324,250
Investments at fair value:				
Participation in investment pools of other governments	1,480,879	1,691,473	-	3,172,352
Total assets	2,493,729	2,617,160	163,044	5,273,933
<u>Liabilities</u>				
Accrued payroll and deductions	32,288	37,200	2,207	71,695
Deferred revenue - unavailable	139,644	156,571	28,035	324,250
Total liabilities	171,932	193,771	30,242	395,945
<u>Net assets</u>				
Held in trust for:				
Employees' pension benefits	\$ 2,321,797	\$ 2,423,389	\$ 132,802	\$ 4,877,988

CITY OF FORT WAYNE
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 December 31, 2004

	Agency Funds				Totals
	Allocated Expense Clearing	Payroll	Barrett Law Regular Waivered		
<u>Assets</u>					
Cash and cash equivalents	\$ -	\$ 3,660,700	\$ 2,398	\$ 3,663,098	
Receivables:					
Intergovernmental	1,422	-	-	1,422	
Miscellaneous	1,402	-	-	1,402	
Interfund receivables - pooled cash	-	14,790	-	14,790	
Due from other funds	48,529	-	-	48,529	
Investments at fair value:					
Certificates of deposit	-	-	5,000	5,000	
Total assets	\$ 51,353	\$ 3,675,490	\$ 7,398	\$ 3,734,241	
<u>Liabilities</u>					
Accounts payable	\$ 34,651	\$ -	\$ -	\$ 34,651	
Accrued payroll and deductions	-	3,675,490	-	3,675,490	
Trust payable	-	-	7,398	7,398	
Due to other funds	1,912	-	-	1,912	
Interfund payables - pooled cash	14,790	-	-	14,790	
Total liabilities	\$ 51,353	\$ 3,675,490	\$ 7,398	\$ 3,734,241	

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 NON-MAJOR PENSION TRUST FUNDS
 For The Year Ended December 31, 2004

	<u>Fire Pension</u>	<u>Police Pension</u>	<u>Sanitary Officers' Pension</u>	<u>Totals</u>
<u>Additions</u>				
Contributions:				
Employer	\$ 6,653,416	\$ 7,536,902	\$ 498,951	\$ 14,689,269
Plan members	33,217	58,802	4,356	96,375
Other	-	2,166	-	2,166
Investment income:				
Interest	9	9	-	18
Total additions	<u>6,686,642</u>	<u>7,597,879</u>	<u>503,307</u>	<u>14,787,828</u>
<u>Deductions</u>				
Benefits and refunds paid to plan members and beneficiaries	6,821,541	7,554,127	422,707	14,798,375
Administrative expenses	24,582	21,957	2,495	49,034
Total deductions	<u>6,846,123</u>	<u>7,576,084</u>	<u>425,202</u>	<u>14,847,409</u>
Changes in net assets	(159,481)	21,795	78,105	(59,581)
Net assets - beginning	<u>2,481,278</u>	<u>2,401,594</u>	<u>54,697</u>	<u>4,937,569</u>
Net assets - ending	<u>\$ 2,321,797</u>	<u>\$ 2,423,389</u>	<u>\$ 132,802</u>	<u>\$ 4,877,988</u>

CITY OF FORT WAYNE, INDIANA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
NON-MAJOR AGENCY FUNDS
For The Year Ended December 31, 2004

	Allocated Expense Clearing	Payroll	Barrett Law Regular Waivered	Totals
Assets:				
Cash and cash equivalents - January 1, 2004	\$ -	\$ 6,337,254	\$ 4,412	\$ 6,341,666
Additions	1,419,849	124,440,073	1,237	125,861,159
Deductions	(1,419,849)	(127,116,627)	(3,251)	(128,539,727)
Cash and cash equivalents - December 31, 2004	-	3,660,700	2,398	3,663,098
Investments - January 1, 2004	-	-	5,000	5,000
Additions	-	-	10,000	10,000
Deductions	-	-	(10,000)	(10,000)
Investments - December 31, 2004	-	-	5,000	5,000
Other assets - January 1, 2004	66,297	49,627	-	115,924
Additions	315,692	33,112	-	348,804
Deductions	(330,636)	(67,949)	-	(398,585)
Other assets - December 31, 2004	51,353	14,790	-	66,143
Total assets - December 31, 2004	\$ 51,353	\$ 3,675,490	\$ 7,398	\$ 3,734,241
Liabilities:				
Payables - January 1, 2004	\$ 66,297	\$ 6,386,881	\$ 9,412	\$ 6,462,590
Additions	2,338,571	159,744,408	1,237	162,084,216
Deductions	(2,353,515)	(162,455,799)	(3,251)	(164,812,565)
Payables - December 31, 2004	51,353	3,675,490	7,398	3,734,241
Total liabilities - December 31, 2004	\$ 51,353	\$ 3,675,490	\$ 7,398	\$ 3,734,241

STATISTICAL SECTION



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CITY OF FORT WAYNE

General Government Expenditures by Function (A)

Last Ten Years

Departmental and Modified Accrual Basis

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Function:					
General Government	\$ 12,428,283	\$ 11,857,168	\$ 11,677,038	\$ 25,711,045	\$ 18,048,479
Public Safety	71,167,443	67,994,305	62,302,119	57,890,043	53,724,863
Highways, Streets, and Roads	20,435,369	20,842,092	18,867,710	18,012,598	18,832,618
Health	1,948,213	1,833,456	1,679,614	1,628,988	1,449,097
Sanitation	11,650	2,416	24,333	6,036,767	5,642,778
Culture and Recreation	17,818,095	16,148,620	16,183,009	12,903,351	11,988,866
Urban Redevelopment and Housing	8,176,225	3,092,572	3,578,450	3,581,177	4,122,015
Economic Opportunity	539,527	537,038	585,519	558,060	533,693
Economic Development	2,989,073	3,185,647	2,704,968	2,708,885	2,693,780
Capital Outlays	15,721,064	26,778,874	35,097,784	19,668,950	12,835,090
Debt Service	9,369,918	13,694,673	9,618,345	9,915,073	7,136,400
Total	\$ 160,604,860	\$ 165,966,861	\$ 162,318,889	\$ 158,614,937	\$ 137,007,679

	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
Function:					
General Government	\$ 19,640,378	\$ 16,711,810	\$ 19,000,840	\$ 16,645,427	\$ 15,000,758
Public Safety	51,545,285	52,038,539	48,019,327	43,277,723	38,610,125
Highways, Streets, and Roads	17,764,056	16,812,844	14,698,225	12,544,863	11,833,465
Health	1,265,809	1,200,994	1,156,904	1,077,111	1,022,734
Sanitation	5,244,475	5,324,887	4,813,290	4,342,236	4,150,169
Culture and Recreation	11,197,462	11,166,277	11,541,996	10,290,632	9,786,012
Urban Redevelopment and Housing	4,245,232	3,526,221	3,941,635	4,290,186	5,032,992
Economic Opportunity	514,742	457,458	387,937	363,883	435,367
Economic Development	3,232,323	3,217,895	3,400,491	2,986,801	2,875,385
Capital Outlays	12,767,823	10,068,841	12,963,624	10,700,800	18,461,481
Debt Service	5,999,313	5,292,573	6,616,092	6,338,469	6,609,774
Total	\$ 133,416,898	\$ 125,818,339	\$ 126,540,361	\$ 112,858,131	\$ 113,818,262

(A) Includes General, Special Revenue, Debt Service, and Capital Project Funds.

CITY OF FORT WAYNE

General Government Revenues by Function (A)

Last Ten Years

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Revenue Item:					
Taxes Based on Property	\$ 98,455,116	\$ 56,251,780	\$ 68,860,634	\$ 60,667,256	\$ 58,230,027
Taxes Based on Income	26,308,722	28,190,608	35,475,098	42,711,538	28,932,536
Licenses and Permits	2,518,200	2,512,925	2,355,775	2,376,153	2,243,689
Revolving Barrett Assessment	1,467,452	1,882,144	2,631,391	2,527,761	2,114,046
Intergovernmental Revenues	16,030,237	17,306,137	19,230,444	19,995,433	23,651,301
Charges for Services	8,934,918	9,556,261	9,827,560	16,516,981	15,841,217
Fines, Violations and Forfeits	1,835,584	1,776,651	1,684,280	1,315,150	1,361,492
Miscellaneous Revenues	5,478,327	8,380,963	4,810,585	6,883,953	8,311,837
Total	\$ 161,028,556	\$ 125,857,469	\$ 144,875,766	\$ 152,994,225	\$ 140,686,145

	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
Revenue Item:					
Taxes Based on Property	\$ 59,651,293	\$ 56,406,911	\$ 54,869,202	\$ 48,171,549	\$ 47,546,561
Taxes Based on Income	26,250,470	17,144,210	14,769,633	15,170,614	13,910,174
Licenses and Permits	2,189,976	1,949,428	1,659,642	1,673,773	1,696,860
Revolving Barrett Assessment	1,578,484	1,495,543	999,231	1,093,951	1,192,566
Intergovernmental Revenues	21,397,227	20,110,051	19,349,389	18,187,639	15,757,184
Charges for Services	14,828,674	13,792,941	16,851,986	15,356,919	15,178,210
Fines, Violations and Forfeits	1,234,866	1,341,878	1,100,203	947,996	797,931
Miscellaneous Revenues	7,254,937	6,053,295	8,538,116	8,714,223	11,678,396
Total	\$ 134,385,927	\$ 118,294,257	\$ 118,137,402	\$ 109,316,664	\$ 107,757,882

(A) Includes General, Special Revenue, Debt Service, and Capital Project Funds.

CITY OF FORT WAYNE

Tax Revenues by Source and Tax Base (A)

Last Ten Years

	2004	2003	2002	2001	2000
<u>Taxes Based on Property:</u>					
General Property Taxes (B)	\$ 90,767,526	\$ 47,977,202	\$ 60,762,061	\$ 53,055,807	\$ 51,365,910
Excise Tax	5,087,183	5,740,641	5,574,784	5,162,619	4,446,293
Wheel Tax	1,853,777	1,760,953	1,797,636	1,796,199	1,747,459
Financial Institutions Tax	746,630	772,984	726,151	652,631	670,365
Subtotal: Property Taxes	<u>\$ 98,455,116</u>	<u>\$ 56,251,780</u>	<u>\$ 68,860,631</u>	<u>\$ 60,667,256</u>	<u>\$ 58,230,027</u>
<u>Taxes Based on Income:</u>					
County Option Income Tax	\$ 10,478,580	\$ 10,703,146	\$ 13,438,524	\$ 17,548,884	\$ 11,263,966
County Econ. Dev. Income Tax (C)	15,830,142	17,487,462	22,036,574	25,162,654	17,668,570
Subtotal: Income Taxes	<u>\$ 26,308,722</u>	<u>\$ 28,190,608</u>	<u>\$ 35,475,098</u>	<u>\$ 42,711,538</u>	<u>\$ 28,932,536</u>
<u>Taxes Based on Consumption:</u>					
No existing consumption taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	<u>\$ 124,763,838</u>	<u>\$ 84,442,388</u>	<u>\$ 104,335,728</u>	<u>\$ 103,378,794</u>	<u>\$ 87,162,563</u>

Percent of Total by Tax Base:

Property	78.91%	66.62%	66.00%	58.68%	66.81%
Income	21.09%	33.38%	34.00%	41.32%	33.19%
Consumption	0.00%	0.00%	0.00%	0.00%	0.00%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

	1999	1998	1997	1996	1995
<u>Taxes Based on Property:</u>					
General Property Taxes (B)	\$ 52,455,541	\$ 49,436,025	\$ 49,059,032	\$ 42,694,048	\$ 42,002,121
Excise Tax	4,640,148	4,583,120	3,491,463	3,147,315	3,440,134
Wheel Tax	1,832,232	1,685,152	1,591,252	1,596,429	1,400,203
Financial Institutions Tax	723,372	702,614	727,455	733,757	704,103
Subtotal: Property Taxes	<u>\$ 59,651,293</u>	<u>\$ 56,406,911</u>	<u>\$ 54,869,202</u>	<u>\$ 48,171,549</u>	<u>\$ 47,546,561</u>
<u>Taxes Based on Income:</u>					
County Option Income Tax	\$ 10,303,279	\$ 9,871,928	\$ 8,076,933	\$ 8,970,603	\$ 8,894,182
County Econ. Dev. Income Tax (C)	15,947,191	7,272,282	6,692,700	6,200,011	5,015,992
Subtotal: Income Taxes	<u>\$ 26,250,470</u>	<u>\$ 17,144,210</u>	<u>\$ 14,769,633</u>	<u>\$ 15,170,614</u>	<u>\$ 13,910,174</u>
<u>Taxes Based on Consumption:</u>					
No existing consumption taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	<u>\$ 85,901,763</u>	<u>\$ 73,551,121</u>	<u>\$ 69,638,835</u>	<u>\$ 63,342,163</u>	<u>\$ 61,456,735</u>
<u>Percent of Total by Tax Base:</u>					
Property	69.44%	76.69%	78.79%	76.05%	77.37%
Income	30.56%	23.31%	21.21%	23.95%	22.63%
Consumption	0.00%	0.00%	0.00%	0.00%	0.00%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

(A) Includes General, Special Revenue, Debt Service, Capital Project, and Expandable Trust Funds; does not include taxes supporting Pension Funds.

(B) Includes taxes on both real and personal property.

(C) The first revenue from the County Economic Development Income Tax was received in June of 1994. The tax was effective July 01, 1993.

City of Fort Wayne

Allen County

Property Tax Levies and Collections

Last Ten Years (A)

<u>Tax Collections Measurement:</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Total Tax Levy	\$ 392,189,991	\$ 352,474,267	\$ 343,127,157	\$ 308,115,752	\$ 300,888,833
Current Tax Collections	\$ 377,612,575	\$ 341,253,361	\$ 324,143,475	\$ 306,771,546	\$ 297,308,400
Percent of Levy Collected	96.28%	96.82%	94.47%	99.56%	98.81%
Delinquent Tax Collections (A)	\$ 4,320,258	\$ 10,779,907	\$ 10,442,943	\$ 11,186,590	\$ 11,253,948
Total Tax Collections	\$ 381,932,833	\$ 352,033,268	\$ 334,586,418	\$ 317,958,136	\$ 308,562,348
Percent of Total Tax Collections to Levy	97.38%	99.87%	97.51%	103.19%	102.55%
Outstanding Delinquent Taxes	\$ 22,056,911	\$ 14,866,299	\$ 16,300,389	\$ 13,378,002	\$ 13,119,784
Percent of Delinquent Taxes to Levy	5.62%	4.22%	4.75%	4.34%	4.36%

<u>Tax Collections Measurement:</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
Total Tax Levy	\$ 298,675,890	\$ 290,175,549	\$ 279,745,476	\$ 267,705,753	\$ 244,854,049
Current Tax Collections	\$ 291,497,902	\$ 287,919,723	\$ 276,816,607	\$ 255,058,209	\$ 238,631,064
Percent of Levy Collected	97.60%	99.22%	98.95%	95.28%	97.46%
Delinquent Tax Collections (A)	\$ 9,043,097	\$ 8,448,399	\$ 10,755,978	\$ 8,069,516	\$ 8,902,255
Total Tax Collections	\$ 300,540,999	\$ 296,368,122	\$ 287,572,585	\$ 263,127,725	\$ 247,533,319
Percent of Total Tax Collections to Levy	100.62%	102.13%	102.80%	98.29%	101.09%
Outstanding Delinquent Taxes	\$ 13,339,890	\$ 11,020,067	\$ 10,358,645	\$ 11,910,180	\$ 9,944,084
Percent of Delinquent Taxes to Levy	4.47%	3.80%	3.70%	4.45%	4.06%

(A) The City of Fort Wayne does not maintain records of tax delinquencies. All taxes are collected and distributed by the Allen County Auditor.

City of Fort Wayne

Assessed and Estimated Actual Value of Taxable Property

Last Ten Years

<u>Year (A)</u>	<u>Assessed Valuation (B)</u>	<u>Estimated Actual Value (C)</u>	<u>Percent Increase (D)</u>
2004	\$ 7,913,564,614	\$ 7,913,564,614	6.49%
2003	7,431,358,261	7,431,358,261	32.55%
2002	5,606,420,503	5,606,420,503	8.32%
2001	1,725,238,130	5,175,714,390	1.13%
2000	1,705,890,178	5,117,670,534	1.75%
1999	1,676,552,465	5,029,657,395	5.59%
1998	1,587,789,669	4,763,369,007	1.03%
1997	1,571,566,717	4,714,700,151	1.27%
1996	1,551,795,557	4,655,386,671	15.64%
1995	1,341,957,173	4,025,871,519	0.16%

Average Annual Rate of Increase

7.80%

- (A) A reassessment was completed in 1989 that is reflected in the value for 1995.
A reassessment was completed in 1995 that is reflected in the values for 1996 - 2002.
A reassessment was completed in 2002 that is reflected in the values for 2003 - 2004.
- (B) Assessed values for personal property are updated annually.
- (C) For the years 1995 - 2001, actual value is estimated at 3 times assessed value. For the years 2002 - 2004, assessed value reflects actual value.
- (D) Change in assessed valuation.

City of Fort Wayne

Property Tax Rates and Tax Levies Direct Overlapping Governments

Last Ten Years

Fort Wayne	2004	2003	2002	2001	2000 (C)
Rates per \$100 of assessed valuation (A):					
City of Fort Wayne (B)	\$ 0.9421	\$ 0.8846	\$ 1.1100	\$ 3.3301	\$ 3.3303
Municipal corporations	0.2007	0.2026	0.2658	0.6503	0.6465
School districts	1.4306	1.2566	1.6064	4.7796	4.7739
Allen County	0.4746	0.4229	0.5685	1.7948	1.6881
State of Indiana	0.0223	0.0224	0.0292	0.0881	0.0879
Townships and other	0.0747	0.0757	0.0966	0.3192	0.3393
Totals	\$ 3.1450	\$ 2.8648	\$ 3.6765	\$ 10.9621	\$ 10.8660
Property Tax Dollar Levies:					
City of Fort Wayne	\$ 74,553,692	\$ 65,737,795	\$ 62,231,268	\$ 57,452,155	\$ 56,811,261
Municipal corporations	15,882,524	15,055,932	14,901,866	11,219,224	11,028,580
School districts	113,211,455	93,382,448	90,061,539	82,459,482	81,437,491
Allen County	37,557,778	31,427,214	31,872,501	30,964,574	28,797,132
State of Indiana	1,764,725	1,664,624	1,637,075	1,519,935	1,499,477
Townships and other	5,911,433	5,625,538	5,415,802	5,506,960	5,788,085
Totals	\$ 248,881,607	\$ 212,893,551	\$ 206,120,050	\$ 189,122,329	\$ 185,362,027
Fort Wayne					
	1999	1998	1997	1996	1995
Rates per \$100 of assessed valuation (A):					
City of Fort Wayne (B)	\$ 3.3459	\$ 3.3484	\$ 3.2898	\$ 2.9798	\$ 3.2962
Municipal corporations	0.6429	0.6453	0.6198	0.5964	0.6278
School districts	4.7493	4.8661	5.0260	5.0107	5.1271
Allen County	1.7122	1.6130	1.1501	1.0833	1.4255
State of Indiana	0.1600	0.1577	0.6113	0.6117	0.1535
Townships and other	0.3014	0.2461	0.2317	0.2196	0.3358
Totals	\$ 10.9117	\$ 10.8766	\$ 10.9287	\$ 10.5015	\$ 10.9659
Property Tax Dollar Levies:					
City of Fort Wayne	\$ 56,095,769	\$ 52,416,662	\$ 51,304,147	\$ 46,134,931	\$ 44,122,186
Municipal corporations	10,778,556	10,818,793	9,740,571	9,254,909	8,424,807
School districts	79,624,506	81,582,719	78,986,943	77,755,820	68,803,486
Allen County	28,705,931	27,042,791	18,074,589	16,810,601	19,129,600
State of Indiana	2,682,484	2,643,923	9,606,987	9,492,333	2,059,904
Townships and other	5,053,129	4,125,996	3,641,320	3,407,743	4,506,292
Totals	\$ 182,940,375	\$ 178,630,885	\$ 171,354,557	\$ 162,856,337	\$ 147,046,275

(A) Municipal corporations, school districts, and townships and other figures used represent citywide averages.

Sources: Allen County Auditor's Office and the various governmental units.

(B) Obtained from the Budget Order from Fort Wayne Civil City.

(C) 2000 Property Tax Dollar Levies numbers were based off of an incorrect assessed value. Corrected in 2001.

Note: Assessed value

From: published rates for Wayne Township

City of Fort Wayne

**Ratio of Net General Bonded Debt to Assessed Value
And Net Debt Per Capita**

Last Ten Years

Civil City:

Fiscal Year	Population (B)	Assessed Value (A)	Gross General Obligation Debt	Less: Funds Restricted for Debt Service	Net General Obligation Debt	Ratio of Net Debt to Assessed Value	Net Debt per Capita
2004	221,479	\$ 7,913,564,614	\$ 25,230,000	\$ 4,740,000	\$ 20,490,000	0.26%	93
2003	220,486	7,431,358,261	30,350,000	6,320,913	24,029,087	0.32%	109
2002*	210,439	5,606,420,503	39,270,000	4,620,000	34,650,000	0.62%	165
2001*	210,393	1,725,238,130	28,495,000	3,340,000	25,155,000	1.46%	120
2000	205,727	1,705,890,178	14,650,000	2,655,000	11,995,000	0.70%	58
1999	195,680	1,676,552,465	17,920,000	3,270,000	14,650,000	0.87%	75
1998	195,680	1,587,789,669	9,380,000	3,475,000	5,905,000	0.37%	30
1997	195,680	1,571,566,717	12,690,000	3,310,000	9,380,000	0.60%	48
1996	195,680	1,551,795,557	16,985,000	4,295,000	12,690,000	0.82%	65
1995	191,839	1,341,957,173	20,325,000	3,340,000	16,985,000	1.27%	89

Park District:

Fiscal Year	Population (B)	Assessed Value (A)	Gross General Obligation Debt	Less: Funds Restricted for Debt Service	Net General Obligation Debt	Ratio of Net Debt to Assessed Value	Net Debt per Capita
2004	221,479	\$ 7,764,795,494	\$ 3,850,000	\$ 180,000	\$ 3,670,000	0.05%	17
2003	220,486	7,280,831,511	6,570,000	1,725,000	4,845,000	0.07%	22
2002*	210,439	5,467,405,614	7,835,000	1,265,000	6,570,000	0.12%	31
2001*	210,393	1,682,168,100	8,985,000	1,150,000	7,835,000	0.47%	37
2000	205,727	1,660,970,898	10,050,000	1,065,000	8,985,000	0.54%	44
1999	195,680	1,628,633,810	10,900,000	850,000	10,050,000	0.62%	51
1998	195,680	1,541,575,731	7,175,000	775,000	6,400,000	0.42%	33
1997	195,680	1,534,982,864	7,875,000	700,000	7,175,000	0.47%	37
1996	195,680	1,516,019,426	8,525,000	650,000	7,875,000	0.52%	40
1995	191,839	1,324,131,993	8,950,000	425,000	8,525,000	0.64%	44

Redevelopment District: (C)

Fiscal Year	Population (B)	Assessed Value (A)	Gross General Obligation Debt	Less: Funds Restricted for Debt Service	Net General Obligation Debt	Ratio of Net Debt to Assessed Value	Net Debt per Capita
2004	221,479	\$ 7,915,644,014	\$ 4,870,000	\$ 815,000	\$ 4,055,000	0.05%	18
2003	220,486	7,431,358,261	5,620,000	-	5,620,000	0.08%	25
2002*	210,439	5,606,420,503	6,315,000	-	6,315,000	0.11%	30
2001*	210,393	1,725,238,130	7,755,000	-	7,755,000	0.45%	37
2000	205,727	1,705,890,178	10,390,000	-	10,390,000	0.61%	51
1999	195,680	1,676,552,465	-	-	-	0.00%	-
1998	195,680	1,587,789,669	-	-	-	0.00%	-
1997	195,680	1,571,566,717	-	-	-	0.00%	-
1996	195,680	1,551,795,557	360,000	360,000	-	0.00%	-
1995	191,839	1,341,957,173	690,000	330,000	360,000	0.03%	2

Totals:

Fiscal Year	Population (B)	Assessed Value (A)	Gross General Obligation Debt	Less: Funds Restricted for Debt Service	Net General Obligation Debt	Ratio of Net Debt to Assessed Value	Net Debt per Capita
2004	221,479	\$ 23,594,004,122	\$ 33,950,000	\$ 5,735,000	\$ 28,215,000	0.12%	127
2003	220,486	22,143,548,033	42,540,000	8,045,913	34,494,087	0.16%	156
2002*	210,439	16,680,246,620	53,420,000	5,885,000	47,535,000	0.28%	226
2001*	210,393	5,132,644,360	45,235,000	4,490,000	40,745,000	0.79%	194
2000	205,727	5,072,751,254	35,090,000	3,720,000	31,370,000	0.62%	152
1999	195,680	4,981,738,740	28,820,000	4,120,000	24,700,000	0.50%	126
1998	195,680	4,717,155,069	16,555,000	4,250,000	12,305,000	0.26%	63
1997	195,680	4,678,116,298	20,565,000	4,010,000	16,555,000	0.35%	85
1996	195,680	4,619,610,540	25,870,000	5,305,000	20,565,000	0.45%	105
1995	191,839	4,008,046,339	29,965,000	4,095,000	25,870,000	0.65%	135

* Revised from previous years

(A) The assessed value for real property for 1995 represent 1989 values. A reassessment was completed in 1995 that is reflected in values for 1996 - 2002. Another reassessment was completed in 2002 that is reflected in the values for 2003 - 2004. Beginning in 2002, property tax rates are calculated using the new assessed valuation. To compare with past property rates, (prior to 2002), multiply rates by 3.

(B) Population numbers for years 2001 through 2004 were derived from the 2000 census. The increases in 1995, 1996, and 2001 through 2004 were the result of additions due to annexations.

(C) Redevelopment does not include TIF bonds.

**City of Fort Wayne
Direct and Overlapping Bonded Debt and Bonding Limit
At December 31, 2004 (1) (8)**

Governmental Unit	Net Assessed Valuation/Adjusted Value (5) (a)	Bonding Limit [(a/3)*b=d]		Amount (d)	Bonds Outstanding
		Percent (b)			
DIRECT DEBT:					
City of Fort Wayne	\$ 7,913,564,614	(3)	2.00%	\$ 52,757,097	\$ 25,230,000
Park District	\$ 7,764,795,494		2.00%	\$ 51,765,303	\$ 3,850,000
Redevelopment District General Obligation	\$ 7,915,644,014	(7)	2.00%	\$ 52,770,960	\$ 4,870,000
Total General Obligation Debt	\$ 23,594,004,122			\$ 157,293,361	\$ 33,950,000
OVERLAPPING DEBT:					
Municipal Corporations:					
Airport Authority	\$ 14,211,493,429		2.00%	\$ 94,743,290	\$ -
Allen County Public Library	\$ 14,211,493,429	(4)	2.00%	\$ 139,757,154	\$ 75,555,000
Public Transportation Corporation	\$ 8,287,059,779		2.00%	\$ 55,247,065	\$ -
Fort Wayne Fire District	\$ 7,725,304,264	(2)	2.00%	\$ 51,502,028	\$ -
Convention and Tourism Authority	\$ 14,211,493,429	(2)		\$ -	\$ -
Southwest Fire District	\$ 731,783,620		2.00%	\$ 4,878,557	\$ -
New Haven Park District	\$ 722,384,790		2.00%	\$ 4,815,899	\$ -
New Haven Annex	\$ -		2.00%	\$ -	\$ -
Total municipal corporations				\$ 350,943,993	\$ 75,555,000
Allen County	\$ 14,211,493,429	(6)	2.00%	\$ 184,026,320	\$ 108,704,030
School Districts:					
Southwest Allen School District	\$ 2,449,612,480	(4)	2.00%	\$ 126,735,750	\$ 110,405,000
East Allen School District	2,374,965,600	(4)	2.00%	84,253,104	68,420,000
Fort Wayne Community Schools	7,981,082,489	(4)	2.00%	171,953,573	118,746,356
Northwest Allen School District	1,405,832,860	(4)	2.00%	98,567,219	89,195,000
Total School Districts	\$ 14,211,493,429			\$ 481,509,646	\$ 386,766,356
Other Cities and Towns:					
Grabill	\$ 38,743,650		2.00%	\$ 258,291	\$ -
Huntertown	123,572,380		2.00%	823,816	-
Leo/Cedarville	111,131,670		2.00%	740,878	-
Monroeville	26,972,780		2.00%	179,819	-
New Haven	505,121,400	(4)	2.00%	7,627,476	4,260,000
Woodburn	32,220,630		2.00%	214,804	20,000
Zanesville	3,094,150		2.00%	20,628	-
Total Other Cities and Towns	\$ 840,856,660			\$ 9,865,711	\$ 4,280,000
Townships:					
Abote	\$ 2,142,041,430		2.00%	\$ 14,280,276	\$ 1,650,000.00
Adams	994,164,130	(4)	2.00%	6,627,761	-
Cedar Creek	483,706,390		2.00%	3,224,709	70,184
Eel River	157,459,830		2.00%	1,049,732	-
Jackson	43,906,550		2.00%	292,710	-
Jefferson	135,520,950		2.00%	903,473	-
Lafayette	307,571,050		2.00%	2,050,474	-
Lake	91,360,010		2.00%	609,067	-
Madison	82,361,250		2.00%	549,075	64,000
Marion	126,466,270		2.00%	843,108	-
Maumee	88,285,300		2.00%	588,569	145,000
Milan	206,052,910		2.00%	1,373,686	-
Monroe	65,739,750		2.00%	438,265	-
Perry	1,157,013,020		2.00%	7,713,420	-
Pleasant	216,031,120		2.00%	1,440,207	-
Scipio	22,237,880		2.00%	148,253	-
Springfield	143,688,610	(4)	2.00%	957,924	555,038
St. Joseph	2,264,401,784		2.00%	15,096,012	-
Washington	2,514,256,965		2.00%	16,761,713	-
Wayne	2,969,228,230		2.00%	19,794,855	-
Total Townships	\$ 14,211,493,429			\$ 94,743,289	\$ 2,484,222
Total Overlapping Debt					\$ 577,789,608
Total Direct and Overlapping Debt					\$ 611,739,608

- (1) Excludes all revenue bonds not payable from ad valorem property taxes.
- (2) No bonding authority.
- (3) 2% statutory limit on debt for Park Districts (included in the City of Fort Wayne). No limit on Redevelopment Districts for tax increment bonds.
- (4) The statutory 2% limit on the debt of a municipal corporation does not apply to any debt that is incurred by a building corporation for constructing facilities to be leased to a municipal corporation at a payment level that will at least cover the corporation's annual debt service requirement. The bonding limit shown is the sum of the statutory limit plus the outstanding building corporation debt.
- (5) The assessed valuation numbers represent amounts certified to the Department of Local Government Finance as of January 1, 2004. The adjusted value is determined by dividing the net assessed valuation by 3. Bonding limit is calculated by multiplying the adjusted value by 2%.
- (6) Includes debt payable from Food and Beverage Tax. The bonding limit shown is the sum of the statutory limit plus the outstanding debt payable by the Food and Beverage Tax.
- (7) Tax increment bonds are not payable from the full faith and credit of the Redevelopment District.
- (8) Source: Allen County Auditor's Office.

City of Fort Wayne
Computation of Legal Debt Margin (A)
At December 31, 2004

<u>Taxing District:</u>	<u>Assessed Value (B)</u>	<u>Adjusted Value (C)</u>	<u>Debt Limit Percentage</u>	<u>Debt Limit</u>	<u>Bonds Outstanding</u>	<u>Subtotal</u>	<u>Plus Amount Available in Debt Service Fund</u>	<u>Legal Debt Margin</u>
Civil City	\$ 7,913,564,614	\$ 2,637,854,871	2%	\$ 52,757,097	\$ 25,230,000	\$ 27,527,097	\$ 4,740,000	\$ 32,267,097
Redevelopment District	7,915,644,014	2,638,548,005	2%	52,770,960	4,870,000	47,900,960	815,000	48,715,960
Fire District	7,725,304,264	2,575,101,421	(D)	-	-	-	-	-
Park District	7,764,795,494	2,588,265,165	2%	51,765,303	3,850,000	47,915,303	180,000	48,095,303

- (A) Excludes revenue bonds not payable from ad valorem taxes.
- (B) Represents the March 1, 2003, Allen County Auditor's "certified abstract" assessment for taxes due and payable in 2004.
- (C) Adjusted value is determined by dividing the net assessed valuation by 3. Bonding limit is calculated by multiplying adjusted value by 2%.
- (D) The Fire District has no bonding authority under current Indiana statutes.

City of Fort Wayne
Ratio of Annual Debt Service Expenditures
For General Obligation Bonded Debt to
Total General Government Expenditures

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>(A) Total General Expenditures</u>	<u>Ratio of Debt Service to General Expenditures</u>
2004	\$ 3,960,000	\$ 597,958	\$ 4,557,958	\$ 160,604,860	2.84%
2003	2,420,000	738,641	3,158,641	159,311,888	1.98%
2002	3,025,000	888,609	3,913,609	162,318,889	2.41%
2001	4,115,000	1,185,837	5,300,837	158,614,937	3.34%
2000	1,890,000	963,715	2,853,715	137,007,679	2.08%
1999	1,855,000	1,127,248	2,982,248	133,416,898	2.24%
1998	1,515,000	1,260,227	2,775,227	125,818,339	2.21%
1997	2,890,000	1,454,198	4,344,198	126,540,361	3.43%
1996	2,420,000	1,641,653	4,061,653	112,858,131	3.60%
1995	1,955,000	1,458,136	3,413,136	113,818,262	3.00%
Average					2.79%

(A) Includes General, Special Revenue, Debt Service, Capital Project and Expendable Trust Funds.

City of Fort Wayne
Schedule of Water and Sewer Bond Requirements
Last Ten Years

Water Utility						
Year	(A)					
	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage	
		Principal	Interest	Total		
2004	\$ 7,314,764	\$ 2,130,000	\$ 515,373	\$ 2,645,373	277%	
2003	7,622,561	2,110,000	517,231	2,627,231	290%	
2002	9,276,697	2,955,000	552,035	3,507,035	265%	
2001	7,850,111	3,100,000	802,008	3,902,008	201%	
2000	8,463,854	2,965,000	944,823	3,909,823	216%	
1999	8,482,934	2,825,000	1,076,820	3,901,820	217%	
1998	7,966,310	2,620,000	1,194,105	3,814,105	209%	
1997	7,572,431	2,530,000	1,112,958	3,642,958	208%	
1996	7,906,188	2,235,000	1,069,278	3,304,278	239%	
1995	8,595,378	2,160,000	1,147,038	3,307,038	260%	
Averages					238%	

Wastewater Utility						
Year	(A)					
	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage	
		Principal	Interest	Total		
2004	\$ 13,968,738	\$ 4,966,886	\$ 4,713,613	\$ 9,680,499	144%	
2003	14,035,287	3,329,602	4,125,789	7,455,391	188%	
2002	16,384,085	3,128,349	3,420,113	6,548,462	250%	
2001	17,137,045	2,817,370	3,547,003	6,364,373	269%	
2000	11,019,040	2,641,537	3,759,929	6,401,466	172%	
1999	12,171,964	2,625,096	3,574,972	6,200,068	196%	
1998	11,090,699	1,617,371	2,827,557	4,444,928	250%	
1997	7,629,888	1,342,728	2,393,043	3,735,771	204%	
1996	5,732,254	1,621,792	2,123,830	3,745,622	153%	
1995	6,822,377	1,703,328	2,046,938	3,750,266	182%	
Averages					201%	

(A) Net revenue available for debt service includes operating revenues less operations and maintenance expenses and taxes plus interest income less contributions in lieu of property taxes.

City of Fort Wayne

Schedule of Largest Water and Wastewater Customers

Water Utility

<u>Customer</u>	<u>2004 (ccf) Consumption</u>	<u>2004 Revenues</u>	<u>Percent of Total Revenue</u>
NEW HAVEN MUNICIPAL	571,960	\$ 531,671	2.21%
GENERAL MOTORS	341,134	89,572	0.37%
CANTERBURY GREEN APARTMENTS	134,038	161,376	0.67%
DANA CORP	113,407	121,761	0.51%
EDY'S GRAND ICE CREAM	81,252	84,069	<u>0.35%</u>
Total percentage for 5 largest customers			<u><u>4.11%</u></u>

Wastewater Utility

<u>Customer</u>	<u>2004 (ccf) Consumption</u>	<u>2004 Revenues</u>	<u>Percent of Total Revenue</u>
CITY OF NEW HAVEN	812,045	\$ 699,854	2.47%
GENERAL MOTORS	307,021	598,015	2.11%
TOWN OF HUNTERTOWN	190,340	222,596	0.78%
LEO-CEDARVILLE RSD	186,899	206,909	0.73%
UTILITY CENTER - PINE VALLEY	154,902	326,235	<u>1.15%</u>
Total percentage for 5 largest customers			<u><u>7.23%</u></u>

City of Fort Wayne
Property Value, Construction, and Bank Deposits
Last Ten Years

Year	Residential Building Permits (1)		Commercial Building Permits		Total Fort Wayne Building Permits			Bank Deposits (2)	Property Value (3)
	Number of Permits Issued	Estimated Actual Property Value	Number of Permits Issued	Estimated Actual Property Value	Number of Permits Issued	Estimated Actual Property Value	Average Building Cost		
2004	3,009	\$ 58,427,331	903	\$ 225,720,791	3,912	\$ 284,148,122	\$ 72,635	\$ 7,913,564,614	
2003	3,155	62,421,375	901	138,998,988	4,056	201,420,363	49,660	7,431,358,261	
2002	3,574	56,753,294	860	108,893,593	4,434	165,646,887	37,358	7,431,358,261	
2001	1,311	58,877,225	768	133,508,576	2,079	192,385,801	92,538	5,606,420,503	
2000	1,063	37,691,939	803	172,513,485	1,866	210,205,424	112,650	5,175,714,390	
1999	1,154	38,118,701	802	124,687,545	1,956	162,806,246	83,234	5,117,670,534	
1998	1,296	42,625,925	871	117,243,151	2,167	159,869,076	73,774	5,029,657,395	
1997	1,142	39,320,748	834	139,253,329	1,961	179,574,077	91,573	4,714,700,151	
1996	1,131	27,001,399	732	80,182,861	1,863	107,184,260	57,533	4,655,386,671	
1995	1,166	32,550,317	817	94,159,976	1,983	126,710,293	63,898	4,025,871,519	

(1) Residential repair and wrecking permits not included. Source: Allen County Building Department.

(2) Source: Community Research Institute - Indiana University-Purdue University at Fort Wayne.

(3) Beginning in 2002, the property value is actual; the property value for 2001 and prior is estimated actual value, i.e., assessed valuation times three.

* This information is no longer available.

**City of Fort Wayne
Principal Taxpayers and Employers
December 31, 2004**

<u>Principal Taxpayers</u>	<u>Type of Business</u>	<u>2004 Net (A) Assessed Valuation</u>	<u>% of Total</u>
1.) GGP-Glenbrook LLC	Property Development	\$ 114,700,800	1.45%
2.) Verizon North Inc	Utility - Telecommunications	101,166,630	1.28%
3.) Indiana Michigan Power	Utility - Gas	63,286,620	0.80%
4.) Verizon Data Services	Utility - Telecommunications	56,070,360	0.71%
5.) Regency Canterbruy	Property Development	54,224,130	0.69%
6.) ITT Corp	Manufacturing	50,255,790	0.64%
7.) Sommerfeld Nicholas	Property Development	48,964,800	0.62%
8.) St. Joe Health System	Hospital	48,178,490	0.61%
9.) Dana Transmissions	Manufacturing - Automotive	46,659,840	0.59%
10.) Rose Edward Development	Property Development	45,113,890	0.57%
Total of Top Ten Taxpayers		<u>\$ 628,621,350</u>	<u>7.94%</u>

<u>Principal Employers</u>	<u>Type of Business</u>	<u>Employees</u>	<u>% of Total (B)</u>
1.) Parkview Health System	Not-for-profit Hospital	4,254	2.52%
2.) Fort Wayne Community Schools	School Corporation	3,445	2.04%
3.) Lutheran Health Network	Not-for-profit Hospital	2,889	1.71%
4.) General Motors Truck & Bus Group	Manufacturing-Automotive	2,847	1.69%
5.) Lincoln Financial Group	Insurance & Financial Services	2,000	1.19%
6.) Allen County Government	Government	1,993	1.18%
7.) City of Fort Wayne	Government	1,671	0.99%
8.) ITT Corp	Manufacturing	1,634	0.97%
9.) Shambaugh & Sons*	Construction	1,500	0.89%
10.) Sirva*	Transportation Logistics	1,500	0.89%
Total of Top Ten Employers		<u>23,733</u>	<u>14.06%</u>

* Tie

(A) Represents the net assessed valuations for taxes in 2003 and payable in 2004 within the corporation limits. Source: Allen County Auditor's Office

(B) Represents the percent of total employees within Allen County.
Source: Fort Wayne-Allen County Economic Development Alliance

**City of Fort Wayne and Allen County
Demographic Statistics (1)**

Allen County (2)		
<u>Year</u>	<u>Population</u>	<u>% Change</u>
1840	5,942	496.59%
1850	16,919	184.74%
1860	29,328	73.34%
1870	43,493	48.30%
1880	54,763	25.91%
1890	66,689	21.78%
1900	77,270	15.87%
1910	93,386	20.86%
1920	114,303	22.40%
1930	146,743	28.38%
1940	155,084	5.68%
1950	183,722	18.47%
1960	232,196	26.38%
1970	280,455	20.78%
1980	294,335	4.95%
1990	300,836	2.21%
2000	331,849	10.31%
2001*	335,159	1.00%
2002*	337,580	0.72%
2003*	340,396	0.83%
2004	342,168	0.52%

City of Fort Wayne (3)			
<u>Year</u>	<u>Population</u>	<u>% Change</u>	<u>% of County Population</u>
1840	2,080	693.33%	35.01%
1850	4,282	105.87%	25.31%
1860	10,388	142.60%	35.42%
1870	17,718	70.56%	40.74%
1880	26,880	51.71%	49.08%
1890	35,393	31.67%	53.07%
1900	45,115	27.47%	58.39%
1910	63,933	41.71%	68.46%
1920	86,549	35.37%	75.72%
1930	114,946	32.81%	78.33%
1940	118,410	3.01%	76.35%
1950	133,607	12.83%	72.72%
1960	161,776	21.08%	69.67%
1970	177,671	9.83%	63.35%
1980	172,196	-3.08%	58.50%
1990	172,986	0.46%	57.50%
2000	205,727	18.93%	61.99%
2001*	210,393	2.27%	62.77%
2002*	210,439	0.02%	62.34%
2003	220,486	4.77%	64.77%
2004	221,479	0.45%	64.73%

* Revised from previous years

- (1) Years 1840 through 2000 reflect official U.S. Census Bureau population figures.
- (2) 2001 through 2004 Allen County population figures are estimate provided by the U.S. Census Bureau on July 1st of the respective years.
- (3) 2003 and 2004 City of Fort Wayne population figures represent the 2000 census count of the population within the city's boundaries as of January 1, 2003 and 2004.

City of Fort Wayne

Schedule of Property and Liability Insurance in Force
At December 31, 2004

Type of Coverage	Name of Carrier	Policy Number	Policy Term	Coverage Description	Policy Limits	Deductible	Annual Premium/ Funding
1) General Liability (City ordinance mandates funding above actuarial recommendation)	Self-Insured	Self-Insured	Self-Insured	All General Liability; Public Official Errors and Omissions Coverage	None; only limited by state tort limit (A)	None	\$ 199,049
2) Workers Compensation (City ordinance mandates actuarially-based funding)	Self-Insured	Self-Insured	Self-Insured	All Workers Compensation Liability Coverage	None; only limited by state tort limit (A)	None	\$ 304,382
3) Workers Compensation Excess Liability	Safety National Casualty Co.	AGC7744IN	1/1/04-1/1/05	Statutory Workers Compensation Per Occurrence (in excess of)	\$ 250,000	None	\$ 53,777
4) Auto Liability (City ordinance mandates funding above actuarial recommendations)	Self-Insured	Self-Insured	Self-Insured	All Auto Liability; (including Medical, Bodily Injury, and Property Damage)	None; only limited by state tort limit (A)	None	\$ 267,534
5) Police Professional Liability (Funded under City self-insurance ordinance)	Self-Insured	Self-Insured	Self-Insured	All Police Professional Liability Coverage	None; only limited by state tort limit (A)	None	\$ 128,221
6) Property	Federal Ins. Co.	3533-39-45 CIN	7/14/04-7/14/05	Property-Bldgs & Contents Glass-Botanical Conservatory Computers-Other Entities Difference in Conditions	\$ 307,529 870,480 49,000 5,000,000	\$ 25,000 25,000 5,000 5,000	\$ 309,636
7) Commercial Property	Federal Ins. Co.	BIND103754	10/1/04-10/1/05	Property- 911 Communication			\$ 35,879
8) Auto Physical (Inland Marine)	Great American Ins.	IMP-609159922	7/14/04-7/13/05	Liability Limit Annual Aggregate (For losses greater than \$2,500)	5,000,000	25,000	\$ 53,025
9) Crime	The Hartford	36BPEAG7051	1/1/04-1/1/05	Public Employee Dishonesty	\$ 100,000	\$ 2,500	\$ 10,333
10) Zoo Animals	American Mortality Ins.	03-003419-Y	6/30/04 -6/30/05	Coverage by Schedule	\$ 100,000	\$ 2,500	\$ 2,975
11) Boiler & Machinery	Cincinnati Ins. Co.	BES-2659541	1/1/04-1/1/09	Limit per Accident	\$ 20,000,000	\$ 25,000	\$ 17,944
12) Flood Insurance	American Reliability Ins Co	79-007700	7/24/04-7/24/05	Building-Animal Control Contents	\$ 242,000 24,300	\$ 1,000 1,000	\$ 1,956
	American Reliability Ins Co	79-007694	7/24/04-7/24/05	Building-Fire Academy Contents	88,000 11,600	1,000 1,000	\$ 911
	American Reliability Ins Co	79-0007698	7/24/04-7/24/05	Building-Filtration Contents	242,000 220,500	1,000 1,000	\$ 4,229
	American Reliability Ins Co	79-007696	7/24/04-7/24/05	Building & Contents-WPC Plant Contents	242,000 220,500	1,000 1,000	\$ 4,229
13) Public Official Bonds (Statutorily Required Coverage)	The Cincinnati Ins. Co	B80438260	1/6/04-1/6/05	Deputy Mayor	\$ 30,000	None	\$ 138
		B80438263	1/1/04-1/1/05	City Controller	300,000	None	\$ 927
		B80438264	1/1/04-1/1/05	Barrett Law	30,000	None	\$ 138
14) Inland Marine - Scheduled Equipment	Federal Ins. Co.	0657-39-02 CIN	7/14/04-7/14/05	Scheduled equipment	\$ 8,170,468	\$ 1,000	\$ 37,430
15) Inland Marine- Garagekeepers Legal Liability	Federal Ins. Co.	0657-39-02 CIN	7/14/04-7/14/05	Commercial Garage Liability	\$ 300,000	\$ 250	\$ 4,200
Grand Total Premium/Self-Insured Funding							\$ 1,436,913
(A) Indiana tort liability limit for governmental units is \$300,000/occurrence and \$5,000,000/annual aggregate							

City of Fort Wayne
Combined Schedule of Bonds Payable
At December 31, 2004

	<u>Interest Rate</u>	<u>Due Dates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Annual Payments Range</u>	<u>Authorized and Issued</u>	<u>Matured</u>	<u>Outstanding</u>
General Obligation Bonds:								
Park District - 1999	5.6%- 6.05%	(1/1; 7/1)	10/01/99	07/01/19	180,000 - 360,000	\$ 4,500,000	\$ 650,000	\$ 3,850,000
Total General Obligation Bonds						\$ 4,500,000	\$ 650,000	\$ 3,850,000
Percentages							14.44%	85.56%
Tax Incremental Revenue Bonds:								
Redevelopmt District Refunding and Improvement Bonds of 1998	4.40%-6.45%	(2/1; 8/1)	03/12/98	02/01/10	270,000-1,020,000	\$ 8,580,000	\$ 3,710,000	\$ 4,870,000
Total Tax Incremental Revenue Bonds						\$ 8,580,000	\$ 3,710,000	\$ 4,870,000
Percentages							43.24%	56.76%
Special Obligation Bonds:								
Economic Development Income Tax Revenue of 1999	4.15% - 4.25%	(6/1; 12/1)	04/14/99	12/01/06	1,000,000 - 1,310,000	\$ 14,810,000	\$ 10,200,000	\$ 4,610,000
Economic Development Income Tax Revenue of 2001	4.0% - 4.25%	(6/1; 12/1)	03/21/01	12/01/10	920,000 - 1,170,000	16,500,000	4,010,000	12,490,000
Redevelopment District Revenue Bonds, Series 2002	3.5% - 4.25%	(6/1; 12/1)	04/01/02	12/01/12	435,000 - 595,000	10,225,000	2,095,000	8,130,000
Total Special Obligation Bonds:						\$ 41,535,000	\$ 16,305,000	\$ 25,230,000
Percentages							39.26%	60.74%
First Mortgage Bonds:								
2000A First Mortgage Bonds	4.75%	(1/15; 7/15)	8/10/2000	01/15/10	250,000 - 325,000	\$ 2,400,000	\$ 690,000	\$ 1,710,000
2002 First Mortgage Bonds- Transportation Bldg Project	3.4% - 4.7%	(1/1; 7/1)	5/15/2002	01/01/12	95,000 - 125,000	1,035,000	180,000	855,000
2003 First Mortgage Refunding Bonds	3.0%-4.0%	(1/1;7/1)	1/1/2003	01/15/08	1,250,000-1,400,000	6,555,000	1,250,000	5,305,000
Total First Mortgage Bonds:						\$ 9,990,000	\$ 2,120,000	\$ 7,870,000
Percentages							21.22%	78.78%
Revenue Bonds:								
Civic Center Parking Garage - 1979	7.25%	(1/1; 7/1)	07/01/80	01/01/06	75,000 - 85,000	\$ 1,000,000	\$ 840,000	\$ 160,000
Sewage - Issue of 1985	9.63%	(2/1; 8/1)	12/01/85	08/01/05	1,557,500	18,096,275	16,538,775	1,557,500
Water - Issue of 1997	4.6% - 4.75%	(6/1;12/1)	07/01/97	12/01/11	495,000 - 680,000	7,100,000	3,030,000	4,070,000
Sewage - Issue of 1998	4.4% - 5%	(2/1;8/1)	03/01/98	08/01/12	690,000 - 975,000	10,640,000	4,060,000	6,580,000
Sewage - Issue of 1998	4% - 4.5%	(2/1;8/1)	12/01/98	08/01/12	1,140,000 - 1,535,000	16,760,000	6,170,000	10,590,000
Parking Garage Addition - 2001	4.06% - 5.59%	(1/1; 7/1)	07/01/01	01/15/21	65,000 - 140,000	1,700,000	60,000	1,640,000
Water - Refunding Issue of 2002	3%	(6/1; 12/1)	09/26/02	12/01/06	1,150,000 - 1,260,000	5,220,000	2,810,000	2,410,000
Sewage - Refunding Issue of 2002	3.5% - 5.5%	(2/1; 8/1)	05/30/02	08/01/17	755,000 - 1,845,000	19,080,000	2,370,000	16,710,000
Sewage Works Junior - Issued 2002	3.0% - 4.55%	(2/1; 8/1)	12/01/02	08/01/17	315,000 - 500,000	5,750,000	615,000	5,135,000
Water Works - Issue of 2003	2.0%-4.25%	(6/1;12/1)	04/01/03	12/01/17	320,000-505,000	5,800,000	615,000	5,185,000
Sewage Works Junior - Issued 2003	2.13%-3.80%	(2/1;8/1)	06/01/03	08/01/18	690,000-1,045,000	12,350,000	680,000	11,670,000
Total Revenue Bonds						\$ 103,496,275	\$ 37,788,775	\$ 65,707,500
Percentages							36.51%	63.49%
Total of All Bonds						\$ 168,101,275	\$ 60,573,775	\$ 107,527,500
Percentages							36.03%	63.97%



The City of Fort Wayne

One Main Street

Fort Wayne, Indiana 46802

(260) 427-1106