

City of Fort Wayne, Indiana

2006 Comprehensive Annual Financial Report

For the Year ended December 31, 2006



Graham A. Richard
Mayor

Patricia A. Roller, CPA
Controller

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**City of Fort Wayne, Indiana
Year Ended December 31, 2006**



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

**Karen C. Aiken
Deputy Controller**

**Valerie A. Ahr
Deputy Controller**

INTRODUCTION



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CITY OF FORT WAYNE

GRAHAM RICHARD, MAYOR

June 27, 2007

Dear Citizens:

I am pleased to present to you the 2006 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 black ink that reads "Graham A. Richard".

Graham A. Richard
Mayor

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CITY OF FORT WAYNE

GRAHAM RICHARD, MAYOR

June 27, 2007

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, 2006. This is the eighteenth CAFR prepared by the City's financial staff. The seventeen 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.

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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 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, 2006, is 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 250,086, Fort Wayne remains the second largest city in Indiana. 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 2006, over 80 economic development projects were announced that represent over \$200 million in new investment, the retention of over 10,000 jobs and the addition of over 1,100 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. Over the last six years, the Alliance has been responsible for marketing the county's assets, which include a high quality of life, existing commercial building sites and an outstanding workforce, to new and expanding businesses. Since its inception, the Alliance has been involved in over 140 projects that have retained over 13,000 jobs and created over 6,000 new jobs.

The Northeast Indiana Innovation Center (NIIC), a technology incubator, dedicated its new facility in the fall of 2005. Begun in 2001, in former Raytheon facilities, the NIIC has programs to assist the business entrepreneur as well as emerging technology businesses through business incubation, business counseling, and financing. In 2006, Solstice Medical, LLC, a provider of asset life cycle management and embedded radio frequency identification (RFID) solutions for the healthcare industry, established a product development office and a medical device lifecycle validation lab at the NIIC.

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. In 2006, Gainey Specialized Transportation, a company that was created as a result of the acquisition of the blanket wrap business unit of SIRVA North American Van Lines, broke ground on a new 2,900 square foot operations and driver support center on Kroemer Road just south of U.S. 30.

Major Initiatives

Since Mayor Graham Richard took office in 2000, he has worked to make the City of Fort Wayne a High Performance Government. Mayor Richard has implemented innovative business practices like Lean Six Sigma to reduce expenses and improve customer service in city government. Lean Six Sigma savings and cost avoidance currently total more than \$10 million.

Mayor Richard also strives to make Fort Wayne a wired and inspired city. City residents can now complete many transactions on-line instead of making a trip to the City-County Building. The City of Fort Wayne has been recognized by several national organizations for being one of the most technologically innovative governments in the nation.

Mayor Richard has championed the Fort Wayne Area Public Safety Academy, which is slated to open in November, 2007. The Public Safety Academy, which is to be located at the now thriving Southtown Centre in southeast Fort Wayne, will provide world-class training to public safety personnel from throughout northeast Indiana.

Mayor Richard is strongly committed to revitalizing and energizing downtown and near downtown Fort Wayne in order to create an environment that will attract private investment, improve the quality of life, and retain and increase the job base in this area. Three major projects currently in the works are:

1. The Harrison Square Project, which is a private-public venture that would create new opportunities to live, work, and enjoy the downtown community. (Refer to Note 18)
2. Renaissance Pointe, which is a near downtown development that includes plans for nearly 400 new homes, the revitalization of more than 100 existing homes, a greenway trail, and improved infrastructure.
3. The North River Project, which is a prime opportunity to develop a section of land just north of the city center into a multi-use place to further enhance the image of Fort Wayne as a family destination.

The City of Fort Wayne is committed to a fiscally conservative management of 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. The City will continue to wisely invest citizens' tax dollars.

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, 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 Indiana State Board of Accounts (SBA) conducts a financial audit of the City of Fort Wayne annually. 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.

Beginning with the 2005 audit, the financial statements of the City Utilities operations, including the Electric, Water, Water Pollution Control and Yard Waste Facility, enterprise funds, and the Stormwater special revenue fund are audited by the Indiana State Board of Accounts. Audits prior to 2005 for the City Utilities operations were conducted by independent accounting firms.

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 \$243 million.

Note 21 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 8 in the basic financial statements contains further detail of the City's risk management programs.

Cash Management

All cash temporarily idle in 2006 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 eighteenth published by the City of Fort Wayne. The 1989-2005 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 eighteenth 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
- Jeanne Cook**, Administrative Assistant to the Controller
- Mark Knepper**, Senior Financial Accountant
- Randy Rowe**, 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 team from 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

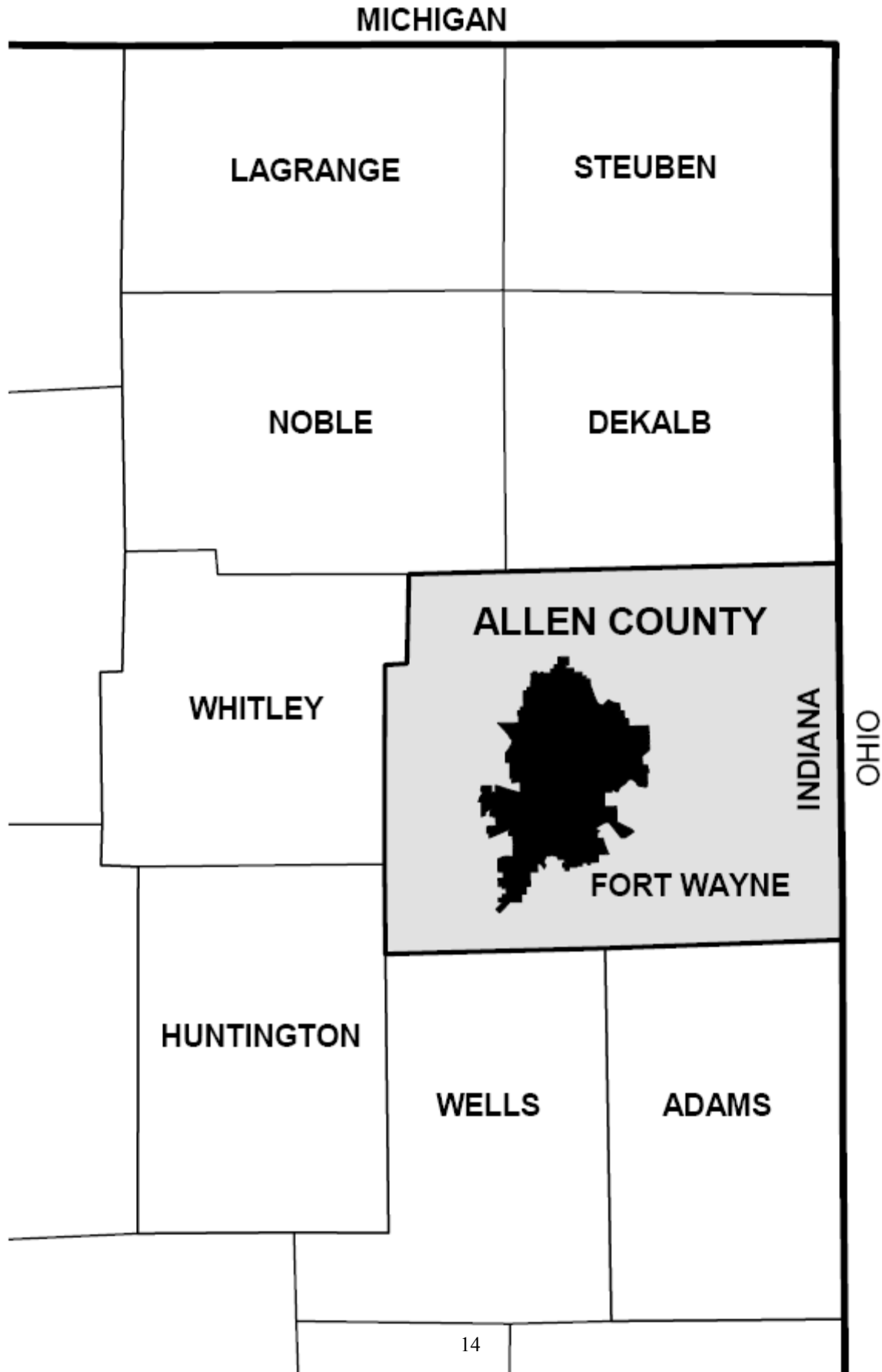


Karen Aiken
Deputy Controller

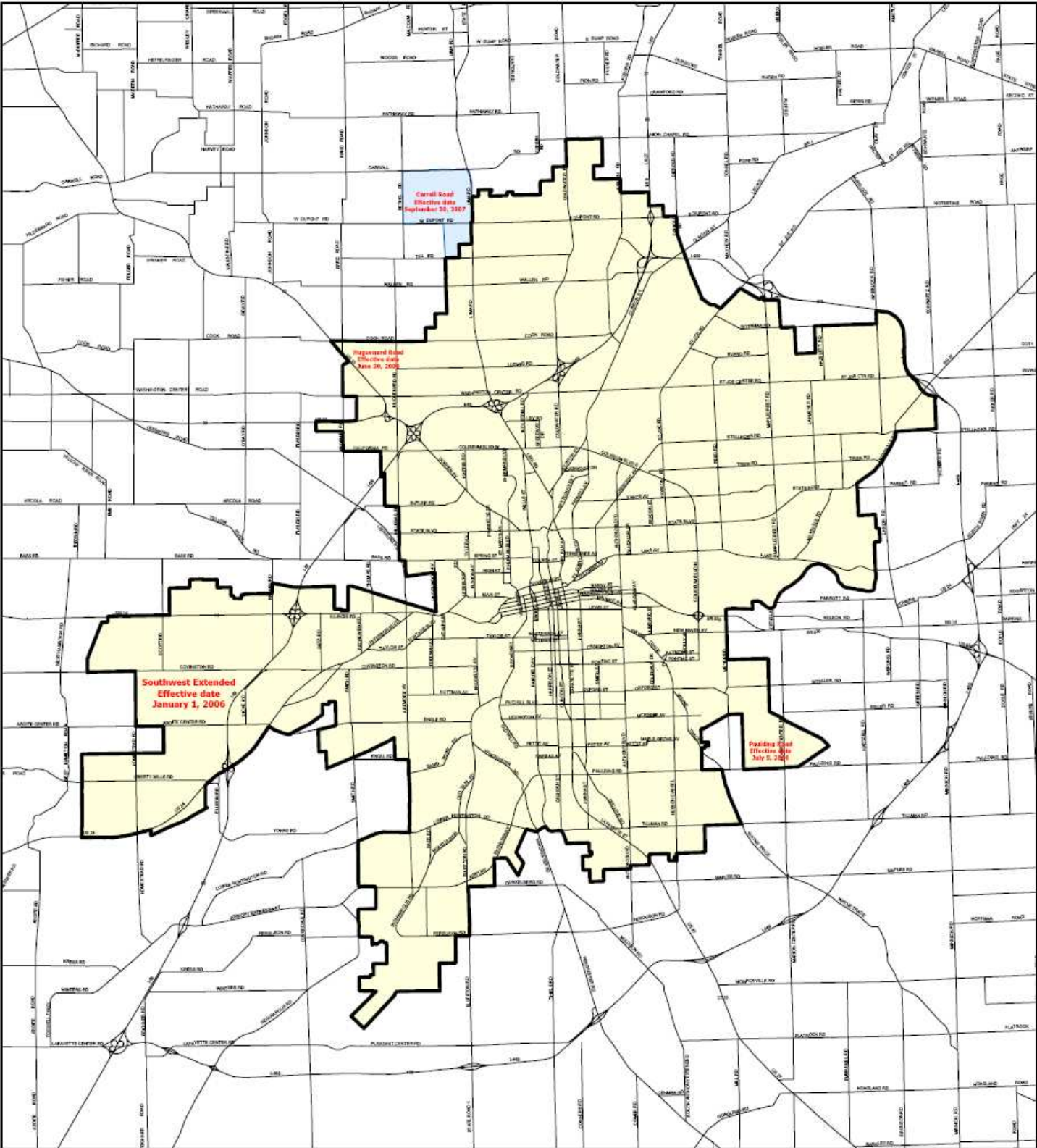
Midwest Locator Map



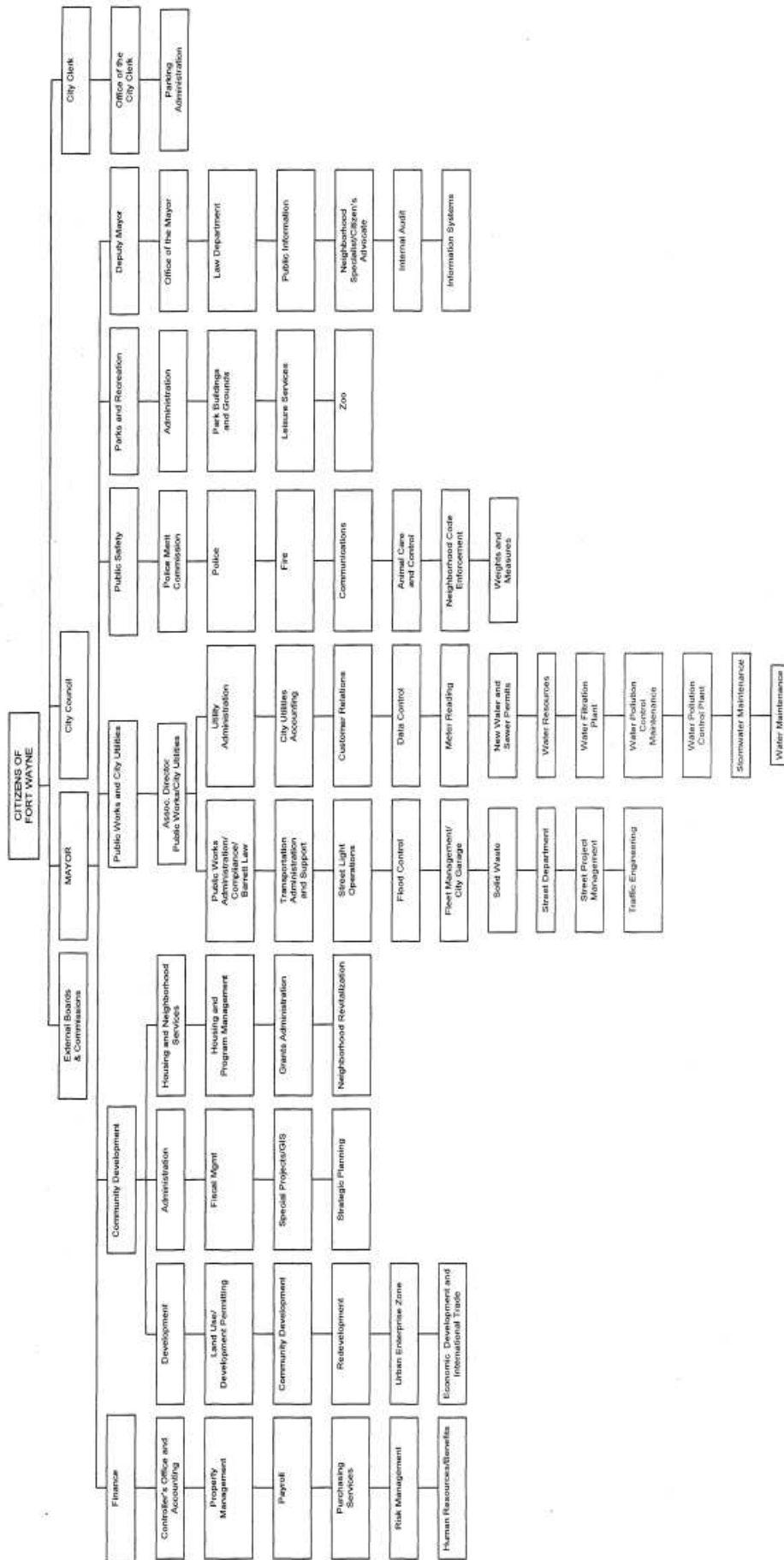
Northeast Indiana Locator Map



Fort Wayne Future/Recent Annexations



City of Fort Wayne
2008 Organization Chart



**CITY OF FORT WAYNE
LIST OF PRINCIPAL OFFICIALS
December 31, 2006**

<u>NAME</u>	<u>TITLE</u>	<u>YEARS OF SERVICE WITH CITY</u>
Elected Officials:		
Graham Richard	Mayor	7
Sandra E. Kennedy	City Clerk	27
Samuel J. Talarico, Jr.	Council Member	11
John N. Crawford	Council Member	11
Glynn A. Hines	Council Member	7
Thomas Smith	Council Member	10
Thomas E. Hayhurst	Council Member	10
Timothy M. Pape	Council Member	7
Donald J Schmidt	Council Member	36
John Shoaff	Council Member	3
Thomas Didier	Council Member	3
Division Directors:		
Mark Becker	Deputy Mayor	6
John Urbahns	Director of Community and Economic Development	8
Alvin R. Moll, Jr.	Director of Parks and Recreation	5
Greg Meszaros	Director of Utilities/ Director of Public Works	21
Russell York	Director of Public Safety	29
Timothy Davie	Director of Public Safety	25
Patricia A. Roller	Director of Finance and Administration	3
Tim Manges	City Attorney	7
Civil City Department Directors:		
Belinda Lewis	Animal Control - Manager	18
David Ross	City Engineer	17
Steve Smith	Communications - District Chief	27
Greg Leatherman	CD - Deputy Director of Development	8
Heather Presley	CD - Deputy Director of Housing & Neighborhood Services	13
Sherry Early-Aden	CD - OHNS Housing Program Administrator	
Pam Holocher	CD - Director of Planning	28
Greg Leatherman	CD - Executive Director of Redevelopment	8
Cheryl Schuster	CD/CDC - Manager	1
Clifford Clarke	Chief Technology Officer	2
Karen Aiken	Controller's Office - Deputy Controller	27
Valerie Ahr	Controller's Office - Deputy Controller	11
Timothy Davie	Fire Department - Chief	25
Larry Campbell	City Garage - Fleet Manager	4
Chlorella Davie	Human Resources Director	6
Lynn Trittipio	Internal Audit - Director	6
Gerald Foday	Metropolitan Human Relations - Director	6
Thomas Bandor	Neighborhood Code Enforcement - Administrator	22
Garry Morr	Parks & Recreation - Associate Director of Admin	14
Susan VanEvery	Payroll - Supervisor	19
Russell York	Police - Chief	29
Dan Brenner	Property Management - Manager	4
John Perlich	Public Information Office - Director	4

CITY OF FORT WAYNE
LIST OF PRINCIPAL OFFICIALS
December 31, 2006
(Continued)

<u>NAME</u>	<u>TITLE</u>	<u>YEARS OF SERVICE WITH CITY</u>
Civil City Department Directors continued:		
Bob Kennedy	Public Works - Associate Director	22
Jim Howard	Purchasing/Administrative Services - Director	6
Open	Redevelopment - Director	
Nancy McAfee	Risk Management - Manager	2
Matt Gratz	Solid Waste - Manager	8
Brad Baumgartner	Street Department - Director	26
Mario Trevino	Transportation Engineering Services - Director	27
Steve Davis	Traffic/Street Light Engineering & Traffic/Street Light Operations Director	23
Terry McCaffrey	Urban Enterprise Association - Business Development Specialist	9
Gary Brown	Weights & Measures - Inspector	4
City Utilities Department Directors:		
Steve Martin	City Utilities Accounting - General Accounting Manager	32
Maggie Fiedler	City Utilities Customer Svc - Manager	6
Sally Clem	City Utilities Data Control - Manager	14
Chet Shastri	Filtration Plant - Superintendent	15
Kevin Holle	GIS - Manager	21
Patrick Faherty	Meter Reading - Manager	13
Judy Black	New Water & Sewer Permits - Supervisor	25
Michael Thomson	Storm Planning & Design - Program Manager	16
Gary Merriman	Stormwater Maintenance - Assistant Superintendent	31
Greg Meszaros	Utility Administration - Director	21
Len Poehler	Utility Administration - Associate Director of Finance	3
Phil Giaquinta	Utility Services Manager	7
Ron Shepperd	Engineering Support Services	18
Mary Jane Slaton	Planning and Design Services	14
Jerry Schoenle	Water Maintenance/Service - Superintendent	36
Mark Gensic	Planning and Design Services - Manager	7
Jeffrey Morris	WPC Maintenance - Interim Superintendent	29
Cheryl Cronin	WPC Plant - Interim Superintendent	19

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 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 mission of the Finance & Administration Division is to ensure the financial stability for the City of Fort Wayne. The departments within this division include the Controllers Office, Payroll, Risk Management, Purchasing and Property Management.

The Division is also responsible for: the annual budget; proper financial controls to ensure the City's financial transactions and assets are reported accurately; as well as providing financial analysis for management decision making including guidance for delivery of efficient, cost effective government services.

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

Vision Statement

"To foster a vibrant, prosperous and growing Fort Wayne through extraordinary community development."

Mission Statement

"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 three Deputy Directors oversee the nine departments comprising this division: Fiscal Management, Special Projects/GIS, Strategic Planning, the Community Development Corporation of Northeast Indiana, Redevelopment, Land Use Management and Development Permits, Housing Programs, Grants Administration, and Neighborhood Revitalization.

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.

Deputy Director of Planning, Policy and Operations

Working under the Division Director, this Director oversees the implementation of integrated strategic and operational planning initiatives that enhance development opportunities and efficiencies for the City of Fort Wayne. The Deputy Director oversees the daily operations of the division and the following departments:

Fiscal Management

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.

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.

Deputy Director of Development

Working under the Division Director, this Director oversees the implementation of an aggressive development partnership between the public and private sectors. The Deputy Director 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.

Redevelopment

The Redevelopment Department in conjunction with the Redevelopment Commission, promotes and implements opportunity projects, acting as a catalyst to develop 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.

Land Use Management and Development Permits

The Land Use Management and Development Permits 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.

The Deputy Director of Housing and Neighborhood Services

Working under the Division Director, this Director oversees the implementation of initiatives to attract and support housing investment and reinvestment in the City to promote community development and expand access to desirable housing. The Deputy Director oversees the strategic investment of public funds in neighborhood revitalization-oriented projects and programs which leverage significantly higher levels of private investment through the following departments:

HANDS

A not-for-profit Corporation organized under chapter 246 of the Indiana Acts of 1921. HANDS is a quasi-public Corporation of the city.

Housing Programs administers the City's Home Investment Partnerships Act (HOME) Program from the federal department of Housing and Urban Development (HUD).

Grants Administration administers the City's Community Development Block Grant (CDBG) and Emergency Shelter Grant (ESG) programs from the federal department of Housing and Urban Development (HUD).

Neighborhood Revitalization plans, coordinates and directs the City's neighborhood revitalization implementation program and ancillary projects.

All departments coordinate and collaborate to carry out activities in order to:

- Provide technical services and other consultant services and assistance to profit and nonprofit developers
- To serve as interim sponsor-developer/mortgagor of new or rehabilitated housing units
- To provide financial and technical assistance to owners and purchasers of real property for the purchase, restoration, reconstruction, rehabilitation and improvement of real property
- To promote, assist and fund special purpose programs, including homeownership counseling, maintenance and family budget counseling, for the strengthening of family stability, neighborhood conservation, and to combat neighborhood and community deterioration
- To foster and promote the rehabilitation of residential and mixed use properties;
- To promote the establishment of local housing sponsor, development and management organizations
- To promote education, training and counseling programs in residential housing construction and management skills for sponsors of housing, and for other persons now unskilled or semiskilled, presently employed or underemployed with emphasis on expanding employment opportunities in the home building and construction industries
- To promote responsible ownership, management and entrepreneurship in the contracting and contracting residential housing construction industry, with emphasis upon developing ownership ventures in urban areas, owned and operated by local residents
- To promote proven and innovative techniques, programs and attempts by private industry, financial institutions and others to design, construct, remodel and rehabilitate and finance housing of long-term durability.

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; as well as 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

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

Buildings and Grounds 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. Park Planning and Design is also administered here.

Leisure Services

Leisure Services 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.

Fort Wayne Children's Zoo

The Fort Wayne Children's Zoo and the Diehm Museum of Natural History are operated under our operating agreement between the Fort Wayne Parks and Recreation Division and the Zoological Society.

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





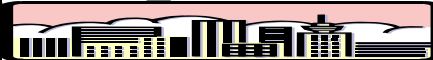
The Department of Neighborhood Code Enforcement is responsible for enforcing Fort Wayne's Minimum Housing Code, Zoning, Weed and Abandoned Vehicle Ordinances. Neighborhood Code Enforcement actively seeks to recover the costs of boardings, demolitions, and clean-ups from property owners.






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, 2006

Date Founded	October 22, 1794
Date of Incorporation	February 22, 1840
Population	250,086
Area in Square Miles	109.00
Miles of Streets	1,130.37
Number of Street Lights	32,594 
Miles of Water lines	1,005
Miles of Sewer/Stormwater Mains	1,685
Number of City Employees	1,920
Labor Statistics: (December '06)	
Fort Wayne Metropolitan Service Area - Allen	
Labor Force	219,014
Employed	209,018
Unemployed	9,996
Unemployment Rate	5.4
Building Permits for Ft Wayne & Allen County - Dec.'06	
	2005 2006
Total New Construction - Number of Permits	1,816 1,171
- Estimated Assessed Value	\$149,089,280 \$111,450,481
Total Construction Permits - Number of Permits	5,068 4,486
- Estimated Assessed Value	\$203,448,143 \$183,211,065
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, Chicago Fort Wayne Eastern Railroad 
Motor Carriers	38 
Public Transportation Route	12
Taxi Service	3 cab companies, 10 limousine companies
Bank Holding Companies	3
Banks/Finance Companies	42
Credit Unions	22
Museums	8
Media	2 monthly, 2 weekly, 2 daily newspapers; 8 TV stations; 14 cable & satellite systems, 19 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 2,625 acres, including: 18 rental pavilions, 13 open shelters (not reserved), 1 ice arena, 3 public/18 hole golf courses, 2 Frisbee golf courses, 21 soccer fields, 1 skateboard rink, 38 baseball/softball diamonds, 4 swimming pools, 1 Spray park, 1 campground, 1 ice arena 16 tennis courts, 26 basketball courts, 1 outdoor theater Solomon Farm Learning Ctr., The Old Fort
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., Comcast
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 Nat'l 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:		\$3.4662** per \$100 assessed value - 2005 pay (Fort Wayne - Wayne Township) 2006; City's portion is \$1.0795
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 (1,444 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, 2005

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.



President

Executive Director

FINANCIAL SECTION



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, 2006, 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 two of the five discretely presented component units, Fort Wayne Urban Enterprise Association Inc. and Fort Wayne-Allen County Convention and Tourism Authority, which represent 62.71 percent and 99.99 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 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 of America 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, 2006, 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 of America.

The Management's Discussion and Analysis, Budgetary Comparison Schedules (General and Major Special Revenue funds), Modified Approach Schedules, Schedules of Funding Progress, and Schedules of Contributions From the Employer and Other Contributing Entities 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. 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 June 27, 2007, on our consideration of the City's internal control structure and a report dated June 27, 2007, on its compliance with laws and regulations.

State Board of Accounts
STATE BOARD OF ACCOUNTS

June 27, 2007

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, 2006. 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 2006 by \$987.7 million. Of this amount, \$36.7 million is considered unrestricted. The unrestricted net assets of the City's governmental activities are \$26.9 million and will be used to support the City's day-to-day operations. The unrestricted net assets of the City's business-type activities are \$9.8 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 \$98.7 million in 2006. The net assets of the City's business-type activities increased \$16 million (or 3.9 percent from 2005). The net assets of the City's governmental activities increased \$82.7 million (or 17.3 percent from 2005).
- At the end of 2006, the City's governmental funds reported a combined ending fund balance of \$120.3 million. The combined governmental funds' fund balance increased by \$9.4 million from the prior year ending fund balance. Approximately \$102.7 million of the \$120.3 million fund balance is considered unreserved at December 31, 2006.
- At the end of 2006, unreserved fund balance for the general fund was \$10.4 million or 15.1 percent of the 2006 general fund expenditures.
- The City's total debt increased by \$76.2 million (or 24.3 percent) during 2006.

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 48-50 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 52-58 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, the 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 59-61 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 62-63 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 67-106 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 108-112 of this report.

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

	Governmental activities		Business-type activities		Total		Component Units	
	2006	2005	2006	2005	2006	2005	2006	2005
Assets	\$ 138,585	\$ 127,982	\$ 117,793	\$ 83,594	\$ 256,378	\$ 211,576	\$ 43,734	\$ 44,189
Capital assets	658,452	566,806	485,071	443,309	1,143,523	1,010,115	47,133	47,972
Total assets	797,037	694,788	602,864	526,903	1,399,901	1,221,691	90,867	92,161
Liabilities	236,448	216,904	175,763	115,831	412,211	332,735	65,103	66,291
Net assets	\$ 560,589	\$ 477,884	\$ 427,101	\$ 411,072	\$ 987,690	\$ 888,956	\$ 25,764	\$ 25,870
Invested in capital assets, net of related debt	\$ 533,703	\$ 458,517	\$ 320,404	\$ 349,672	\$ 854,107	\$ 808,189	\$ 19,975	\$ 19,169
Restricted	-	-	96,921	46,840	96,921	46,840	-	-
Unrestricted	26,886	19,367	9,776	14,560	36,662	33,927	5,789	6,701
Total net assets	\$ 560,589	\$ 477,884	\$ 427,101	\$ 411,072	\$ 987,690	\$ 888,956	\$ 25,764	\$ 25,870

Government-wide Financial Analysis

The City's (primary government) assets exceeded liabilities by \$987.7 million at the close of 2006. The largest portion of the City's net assets (total assets less total liabilities), which amounts to \$854.1 million (or 86.5 percent), 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; they 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 remainder of the City's net assets is designated as either restricted or unrestricted. The restricted portion, which totals \$96.9 million (or 9.8 percent), are dollars that are subject to an external restriction and cannot be spent on everyday operations. The unrestricted portion of the net assets is \$36.7 million (or 3.7 percent).

At the end of 2006, 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 on which to build.

The City's net assets increased by \$98.7 million during 2006. There was an increase in the City's net asset figure for the business-type activities of \$16 million and a net increase for the governmental activities of \$82.7 million.

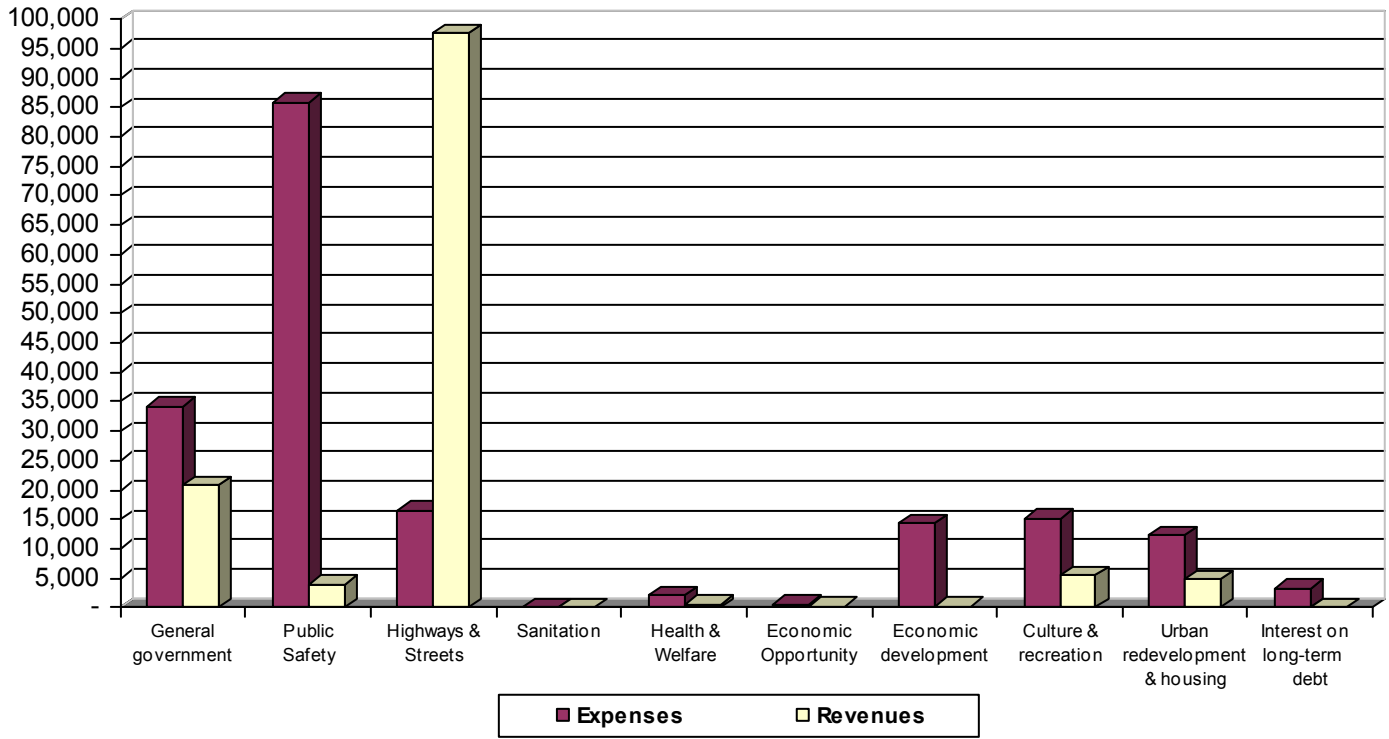
The City's component units showed assets exceeding liabilities by \$25.8 million at the end of 2006. Of the net assets (total assets less total liabilities), \$20 million reflects its investment in capital assets less any debt used to acquire these assets that is still outstanding. These assets are designated 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. \$5.8 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)

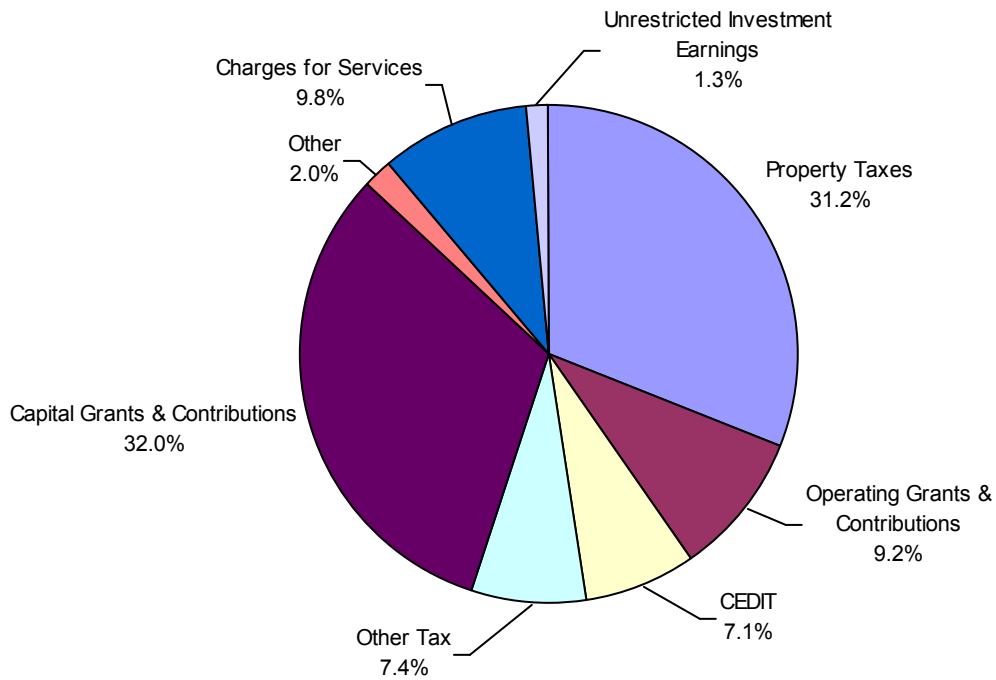
	Governmental activities		Business-type activities		Total		Component Units	
	2006	2005	2006	2005	2006	2005	2006	2005
Revenues-								
Program revenues:								
Charges for services	\$ 25,716	\$ 27,148	\$ 75,718	\$ 72,222	\$ 101,434	\$ 99,370	\$ 1,523	\$ 1,153
Operating grants and contributions	24,136	19,727	-	-	24,136	19,727	-	690
Capital grants and contributions	83,828	-	4,812	7,657	88,640	7,657	1,891	1,363
General revenues:								
Property taxes	81,710	76,008	-	-	81,710	76,008	-	-
CEDIT	18,559	16,207	-	-	18,559	16,207	-	-
Indiana room tax	-	-	-	-	-	-	2,644	2,614
Other taxes	19,465	23,368	-	-	19,465	23,368	-	-
Investment earnings	3,502	2,058	5,872	3,746	9,374	5,804	307	108
Other	5,215	5,116	6	37	5,221	5,153	107	32
Total revenues	262,131	169,632	86,408	83,662	348,539	253,294	6,472	5,960
Expenses:								
General government	34,267	36,908	-	-	34,267	36,908	-	-
Public safety	85,875	80,640	-	-	85,875	80,640	-	-
Highways and streets	16,622	15,421	-	-	16,622	15,421	-	-
Sanitation	-	3	-	-	-	3	-	-
Health and welfare	2,048	1,914	-	-	2,048	1,914	-	-
Economic opportunity	634	563	-	-	634	563	-	-
Economic development	14,281	17,909	-	-	14,281	17,909	-	-
Culture and recreation	15,148	14,056	-	-	15,148	14,056	-	-
Urban redevelopment and housing	12,275	10,420	-	-	12,275	10,420	-	-
Interest on long-term debt	3,345	3,275	-	-	3,345	3,275	-	-
Water	-	-	22,098	20,938	22,098	20,938	-	-
Wastewater	-	-	25,819	22,897	25,819	22,897	-	-
Stormwater	-	-	6,790	5,456	6,790	5,456	-	-
Parking garages	-	-	857	872	857	872	-	-
Solid waste	-	-	9,198	6,434	9,198	6,434	-	-
Other	-	-	548	568	548	568	-	-
HANDS	-	-	-	-	-	-	241	850
Summit	-	-	-	-	-	-	-	-
UEA	-	-	-	-	-	-	466	478
C&TA	-	-	-	-	-	-	5,871	5,324
RA	-	-	-	-	-	-	-	-
Total expenses	184,495	181,109	65,310	57,165	249,805	238,274	6,578	6,652
Incr(Decr) in net assets before transfers	77,636	(11,477)	21,098	26,497	98,734	15,020	(106)	(692)
Transfers	5,069	4,270	(5,069)	(4,270)	-	-	-	-
Increase(Decrease) in net assets	82,705	(7,207)	16,029	22,227	98,734	15,020	(106)	(692)
Net asset -- January 1st	477,884	485,091	411,072	388,845	888,956	873,936	25,870	26,562
Net asset -- December 31st	\$ 560,589	\$ 477,884	\$ 427,101	\$ 411,072	\$ 987,690	\$ 888,956	\$ 25,764	\$ 25,870

Governmental Activities. The governmental activities accounted for a \$82.7 million increase in the total growth in the City's net assets. The increase was mainly attributed to the City's annexation of Aboite township's streets (\$83.8 million). Due to the above factor, the net asset number increased in 2006.

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

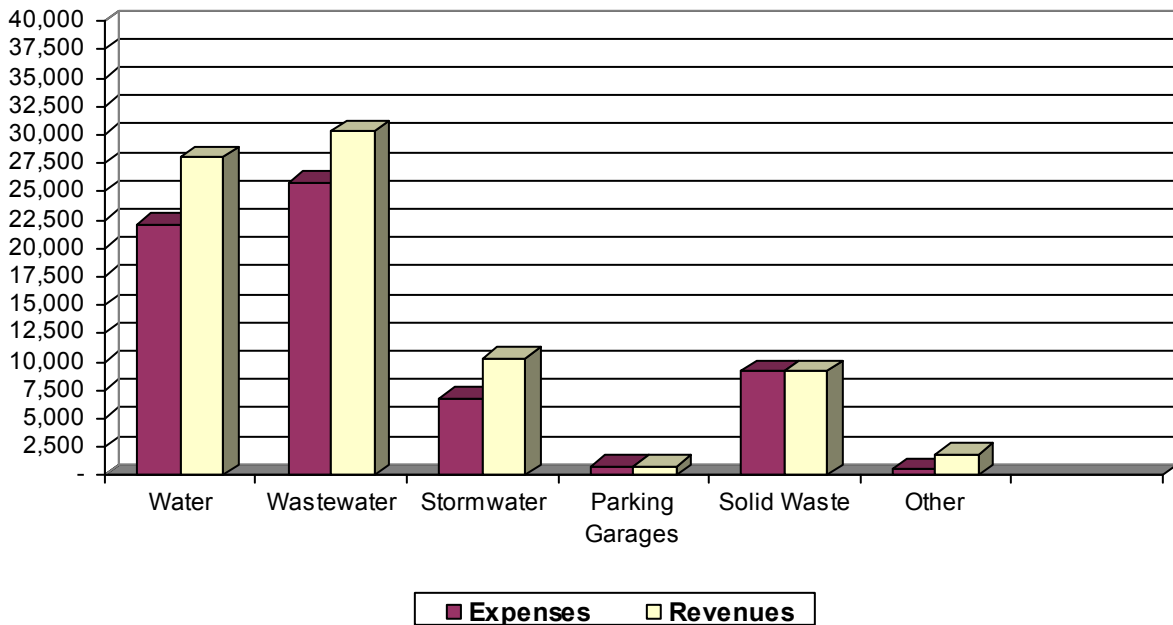


Revenues by Source - Governmental Activities

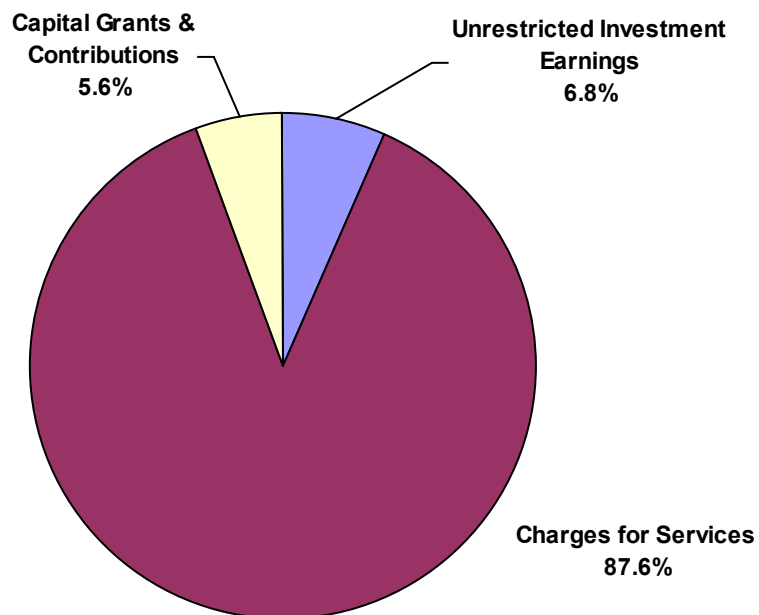


Business-type Activities. The business-type activities of the City increased net assets by \$16 million or 16.2 percent of the total increase in the City's net assets of \$98.7 million. Business-type activities represent 24.4 percent of the Primary Government's revenues and 26.1 percent of the expenses. The City's Water and Wastewater utilities account for 72.4 percent of the business-type activities' program revenues and 73.4 percent of the expenses.

Expenses & 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 2006, the City's governmental funds reported combined ending fund balances of \$120.3 million, an increase of \$9.5 million in comparison with the prior year. Of that total about \$102.7 million (or 85.4 percent) is unreserved fund balance. The remaining \$17.6 million (or 14.6 percent) is reserved for prior commitments. The reserved amount is for encumbrances of \$6.4 million, non-current loans receivable of \$.8 million, and assets held for resale of \$10.4 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 2006, the General fund had an unreserved fund balance of \$10.4 million and a total fund balance of \$11 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 2006 were \$68.9 million. The total fund balance represents 15.9 percent of General fund expenditures, while the unreserved fund balance is 15.1 percent of that same amount.

The fund balance of the City's General fund decreased by \$1.7 million during fiscal year ended 2006, due mainly to a decrease in cash and cash equivalents (an asset).

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 2006 for the other five major funds is \$80.5 million (Highways and Streets \$5.5 million, CEDIT \$17.8 million, Parks \$12.4 million, Fire \$2.8 million, and Redevelopment \$42 million) with the non-major governmental funds having a combined fund balance of \$28.8 million. The fund balances of the City's other five major funds decreased by (\$8.1) million during fiscal 2006 year ended. The major reasons for this decrease are:

- The CEDIT fund decreased (\$7.2) million due to the funding of capital projects for the construction and installation of infrastructure and lighting improvements within the City.
- The Parks fund decreased (\$1.2) million due to funding renovations and improvements to the City's parks and aquatic and recreation centers.

The fund balances in the non-major funds increased by \$19.3 million due primarily to the issuance of a \$20.8 million bond. The proceeds are being used to provide funding for the construction of the Public Safety Academy. New equipment leases of \$8 million provided for police vehicles, a fire truck, computer and office equipment, and software.

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 2006 were \$427.1 million. Of that total, they had restricted net assets of \$96.9 million, invested in capital assets of \$320.4 million, and unrestricted net assets of \$9.8 million. This is a total increase of about \$16 million, and was almost entirely reinvested in additional capital assets. In 2006, Stormwater Management District Bonds, totaling \$17 million, were issued for the purpose of funding certain improvements to the stormwater management system of the City. \$51.4 million in loans were drawn in 2006 from the State of Indiana's Revolving Shared Loan Program. The funds are designated for upgrades of the

water and wastewater treatment plants. Other details are also 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; the original budget was increased \$768 thousand (or 1.1 percent). The difference is summarized as follows:

- \$432 thousand increase in general government's appropriation
- \$371 thousand increase in public safety's appropriation
- \$5 thousand decrease in highway and streets appropriation
- \$27 thousand decrease in health and welfare's appropriation
- \$10 thousand decrease in economic opportunity's appropriation
- \$7 thousand increase in economic development's appropriation

The actual expenditures were \$3.697 million lower than budgeted, while the revenues of the general fund were \$2.900 million lower than budgeted. For the year, the general fund balance decreased by \$1.704 million.

The 2006 final approved budget was \$72.632 million; actual expenditures amounted to \$68.935 million, leaving a \$3.697 million positive variance. The variance is summarized as follows:

- \$1,310 thousand for General government
- \$1,862 thousand for Public safety
- \$ 255 thousand for Highway and streets
- \$ 66 thousand for Health and welfare
- \$ 30 thousand for Economic opportunity
- \$ 174 thousand for Economic development

The City departments are meeting the challenge of monitoring and controlling expenses while, at the same time, looking for new ways to increase revenues so as to minimize future tax increases.

Capital Asset and Debt Administration

Capital assets. The City's Primary Government's capital assets as of December 31, 2006, are equal to \$1,143.5 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 \$133.4 million or 13.2 percent (a 16.1 percent increase for governmental activities and a 9.4 percent increase for business-type activities).

Governmental activities. Capital assets for the governmental activities total \$728 million with an accumulated depreciation figure of \$69.5 million for a net book value of \$658.5 million. The amount includes \$10 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 2005, the City had a pavement condition index rating of "Good" (76). The City has maintained a "Good" (76) rating in 2006. The City maintains there are no material variances between the needed expenditures and the actual expenditures for the maintenance of infrastructure for 2006.

More information regarding the modified approach can be found on pages 110 and 113-115 in the Required Supplementary Information (RSI) section of this report.

Business-type activities. Capital assets for the business-type activities total \$703.5 million with an accumulated depreciation figure of \$218.5 million for a net book value of \$485 million. The amount also includes \$54.5 million in construction in progress reflecting capital projects in various stages of completion.

Major projects include: Phase II for the replacement of the preliminary wastewater treatment facilities, upgrading the secondary facilities at the Water Pollution Control Plant, continue work on projects to reduce the number of Combined Sewer Overflows (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 the development of emergency electrical back-up systems for key pump stations and the treatment plants. During 2006, approximately \$53.5 million was spent on capital projects.

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

	Governmental activities		Business-type activities		Total	
	2006	2005	2006	2005	2006	2005
Land	\$ 26,588	\$ 20,372	\$ 4,993	\$ 4,831	\$ 31,581	\$ 25,203
Distribution and collection	-	-	388,360	358,713	388,360	358,713
Roads	503,470	419,642	-	-	503,470	419,642
Buildings and improvements	133,034	132,640	122,435	125,560	255,469	258,200
Machinery and equipment	51,154	47,730	133,066	119,911	184,220	167,641
Construction in progress	10,030	6,657	54,531	39,542	64,561	46,199
Net investment in joint venture	3,808	3,645	-	-	3,808	3,645
Less: Accumulated depreciation	(69,632)	(63,880)	(218,314)	(205,248)	(287,946)	(269,128)
Total	\$ 658,452	\$ 566,806	\$ 485,071	\$ 443,309	\$ 1,143,523	\$ 1,010,115

Additional information regarding the City's capital assets can be found in Note 3 on pages 78-80 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 \$191.5 million. Of this amount \$106.1 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 \$85.4 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	
	2006	2005	2006	2005	2006	2005
General obligation bonds	\$ 6,680	\$ 7,725	\$ -	\$ -	\$ 6,680	\$ 7,725
Special obligation bonds	70,030	75,490	-	-	70,030	75,490
First mortgage bonds	29,445	10,490	-	-	29,445	10,490
Capital leases	16,425	12,368	3,381	3,700	19,806	16,068
Notes & loans payable	879	993	73,171	24,066	74,050	25,059
Mortgages payable	42	42	-	-	42	42
Net pension obligation	94,418	94,461	-	-	94,418	94,461
Compensated absences	8,377	7,771	1,993	1,952	10,370	9,723
Accrued interest payable	-	-	-	-	-	-
Accrued pension cost	-	-	-	-	-	-
Other long-term liabilities	-	-	119	31	119	31
Revenue bonds	-	-	85,380	75,045	85,380	75,045
Total	\$ 226,296	\$ 209,340	\$ 164,044	\$ 104,794	\$ 390,340	\$ 314,134

The City's total debt increased \$76.2 million during the current fiscal year, including additions of \$103.5 million and reductions of \$27.3 million. The majority of this increase was due to the issuance of a \$17 million revenue bond by the City's Stormwater Utility, \$51.4 million in loans from the State of Indiana's Revolving Shared Loan Program (Water Utility - \$31.9 million, Wastewater Utility - \$19.5million), and a \$20.8 million first mortgage bond for the Public Safety Academy.

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 an A rating from Standard & Poor's and an Aa3 from Moody's for its revenue bonds. The City's Wastewater Utility has an A- rating from Standard & Poor's and an Aa3 rating from Moody's for its revenue bonds.

Additional information on the City's long-term debt can be found in Note 4 on pages 80-89 of this report.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the City is currently 4.9 percent, which is down from a rate of 5.2 percent a year ago. This is below the state average unemployment rate of 5.0 percent and above the national average of 4.6 percent.

The City's population has increased due to annexation; therefore, the City will be entitled to a larger percentage of the COIT and CEDIT tax dollars distributed to the county in 2007.

Due to passage of Senate Bill 1 in 2003, the City's ability to raise property taxes is limited. The City anticipates a property tax rate decrease of .0600 (from 1.0795 to 1.0195 per \$100 of valuation) for 2007.

Utilities management was granted a 25% wastewater rate increase that was effective March 1, 2007.

These factors along with others were considered when preparing the City's budget for the 2007 fiscal year.

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.

BASIC FINANCIAL STATEMENTS



CITY OF FORT WAYNE
STATEMENT OF NET ASSETS
December 31, 2006

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<u>Assets</u>				
Cash and cash equivalents-unrestricted	\$ 89,183,186	\$ 7,949,058	\$ 97,132,244	\$ 2,048,384
Investments-unrestricted	22,029,363	-	22,029,363	3,454,120
Receivables (net of allowances for uncollectibles):				
Accounts	-	7,372,867	7,372,867	485,188
Taxes	3,147,867	-	3,147,867	-
Interest	120,682	63,029	183,711	-
Intergovernmental	4,099,531	-	4,099,531	3,770,255
Loans	1,296,543	-	1,296,543	135,396
Miscellaneous	2,677,509	1,150	2,678,659	52,500
Assessments receivable	813,631	135,217	948,848	-
Internal balances	(241,300)	241,300	-	-
Inventories	1,020,654	947,648	1,968,302	-
Prepaid expense	348,610	136,088	484,698	-
Assets held for resale	10,397,881	-	10,397,881	-
Deferred debits	1,993,432	2,066,422	4,059,854	393,466
Net investment in direct financing lease	531,716	-	531,716	32,377,700
Net pension asset	924,506	981,501	1,906,007	-
Restricted assets:				
Cash and cash equivalents-restricted	-	66,179,672	66,179,672	1,016,668
Investments-restricted	-	31,719,632	31,719,632	-
Capital assets:				
Land, roads and construction in progress	540,088,007	59,524,392	599,612,399	975,000
Other capital assets, net of depreciation	118,364,121	425,546,470	543,910,591	46,158,049
Total assets	<u>796,795,939</u>	<u>602,864,446</u>	<u>1,399,660,385</u>	<u>90,866,726</u>
<u>Liabilities</u>				
Accounts payable	5,893,979	3,962,377	9,856,356	348,253
Accrued group insurance benefits	1,746,364	-	1,746,364	-
Contracts payable	167,756	-	167,756	-
Retainage payable	35,979	-	35,979	-
Internal balances	-	-	-	-
Accrued interest payable	907,465	2,042,627	2,950,092	643,359
Customer deposits	-	1,179,111	1,179,111	36,213
Unearned revenue	120,135	-	120,135	-
Other current liabilities	693,583	4,043,305	4,736,888	-
Noncurrent liabilities:				
Due within one year:				
Compensated absences payable	6,553,452	956,399	7,509,851	-
Capital leases payable	4,693,942	329,741	5,023,683	651,585
Notes and loans payable	120,532	4,226,571	4,347,103	-
General obligation bonds payable	1,125,000	-	1,125,000	-
Special obligation bonds payable	6,165,000	-	6,165,000	-
First mortgage bonds	1,950,000	-	1,950,000	-
Revenue bonds payable	-	7,100,000	7,100,000	735,000

Continued on next page

CITY OF FORT WAYNE
STATEMENT OF NET ASSETS
December 31, 2006

Continued from previous page

Due in more than one year:				
Compensated absences	1,823,705	1,037,098	2,860,803	-
Capital leases payable	11,730,915	3,050,815	14,781,730	30,276,388
Notes and loans payable	758,615	68,944,392	69,703,007	-
Mortgage payable	42,000	-	42,000	-
General obligation bonds payable (net)	5,551,842	-	5,551,842	-
Special obligation bonds payable (net)	64,199,938	-	64,199,938	-
First mortgage bonds payable (net)	27,508,446	-	27,508,446	-
Revenue bonds payable (net)	-	78,777,513	78,777,513	-
Lease rental revenue bonds payable (net)	-	-	-	32,411,923
Net pension obligation	94,417,891	-	94,417,891	-
Other noncurrent liabilities	-	113,613	113,613	-
	<u>236,206,539</u>	<u>175,763,562</u>	<u>411,970,101</u>	<u>65,102,721</u>
Total liabilities				
<u>Net assets</u>				
Invested in capital assets, net of related debt	533,702,894	320,404,006	854,106,900	19,975,331
Restricted for:				
Debt service	-	8,826,203	8,826,203	-
Capital projects	-	56,161,310	56,161,310	-
Community trust	-	31,933,108	31,933,108	-
Unrestricted	<u>26,886,506</u>	<u>9,776,257</u>	<u>36,662,763</u>	<u>5,788,674</u>
Total net assets	<u>\$ 560,589,400</u>	<u>\$ 427,100,884</u>	<u>\$ 987,690,284</u>	<u>\$ 25,764,005</u>

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, 2006

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary government:								
Governmental activities:								
General government	\$ 34,267,228	\$ 16,928,556	\$ 3,849,258	\$ -	\$ (13,489,414)	\$ -	\$ (13,489,414)	\$ -
Public safety	85,874,761	1,998,386	1,965,255	-	(81,911,120)	-	(81,911,120)	-
Highways and streets	16,622,514	1,927,137	11,822,235	83,827,988	80,954,846	-	80,954,846	-
Sanitation	-	-	4,550	-	4,550	-	4,550	-
Health and welfare	2,048,561	410,062	83,821	-	(1,554,678)	-	(1,554,678)	-
Economic opportunity	633,818	-	247,748	-	(386,070)	-	(386,070)	-
Economic development	14,280,814	272,422	5,919	-	(14,002,473)	-	(14,002,473)	-
Culture and recreation	15,147,975	4,095,331	1,409,614	-	(9,643,030)	-	(9,643,030)	-
Urban redevelopment and housing	12,274,740	84,484	4,747,710	-	(7,442,546)	-	(7,442,546)	-
Interest on long-term debt	3,345,188	-	-	-	(3,345,188)	-	(3,345,188)	-
Total governmental activities	184,495,599	25,716,378	24,136,110	83,827,988	(50,815,123)	-	(50,815,123)	-
Business-type activities:								
Water	22,097,610	25,849,920	-	2,132,276	-	5,884,586	5,884,586	-
Wastewater	25,818,890	28,495,423	-	1,802,980	-	4,479,513	4,479,513	-
Stormwater	6,790,476	9,440,089	-	876,966	-	3,526,579	3,526,579	-
Parking garages	856,677	824,206	-	-	-	(32,471)	(32,471)	-
Solid waste	9,198,279	9,179,821	-	-	-	(18,458)	(18,458)	-
Other (Electric, Yardwaste)	548,601	1,928,780	-	-	-	1,380,179	1,380,179	-
Total business-type activities	65,310,533	75,718,239	-	4,812,222	-	15,219,928	15,219,928	-
Total primary government	\$ 249,806,132	\$ 101,434,617	\$ 24,136,110	\$ 88,640,210	(50,815,123)	15,219,928	(35,595,195)	-
Component units:								
HANDS	\$ 240,843	\$ -	\$ -	\$ -	-	-	-	(240,843)
Summit	42	-	-	-	-	-	-	(42)
UEA	466,377	139,290	-	-	-	-	-	(327,087)
C&TA	5,871,398	1,383,993	-	1,891,728	-	-	-	(2,595,677)
RA	-	-	-	-	-	-	-	-
Total component units	\$ 6,578,660	\$ 1,523,283	\$ -	\$ 1,891,728	-	-	-	(3,163,649)
General revenues:								
Property taxes					81,710,470	-	81,710,470	-
CEDIT					18,559,384	-	18,559,384	-
Indiana room tax income					-	-	-	2,643,740
Other tax					19,465,162	-	19,465,162	-
Unrestricted investment earnings					3,501,707	5,871,663	9,373,370	306,849
Refunds and reimbursements					676,499	-	676,499	27,680
Other					4,538,422	6,441	4,544,863	79,509
Transfers					5,068,998	(5,068,998)	-	-
Total general revenues and transfers					133,520,642	809,106	134,329,748	3,057,778
Change in net assets					82,705,519	16,029,034	98,734,553	(105,871)
Net assets - beginning					477,883,881	411,071,850	888,955,731	25,869,876
Net assets - ending					\$ 560,589,400	\$ 427,100,884	\$ 987,690,284	\$ 25,764,005

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, 2006

	General	Highways and Streets	CEDIT	Parks
<u>Assets</u>				
Cash and cash equivalents	\$ 9,250,253	\$ 4,566,220	\$ 15,584,497	\$ 12,553,792
Investments	-	-	-	-
Receivables (net of allowances for uncollectibles):				
Interest	4,461	-	-	-
Taxes	1,619,162	-	-	339,631
Assessments	-	-	-	-
Intergovernmental	803,881	1,177,791	-	16,176
Loans	196,087	-	160,000	-
Miscellaneous	1,508,400	187,630	14,386	326,668
Interfund receivable - pooled cash	-	-	-	-
Due from other funds	167,151	4,449	2,768,598	132
Net investment in direct financing lease	531,716	-	-	-
Assets held for resale	-	-	-	-
Total assets	<u>\$ 14,081,111</u>	<u>\$ 5,936,090</u>	<u>\$ 18,527,481</u>	<u>\$ 13,236,399</u>
 <u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 489,428	\$ 211,466	\$ 685,807	\$ 433,208
Contracts payable	-	-	20,032	40,403
Retainage payable	-	10,222	-	-
Interfund payable	196,087	-	-	-
Interfund payable - pooled cash	-	-	-	-
Due to other funds	222,651	-	-	2,185
Accrued interest payable	4,461	-	-	-
Deferred revenue	2,170,096	226,864	-	355,807
Unearned revenue	-	-	-	-
Total liabilities	<u>3,082,723</u>	<u>448,552</u>	<u>705,839</u>	<u>831,603</u>
Fund balances:				
Reserved for:				
Encumbrances	567,547	1,333,479	601,921	3,035,977
Noncurrent loans receivable	-	-	58,334	-
Assets held for resale	-	-	-	-
Unreserved, reported in:				
General fund	10,430,841	-	-	-
Special revenue funds	-	4,154,059	-	9,368,819
Capital projects funds	-	-	17,161,387	-
Total fund balances	<u>10,998,388</u>	<u>5,487,538</u>	<u>17,821,642</u>	<u>12,404,796</u>
Total liabilities and fund balances	<u>\$ 14,081,111</u>	<u>\$ 5,936,090</u>	<u>\$ 18,527,481</u>	<u>\$ 13,236,399</u>

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

Continued on next page

CITY OF FORT WAYNE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2006

Continued from previous page

	Fire	Redevelopment	Non-major Governmental Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 2,841,067	\$ 33,052,239	\$ 7,918,711	\$ 85,766,779
Investments	-	-	22,029,363	22,029,363
Receivables (net of allowances for uncollectibles):				
Interest	-	-	116,221	120,682
Taxes	1,176,264	12,810	312	3,148,179
Assessments	-	-	813,631	813,631
Intergovernmental	506	-	2,101,177	4,099,531
Loans	-	-	940,456	1,296,543
Miscellaneous	6,314	7,086	573,451	2,623,935
Interfund receivable - pooled cash	-	-	961,662	961,662
Due from other funds	-	-	-	2,940,330
Net investment in direct financing lease	-	-	-	531,716
Assets held for resale	-	9,230,200	1,167,681	10,397,881
	<u>\$ 4,024,151</u>	<u>\$ 42,302,335</u>	<u>\$ 36,622,665</u>	<u>\$ 134,730,232</u>
Total assets				
	<u>\$ 4,024,151</u>	<u>\$ 42,302,335</u>	<u>\$ 36,622,665</u>	<u>\$ 134,730,232</u>
<u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 39,189	\$ 132,130	\$ 3,265,026	\$ 5,256,254
Contracts payable	-	-	107,321	167,756
Retainage payable	-	-	25,757	35,979
Interfund payable	-	-	-	196,087
Interfund payable - pooled cash	-	-	961,662	961,662
Due to other funds	-	143,684	2,710,608	3,079,128
Accrued interest payable	-	-	-	4,461
Deferred revenue	1,176,264	12,810	682,123	4,623,964
Unearned revenue	-	-	120,135	120,135
	<u>1,215,453</u>	<u>288,624</u>	<u>7,872,632</u>	<u>14,445,426</u>
Total liabilities				
	<u>1,215,453</u>	<u>288,624</u>	<u>7,872,632</u>	<u>14,445,426</u>
Fund balances:				
Reserved for:				
Encumbrances	49,054	-	769,997	6,357,975
Noncurrent loans receivable	-	-	758,770	817,104
Assets held for resale	-	9,230,200	1,167,681	10,397,881
Unreserved, reported in:				
General fund	-	-	-	10,430,841
Special revenue funds	2,759,644	-	255,883	16,538,405
Capital projects funds	-	32,783,511	25,797,702	75,742,600
	<u>2,808,698</u>	<u>42,013,711</u>	<u>28,750,033</u>	<u>120,284,806</u>
Total fund balances				
	<u>2,808,698</u>	<u>42,013,711</u>	<u>28,750,033</u>	<u>120,284,806</u>
Total liabilities and fund balances	<u>\$ 4,024,151</u>	<u>\$ 42,302,335</u>	<u>\$ 36,622,665</u>	<u>\$ 134,730,232</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, 2006

Total **fund balances** for governmental funds \$ 120,284,806

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	26,561,069	
Roads accounted for using the modified approach	503,470,213	
Construction in progress	10,029,448	
Buildings, net of \$22,192,975 accumulated depreciation	35,311,761	
Improvements other than buildings, net of \$15,329,259 accumulated depreciation	59,682,206	
Machinery and equipment, net of \$30,727,575 accumulated depreciation	19,867,939	
Net investment in joint venture, net of \$875,464 accumulated depreciation	<u>2,933,020</u>	
Total capital assets		657,855,656

Bond issuance costs associated with new debt issued by the City in 2006 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 in the statement of activities.

1,993,432

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

1,338,219

Net pension asset from the PERF Pension Plan is considered an asset of the general government.

924,506

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:

1,094,533

City tax collections related to 2006 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.

3,148,179

State shared revenue appropriated during the State of Indiana's fiscal year ended June 30, 2006 will be collected by the City in calendar year 2007. Revenue and a corresponding receivable for the amount appropriated but not received by December 31, 2006 are included in the government-wide statements.

472,112

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.

1,003,673

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 in the statement of activities.

Balances at December 31, 2006 are:

Bonds payable	(106,155,000)	
Bond interest payable	(670,648)	
Unamortized loss on refunding	56,653	
Unamortized discount	102,055	
Unamortized premium	(503,934)	
Leases payable	(16,424,857)	
Lease interest payable	(15,525)	
Loans payable	(879,147)	
Loan interest payable	(216,831)	
Mortgage payable	(42,000)	
Compensated absences payable	<u>(8,358,591)</u>	
Total long-term liabilities		(133,107,825)

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.

(94,417,891)

Total **net assets** of governmental activities \$ 560,589,400

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, 2006

	General	Highways and Streets	CEDIT	Parks
Revenues:				
Taxes	\$ 53,234,349	\$ 1,889,604	\$ 18,582,984	\$ 9,209,852
Special assessments	-	-	-	-
Licenses and permits	1,909,742	-	-	39,147
Intergovernmental	3,326,723	9,611,725	-	-
Charges for services	3,519,512	3,395,041	22,542	3,940,773
Fines and forfeits	1,618,108	-	-	-
Other	1,323,310	261,744	855,150	2,133,044
	<u>64,931,744</u>	<u>15,158,114</u>	<u>19,460,676</u>	<u>15,322,816</u>
Total revenues				
Expenditures:				
Current:				
General government	11,904,720	-	-	-
Public safety	47,929,292	-	-	-
Highways and streets	4,388,195	14,768,117	-	-
Health and welfare	2,107,571	-	-	-
Economic opportunity	633,818	-	-	-
Economic development	1,972,025	-	-	-
Culture and recreation	-	-	-	17,411,791
Urban redevelopment and housing	-	-	-	-
Debt service:				
Principal	-	-	5,460,000	-
Interest	-	-	2,467,675	-
Bond issuance costs	-	-	-	-
Capital outlay	-	-	13,135,030	-
	<u>68,935,621</u>	<u>14,768,117</u>	<u>21,062,705</u>	<u>17,411,791</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(4,003,877)</u>	<u>389,997</u>	<u>(1,602,029)</u>	<u>(2,088,975)</u>
Other financing sources (uses):				
Transfers in	3,177,609	664,000	6,832,311	889,986
Transfers out	(878,083)	(135,000)	(12,425,630)	(25,611)
Bond issuance	-	-	-	-
Capital lease proceeds	-	-	-	-
	<u>2,299,526</u>	<u>529,000</u>	<u>(5,593,319)</u>	<u>864,375</u>
Total other financing sources (uses)				
Net change in fund balances	(1,704,351)	918,997	(7,195,348)	(1,224,600)
Fund balances - beginning	<u>12,702,739</u>	<u>4,568,541</u>	<u>25,016,990</u>	<u>13,629,396</u>
Fund balances - ending	<u>\$ 10,998,388</u>	<u>\$ 5,487,538</u>	<u>\$ 17,821,642</u>	<u>\$ 12,404,796</u>

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, 2006

Continued from previous page

	Fire	Redevelopment	Non-major Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 30,620,229	\$ 7,800,859	\$ 8,290	\$ 121,346,167
Special assessments	-	-	624,104	624,104
Licenses and permits	-	-	821,837	2,770,726
Intergovernmental	-	-	7,717,220	20,655,668
Charges for services	12,356	-	501,653	11,391,877
Fines and forfeits	17,133	-	451,039	2,086,280
Other	101,805	2,786,327	2,348,853	9,810,233
	<u>30,751,523</u>	<u>10,587,186</u>	<u>12,472,996</u>	<u>168,685,055</u>
Total revenues				
Expenditures:				
Current:				
General government	-	-	2,399,660	14,304,380
Public safety	30,708,949	-	3,249,802	81,888,043
Highways and streets	-	-	-	19,156,312
Health and welfare	-	-	170,199	2,277,770
Economic opportunity	-	-	-	633,818
Economic development	-	-	402,752	2,374,777
Culture and recreation	-	-	-	17,411,791
Urban redevelopment and housing	-	9,676,235	3,569,390	13,245,625
Debt service:				
Principal	-	919,046	1,870,000	8,249,046
Interest	-	651,615	827,302	3,946,592
Bond issuance costs	-	-	493,419	493,419
Capital outlay	-	-	16,041,807	29,176,837
	<u>30,708,949</u>	<u>11,246,896</u>	<u>29,024,331</u>	<u>193,158,410</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>42,574</u>	<u>(659,710)</u>	<u>(16,551,335)</u>	<u>(24,473,355)</u>
Other financing sources (uses):				
Transfers in	-	3,688,416	14,501,366	29,753,688
Transfers out	-	(3,671,109)	(7,564,157)	(24,699,590)
Bond issuance	-	-	20,825,000	20,825,000
Capital lease proceeds	-	-	8,030,000	8,030,000
	<u>-</u>	<u>17,307</u>	<u>35,792,209</u>	<u>33,909,098</u>
Total other financing sources (uses)				
Net change in fund balances	42,574	(642,403)	19,240,874	9,435,743
Fund balances - beginning	<u>2,766,124</u>	<u>42,656,114</u>	<u>9,509,159</u>	<u>110,849,063</u>
Fund balances - ending	<u>\$ 2,808,698</u>	<u>\$ 42,013,711</u>	<u>\$ 28,750,033</u>	<u>\$ 120,284,806</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, 2006

Net change in **fund balances** - total governmental funds \$ 9,435,743

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	6,216,192	
Roads accounted for using the modified approach	83,827,988	
Construction in progress	3,372,324	
Buildings, net of \$1,609,432 depreciation expense	(1,405,369)	
Improvements other than buildings, net of \$1,938,653 depreciation expense	(1,141,619)	
Machinery and equipment, net of \$5,895,661 depreciation expense	807,500	
Net investment in joint venture, net of \$83,066 depreciation expense	<u>80,709</u>	
Net changes in capital assets		91,757,725

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 exceed issuance proceeds. (16,393,029)

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. 325,674

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. 214,072

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. 42,846

Net pension asset from the PERF Pension Plan is considered an asset of the general government, but is not current revenues. (217,694)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (1,553,722)

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. (702,522)

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. (203,574)

Changes in **net assets** of governmental activities \$ 82,705,519

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, 2006

	Business-type Activities - Enterprise Funds				Governmental Activities -	
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds	Totals	Internal Service Funds
Assets						
Current assets:						
Cash and cash equivalents	\$ 933,421	\$ 814,104	\$ 4,224,361	\$ 1,977,172	\$ 7,949,058	\$ 3,416,407
Interest receivable	-	58,568	-	4,461	63,029	-
Accounts receivable (net of allowance for uncollectibles)	2,910,254	3,468,645	971,754	22,214	7,372,867	-
Miscellaneous receivable	-	-	-	1,150	1,150	53,262
Interfund receivable	-	-	-	196,087	196,087	-
Due from other funds	222,651	-	-	1,243,901	1,466,552	93,585
Inventories	907,592	40,056	-	-	947,648	29,192
Prepaid expenses	76,749	56,511	566	2,262	136,088	1,853
Total current assets	5,050,667	4,437,884	5,196,681	3,447,247	18,132,479	3,594,299
Noncurrent assets:						
Restricted cash and cash equivalents	35,689,887	17,525,676	12,793,025	171,084	66,179,672	-
Restricted investments	-	-	-	31,719,632	31,719,632	-
Net pension asset	494,677	390,637	96,187	-	981,501	-
Assessments receivable	-	135,217	-	-	135,217	-
Unamortized issuance cost	845,912	777,415	389,803	53,292	2,066,422	-
Capital assets:						
Land, improvements to land and construction in progress	16,280,355	35,193,075	6,942,457	1,108,505	59,524,392	27,277
Other capital assets (net of accumulated depreciation)	138,143,210	214,882,928	62,358,852	10,161,480	425,546,470	569,195
Total noncurrent assets	191,454,041	268,904,948	82,580,324	43,213,993	586,153,306	596,472
Total assets	196,504,708	273,342,832	87,777,005	46,661,240	604,285,785	4,190,771
Liabilities						
Current liabilities:						
Accounts payable	1,598,328	1,196,760	539,154	628,135	3,962,377	637,725
Due to other funds	599,033	670,371	143,195	8,740	1,421,339	-
Compensated absences payable - current portion	523,181	342,282	86,693	4,243	956,399	18,566
Accrued group insurance benefits payable	-	-	-	-	-	1,746,364
Capital lease payable - current portion	-	-	-	329,741	329,741	-
Customer deposits payable	1,179,111	-	-	-	1,179,111	-
Revenue bonds and loans payable - current portion	3,025,000	7,113,000	845,000	343,571	11,326,571	-
Accrued interest payable	79,663	1,603,200	277,521	82,243	2,042,627	-
Other current liabilities	787,545	3,223,115	26,987	5,658	4,043,305	693,583
Total current liabilities	7,791,861	14,148,728	1,918,550	1,402,331	25,261,470	3,096,238
Noncurrent liabilities:						
Compensated absences payable	678,244	308,062	49,017	1,775	1,037,098	-
Capital lease payable	-	-	-	3,050,815	3,050,815	-
Loans payable	30,355,000	36,947,963	-	1,641,429	68,944,392	-
Revenue bonds payable (net of discounts/premiums)	22,898,408	38,201,218	16,237,887	1,440,000	78,777,513	-
Other noncurrent liabilities	-	91,800	-	21,813	113,613	-
Total noncurrent liabilities	53,931,652	75,549,043	16,286,904	6,155,832	151,923,431	-
Total liabilities	61,723,513	89,697,771	18,205,454	7,558,163	177,184,901	3,096,238
Net assets						
Invested in capital assets, net of related debt	97,910,997	166,270,251	51,840,572	4,382,186	320,404,006	596,472
Restricted for:						
Debt service	322,476	7,715,967	629,604	158,156	8,826,203	-
Capital projects	34,188,180	9,809,709	12,163,421	-	56,161,310	-
Community trust	-	-	-	31,933,108	31,933,108	-
Unrestricted	2,359,542	(150,866)	4,937,954	2,629,627	9,776,257	498,061
Total net assets	\$ 134,781,195	\$ 183,645,061	\$ 69,571,551	\$ 39,103,077	\$ 427,100,884	\$ 1,094,533

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, 2006

	Business-type Activities - Enterprise Funds				Totals	Governmental
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds		Activities - Internal Service Funds
Operating revenues:						
Charges for goods and services	\$ 25,849,920	\$ 28,495,423	\$ 9,440,089	\$ 10,158,481	\$ 73,943,913	\$ 5,264,511
Leases	-	-	-	1,774,326	1,774,326	-
City contributions	-	-	-	-	-	18,630,049
Employee contributions	-	-	-	-	-	2,101,005
Total operating revenues	<u>25,849,920</u>	<u>28,495,423</u>	<u>9,440,089</u>	<u>11,932,807</u>	<u>75,718,239</u>	<u>25,995,565</u>
Operating expenses:						
Personal services	6,682,786	5,150,386	1,496,308	276,559	13,606,039	605,439
Contractual services	1,515,605	1,967,341	167,665	8,524,407	12,175,018	3,610,141
Utilities	990,765	1,185,279	-	46,094	2,222,138	61,972
Chemicals	1,771,089	345,452	-	-	2,116,541	-
Administrative services	3,820,519	4,067,663	908,820	33,454	8,830,456	-
Other supplies and services	2,279,857	2,077,241	2,146,864	579,426	7,083,388	2,259,138
Insurance claims and premiums	-	-	-	5,985	5,985	19,753,159
Depreciation	4,501,390	8,292,300	1,471,922	852,852	15,118,464	145,189
Total operating expenses	<u>21,562,011</u>	<u>23,085,662</u>	<u>6,191,579</u>	<u>10,318,777</u>	<u>61,158,029</u>	<u>26,435,038</u>
Operating income (loss)	<u>4,287,909</u>	<u>5,409,761</u>	<u>3,248,510</u>	<u>1,614,030</u>	<u>14,560,210</u>	<u>(439,473)</u>
Nonoperating revenues (expenses):						
Interest and investment revenue	415,482	1,114,398	912,344	3,429,439	5,871,663	46,840
Miscellaneous revenue	-	-	-	6,441	6,441	174,159
Interest expense	(454,241)	(2,611,350)	(559,467)	(241,047)	(3,866,105)	-
Amortization of debt issuance costs	(81,358)	(121,878)	(39,430)	(3,553)	(246,219)	-
Miscellaneous expense	-	-	-	(40,180)	(40,180)	-
Total nonoperating revenue (expenses)	<u>(120,117)</u>	<u>(1,618,830)</u>	<u>313,447</u>	<u>3,151,100</u>	<u>1,725,600</u>	<u>220,999</u>
Income (loss) before contributions and transfers	<u>4,167,792</u>	<u>3,790,931</u>	<u>3,561,957</u>	<u>4,765,130</u>	<u>16,285,810</u>	<u>(218,474)</u>
Capital contributions	2,132,276	1,802,980	876,966	-	4,812,222	-
Transfers in	-	-	3,815,799	720,000	4,535,799	14,900
Transfers out	(1,087,447)	(5,608,884)	-	(2,908,466)	(9,604,797)	-
Change in net assets	<u>5,212,621</u>	<u>(14,973)</u>	<u>8,254,722</u>	<u>2,576,664</u>	<u>16,029,034</u>	<u>(203,574)</u>
Total net assets - beginning	<u>129,568,574</u>	<u>183,660,034</u>	<u>61,316,829</u>	<u>36,526,413</u>	<u>411,071,850</u>	<u>1,298,107</u>
Total net assets - ending	<u>\$ 134,781,195</u>	<u>\$ 183,645,061</u>	<u>\$ 69,571,551</u>	<u>\$ 39,103,077</u>	<u>\$ 427,100,884</u>	<u>\$ 1,094,533</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, 2006

	Business-type Activities - Enterprise Funds				Total	Governmental
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds		Internal Service Funds
Cash flows from operating activities:						
Receipts from customers and users	\$ 25,511,963	\$ 28,383,658	\$ 9,068,638	\$ 10,309,918	\$ 73,274,177	\$ 26,136,690
Receipts from leases	-	-	-	1,740,000	1,740,000	-
Payments to suppliers	(10,442,844)	(9,404,121)	(2,664,726)	(9,692,496)	(32,204,187)	(25,539,172)
Payments to employees	(6,720,349)	(5,152,091)	(1,494,736)	(269,438)	(13,636,614)	(600,168)
Other receipts (payments)	9,287	275,060	4,248	-	288,595	-
Net cash provided (used) by operating activities	8,358,057	14,102,506	4,913,424	2,087,984	29,461,971	(2,650)
Cash flows from noncapital financing activities:						
Transfer from other funds	-	-	-	720,000	720,000	-
Transfer to other funds	(1,087,447)	(1,793,085)	-	(2,908,466)	(5,788,998)	-
Net cash used by noncapital financing activities	(1,087,447)	(1,793,085)	-	(2,188,466)	(5,068,998)	-
Cash flows from capital and related financing activities:						
Proceeds from capital debt	31,900,000	19,566,483	17,000,000	-	68,466,483	-
Capital contributions	-	-	91,271	-	91,271	51,252
Acquisition and construction of capital assets	(10,998,474)	(31,456,762)	(7,167,777)	(1,284,849)	(50,907,862)	(70,151)
Debt issuance costs	(321,578)	-	(429,233)	-	(750,811)	-
Principal paid on capital debt	(2,000,000)	(6,844,000)	-	(469,444)	(9,313,444)	-
Interest paid on capital debt	(1,017,891)	(2,910,626)	(292,322)	(245,381)	(4,466,220)	-
Net cash provided (used) by capital and related financing activities	17,562,057	(21,644,905)	9,201,939	(1,999,674)	3,119,417	(18,899)
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	-	-	-	4,541,128	4,541,128	-
Purchase of investments	-	-	-	(7,839,727)	(7,839,727)	-
Interest received	422,257	1,070,648	913,602	2,662,245	5,068,752	46,840
Net cash provided (used) by investing activities	422,257	1,070,648	913,602	(636,354)	1,770,153	46,840
Net increase (decrease) in cash and cash equivalents	25,254,924	(8,264,836)	15,028,965	(2,736,510)	29,282,543	25,291
Cash and cash equivalents, January 1	11,368,384	26,604,616	1,988,421	4,884,766	44,846,187	3,391,116
Cash and cash equivalents, December 31	\$ 36,623,308	\$ 18,339,780	\$ 17,017,386	\$ 2,148,256	\$ 74,128,730	\$ 3,416,407
Reconciliation of operating income to net cash provided by operating activities:						
Operating income (loss)	\$ 4,287,909	\$ 5,409,761	\$ 3,248,510	\$ 1,614,030	\$ 14,560,210	\$ (439,473)
Adjustments to reconcile operating income to net cash provided by operating activities:						
Nonoperating revenue	-	-	-	28,345	28,345	174,159
Depreciation expense	4,501,390	8,292,300	1,471,922	852,852	15,118,464	145,189
Allowance for uncollectible accounts	30,083	296,039	18,798	-	344,920	-
(Increase) decrease in assets:						
Accounts receivable	(337,958)	(111,765)	(371,451)	234,523	(586,651)	(47,492)
Due from other funds	-	-	-	(145,756)	(145,756)	14,459
Inventories	-	-	-	-	-	13,320
Prepaid items	-	-	-	1,501	1,501	27,250
Other assets	(20,796)	(20,979)	(14,551)	-	(56,326)	-
Increase (decrease) in liabilities:						
Accounts payable	(102,571)	237,150	560,196	(499,616)	195,159	(172,175)
Accrued group insurance benefits	-	-	-	-	-	266,565
Compensated absence payable	-	-	-	2,105	2,105	4,911
Other current liabilities	-	-	-	-	-	10,637
Total adjustments	4,070,148	8,692,745	1,664,914	473,954	14,901,761	436,823
Net cash provided (used) by operating activities	\$ 8,358,057	\$ 14,102,506	\$ 4,913,424	\$ 2,087,984	\$ 29,461,971	\$ (2,650)
Noncash investing, capital and financing activities:						
Capital assets included in accounts payable	\$ 1,000,409	\$ 717,786	\$ 490,132	\$ -	\$ 2,208,327	\$ -
Contributions of capital assets from government	2,132,276	1,802,980	876,966	-	4,812,222	-
Interfund fixed asset contribution	-	(3,815,799)	3,815,799	-	-	-
Capitalized interest added to capital assets	604,336	854,695	-	-	1,459,031	-
Change in fair value of investments	-	-	-	727,013	727,013	-

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, 2006

	Pension Trust Funds	Agency Funds
	<u> </u>	<u> </u>
<u>Assets</u>		
Cash and cash equivalents	\$ 966,203	\$ 4,075,836
Receivables:		
Taxes	269,620	-
Miscellaneous	-	3,367
Loans	-	553,566
Interfund receivable - pooled cash	225,040	
Investments at fair value:		
Participation in investment pools of other governments	2,611,888	-
Certificates of deposit	<u> -</u>	<u> 7,000</u>
Total assets	<u>4,072,751</u>	<u>\$ 4,639,769</u>
<u>Liabilities</u>		
Accounts payable	-	\$ 607,072
Accrued payroll and deductions	73,179	4,025,597
Trust payable	-	7,100
Interfund payable - pooled cash	<u>225,040</u>	<u> -</u>
Total liabilities	<u>298,219</u>	<u>\$ 4,639,769</u>
<u>Net assets</u>		
Held in trust for:		
Employees' pension benefits	<u>\$ 3,774,532</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, 2006

	Pension Trust Funds
<u>Additions</u>	
Contributions:	
Employer	\$ 15,386,634
Plan members	57,220
Other	3,484
Investment income:	
Interest	<u>11,466</u>
 Total additions	 <u>15,458,804</u>
 <u>Deductions</u>	
Benefits and refunds paid to plan members and beneficiaries	15,383,042
Administrative expenses	<u>37,567</u>
 Total deductions	 <u>15,420,609</u>
 Changes in net assets	 38,195
Net assets - beginning	<u>3,736,337</u>
Net assets - ending	<u><u>\$ 3,774,532</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, 2006

	<u>HANDS</u>	<u>Summit</u>	<u>UEA</u>	<u>C&TA</u>	<u>RA</u>	<u>Totals</u>
<u>Assets</u>						
Cash and cash equivalents	\$ -	\$ 1,536	\$ 1,075,792	\$ 971,056	\$ -	\$ 2,048,384
Investments	-	-	-	3,454,120	-	3,454,120
Receivables (net of allowances for uncollectibles):						
Accounts	-	88,000	2,534	394,654	-	485,188
Intergovernmental	-	-	-	3,770,255	-	3,770,255
Loans	-	-	135,396	-	-	135,396
Miscellaneous	-	-	-	50,052	2,448	52,500
Deferred debits	-	-	-	-	393,466	393,466
Net investment in direct financing lease (Note 18)	-	-	-	-	32,377,700	32,377,700
Restricted assets:						
Cash and cash equivalents	-	-	-	-	1,016,668	1,016,668
Capital assets:						
Land, improvements and construction in progress	-	-	-	975,000	-	975,000
Other capital assets, net of depreciation	-	-	883,438	45,274,611	-	46,158,049
Total assets	-	89,536	2,097,160	54,889,748	33,790,282	90,866,726
<u>Liabilities</u>						
Accounts payable	-	-	44,845	303,408	-	348,253
Accrued interest payable	-	-	-	-	643,359	643,359
Customer deposits	-	-	-	36,213	-	36,213
Noncurrent liabilities:						
Due within one year:						
Capital lease payable	-	-	-	651,585	-	651,585
Lease rental revenue bonds payable	-	-	-	-	735,000	735,000
Due in more than one year:						
Capital lease payable	-	-	-	30,276,388	-	30,276,388
Lease rental revenue bonds payable (net of premium) (Note 18)	-	-	-	-	32,411,923	32,411,923
Total liabilities	-	-	44,845	31,267,594	33,790,282	65,102,721
<u>Net assets</u>						
Invested in capital assets, net of related debt	-	-	883,438	19,091,893	-	19,975,331
Unrestricted	-	89,536	1,168,877	4,530,261	-	5,788,674
Total net assets	\$ -	\$ 89,536	\$ 2,052,315	\$ 23,622,154	\$ -	\$ 25,764,005

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, 2006

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets					
	Expenses	Charges for Services	Capital Grants and Contributions	HANDS	Summit	UEA	C&TA	RA	Totals
Component units:									
HANDS	\$ 240,843	\$ -	\$ -	\$ (240,843)	\$ -	\$ -	\$ -	\$ -	\$ (240,843)
Summit	42	-	-	-	(42)	-	-	-	(42)
UEA	466,377	139,290	-	-	-	(327,087)	-	-	(327,087)
C&TA	5,871,398	1,383,993	1,891,728	-	-	-	(2,595,677)	-	(2,595,677)
RA	-	-	-	-	-	-	-	-	-
Total component units	\$ 6,578,660	\$ 1,523,283	\$ 1,891,728	(240,843)	(42)	(327,087)	(2,595,677)	-	(3,163,649)
General revenues:									
Indiana room tax income	-	-	-	-	-	-	2,643,740	-	2,643,740
Unrestricted investment earnings	-	-	-	-	655	42,747	263,447	-	306,849
Reimbursement	-	-	-	-	-	27,680	-	-	27,680
Miscellaneous	-	-	-	-	-	79,509	-	-	79,509
Total general revenues	-	-	-	-	655	149,936	2,907,187	-	3,057,778
Change in net assets	-	-	-	(240,843)	613	(177,151)	311,510	-	(105,871)
Net assets - beginning	-	-	-	240,843	88,923	2,229,466	23,310,644	-	25,869,876
Net assets - ending	-	-	-	\$ -	\$ 89,536	\$ 2,052,315	\$ 23,622,154	\$ -	\$ 25,764,005

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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, 2006

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, storm water, 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 of America 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.

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. In 2005, the City entered into a fourth agreement with the Municipal Building Corporation for the purpose of financing two fire stations, #'s 18 and 19, to serve the 2006 annexed areas. In 2006, the City entered into a fifth agreement with the Municipal Building Corporation for the purpose of financing the Public Safety Academy. 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 includes the financial data of the City's other component units.

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 \$163,775 for its share of 2006 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. Agency funds, however, report only assets and liabilities. Since, they do not report equity (or changes in equity), they have no measurement focus. 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, 2005 CEDIT Bond 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 Cumulative Building, Park Trust, Park Nonreverting Capital, Park Nonreverting Operating, and 2005 Park 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, Jefferson Pointe TIF Project, Brownfield Redevelopment, Centennial Industrial Park, Redevelopment District Capital, Grand Wayne Bond Principal and Interest, 2005 Redevelopment Bond, Chapel Ridge TIF Project, Southtown Tax Exempt Bond 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 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, storm water 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 pension trust funds of the City have invested \$2,611,888 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

Activities 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" 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 all retroactive 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 2006, net interest capitalized for the Water Utility and Wastewater Utility was \$604,336 and \$854,695 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 / Unearned Revenues

Deferred revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. "Deferred revenue" is defined as revenue earned, but not available within a 60 day period (applies to fund statements only). "Unearned revenue" 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, discount or loss on refunding. 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

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds; and has a principal office or branch that qualifies to receive public funds of the political subdivision. At December 31, 2006, the bank balance held at Wells Fargo Bank in the amount of \$76,084,627 was collateralized with securities held by the pledging financial institution. The remaining bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. As of December 31, 2006, the City had the following investments:

Investment Type	Fair Value	Investment Maturities (In Years)		Duration
		Less Than 1 Year	More Than 2 Years	
Pension Relief Investment Pool	\$ 1,828,322	\$ -	\$ 1,828,322	3.6
Mutual Funds	31,719,632	31,719,632	-	-

Investment Policies

Indiana Code 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 of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of or interest in an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed fifty percent (50%) of the funds held by the City and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise; or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of or interest in an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

The City may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the unit's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

At the option of the City, an additional distribution in a prior year of police or fire pension relief funds was held for investment in an external investment pool (Pension Relief Fund) by the Public Employees' Retirement Fund of Indiana (PERF). These deferred amounts invested in the Fund are available to participating cities and towns at their request. The Pension Relief Fund is invested in a target of 70 percent fixed income debt instruments and 30 percent domestic stock. The fair value of the City's investment in the Fund is the same as the value of pool shares. Domestic stock fair value as of December 31, 2006, was \$783,566. Responsibility of regulatory oversight for the pool is assumed by the PERF governing board, under the direction by statute to "invest its assets with the care, skill, prudence and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." Utilizing external investment managers, the PERF Board diversifies such investments in accordance with prudent investment standards.

The Community Trust, which invests in a variety of securities and mutual funds, is not subject to the requirements of Indiana Statutes governing authorized investments.

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City does not have a formal investment policy for custodial credit risk for investments that are uninsured and 1) uncollateralized, 2) collateralized with securities held by the pledging financial institution, or 3) collateralized with securities held by the pledging financial institution's trust department or agent but not in the government's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City must follow state statute and limit the stated final maturities of the investments to no more than two years. Interest rate risk of the Pension Relief Fund's fixed income portfolio, using the duration approach, is 3.6.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below.

<u>City of Fort Wayne Investments</u>			
<u>Standard and Poor's Rating</u>	<u>Morningstar Rating</u>	<u>Pension Relief Investment Pool</u>	<u>Mutual Funds</u>
AAA	-	\$ 1,234,117	\$ -
AA	-	102,386	-
A	-	292,532	-
BBB	-	188,317	-
Unrated	-	10,970	-
-	Below Average	-	8,610,946
-	Average	-	961,118
-	Above Average	-	14,199,305
-	High	-	2,887,765
-	Not Rated	-	5,060,498
Total		<u>\$ 1,828,322</u>	<u>\$ 31,719,632</u>

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single user. The City does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

Foreign Currency Risk

Foreign currency risk relates to adverse affects on the fair value of an investment from changes in exchange rates. The City does not have a formal policy in regards to foreign currency risk. The foreign currency risk derives from the City's investment in a foreign bond mutual fund with a fair value of \$1,584,021 at December 31, 2006.

B. Discretely Presented Component Units

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds, and has a principal office or branch that qualifies to receive public funds of the political subdivision. At December 31, 2006, the City's discretely presented component units' deposits with financial institutions of \$6,519,172 were entirely insured by federal depository insurance, with the exception of UEA's deposits in the amount of \$891,049. These deposits are collateralized with securities held by the counter party's trust department or agent in the UEA's name.

Note 3. Capital Assets

Capital asset activity for the year ended December 31, 2006 was as follows:

Primary government

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 20,372,154	\$ 7,255,373	\$ 1,039,181	\$ 26,588,346
Roads accounted for using the modified approach	419,642,225	83,827,988	-	503,470,213
Construction in progress	6,657,124	4,610,879	1,238,555	10,029,448
Total capital assets not being depreciated	<u>446,671,503</u>	<u>95,694,240</u>	<u>2,277,736</u>	<u>540,088,007</u>
Capital assets being depreciated:				
Buildings	58,183,068	249,130	410,103	58,022,095
Improvements other than buildings	74,456,709	901,608	346,852	75,011,465
Machinery and equipment	47,729,554	6,684,377	3,259,661	51,154,270
Net investment in joint venture	3,644,709	163,775	-	3,808,484
Total capital assets being depreciated:	<u>184,014,040</u>	<u>7,998,890</u>	<u>4,016,616</u>	<u>187,996,314</u>
Less accumulated depreciation for:				
Buildings	21,023,945	1,625,813	30,441	22,619,317
Improvements other than buildings	13,632,884	1,938,653	242,278	15,329,259
Machinery and equipment	28,430,524	5,930,627	3,552,998	30,808,153
Net investment in joint venture	792,398	83,066	-	875,464
Total accumulated depreciation	<u>63,879,751</u>	<u>9,578,159</u>	<u>3,825,717</u>	<u>69,632,193</u>
Total capital assets being depreciated, net	<u>120,134,289</u>	<u>(1,579,269)</u>	<u>190,899</u>	<u>118,364,121</u>
Total governmental activities capital assets, net	<u>\$ 566,805,792</u>	<u>\$ 94,114,971</u>	<u>\$ 2,468,635</u>	<u>\$ 658,452,128</u>

Continued on next page

Continued from previous page

Primary government (continued)

	Beginning Balance	Additions	Reductions	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 4,831,315	\$ 186,006	\$ 24,292	\$ 4,993,029
Construction in progress	39,541,854	54,848,004	39,858,495	54,531,363
Total capital assets not being depreciated	<u>44,373,169</u>	<u>55,034,010</u>	<u>39,882,787</u>	<u>59,524,392</u>
Capital assets being depreciated:				
Distribution and collection	358,713,391	33,767,907	4,121,449	388,359,849
Buildings and improvements	125,559,771	2,037,476	5,162,165	122,435,082
Equipment and machinery	119,910,690	14,466,077	1,311,238	133,065,529
Total capital assets being depreciated	<u>604,183,852</u>	<u>50,271,460</u>	<u>10,594,852</u>	<u>643,860,460</u>
Less accumulated depreciation for:				
Distribution and collection	95,551,101	5,395,108	1,016,932	99,929,277
Buildings and improvements	46,271,976	3,008,980	119,958	49,160,998
Equipment and machinery	63,425,115	6,714,376	915,776	69,223,715
Total accumulated depreciation	<u>205,248,192</u>	<u>15,118,464</u>	<u>2,052,666</u>	<u>218,313,990</u>
Total capital assets being depreciated, net	<u>398,935,660</u>	<u>35,152,996</u>	<u>8,542,186</u>	<u>425,546,470</u>
Total business-type activities capital assets, net	<u>\$ 443,308,829</u>	<u>\$ 90,187,006</u>	<u>\$ 48,424,973</u>	<u>\$ 485,070,862</u>

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Discretely presented component units:</u>				
Capital assets not being depreciated:				
Land	\$ 975,000	\$ -	\$ -	\$ 975,000
Construction in progress	16,740	203,375	220,115	-
Total capital assets not being depreciated	<u>991,740</u>	<u>203,375</u>	<u>220,115</u>	<u>975,000</u>
Capital assets being depreciated:				
Buildings and improvements	49,767,390	277,800	-	50,045,190
Equipment and other	3,185,516	109,995	-	3,295,511
Total capital assets being depreciated	<u>52,952,906</u>	<u>387,795</u>	<u>-</u>	<u>53,340,701</u>
Less accumulated depreciation for:				
Buildings and improvements	3,578,516	1,119,406	-	4,697,922
Equipment and machinery	2,394,028	90,702	-	2,484,730
Total accumulated depreciation	<u>5,972,544</u>	<u>1,210,108</u>	<u>-</u>	<u>7,182,652</u>
Total capital assets being depreciated, net	<u>46,980,362</u>	<u>(822,313)</u>	<u>-</u>	<u>46,158,049</u>
Total discretely presented component units capital assets, net	<u>\$ 47,972,102</u>	<u>\$ (618,938)</u>	<u>\$ 220,115</u>	<u>\$ 47,133,049</u>

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

Governmental activities:	
General government	\$ 433,747
Public safety	4,106,559
Highways and streets	2,940,625
Health and welfare	174,510
Urban redevelopment and housing	29,550
Culture and recreation	1,841,821
Internal Service Funds*	<u>51,347</u>
 Total depreciation expense - governmental activities	 <u><u>\$ 9,578,159</u></u>
 Business-type activities:	
Water	\$ 4,501,390
Wastewater	8,292,300
Stormwater	1,471,922
Parking garages	390,371
Solid waste	255,953
Other	<u>206,528</u>
 Total depreciation expense - business-type activities	 <u><u>\$ 15,118,464</u></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. Long-term Debt

A. Changes in Long-term Debt

During the year ended December 31, 2006, the following changes occurred in liabilities reported on the Statement of Net Assets:

Primary government:

	Balance, 1/1/2006	Additions	Reductions	Balance, 12/31/2006	Due Within One Year
<u>Governmental Activities:</u>					
General obligation bonds	\$ 7,725,000	\$ -	\$ 1,045,000	\$ 6,680,000	\$ 1,125,000
Special obligation bonds	75,490,000	-	5,460,000	70,030,000	6,165,000
Compensated absences	7,770,926	4,357,949	3,751,718	8,377,157	6,553,452
First mortgage bonds	10,490,000	20,825,000	1,870,000	29,445,000	1,950,000
Capital leases	12,367,782	8,030,000	3,972,925	16,424,857	4,693,942
Notes and loans payable	993,193	-	114,046	879,147	120,532
Mortgages payable	42,000	-	-	42,000	-
Net pension obligation	94,460,737	-	42,846	94,417,891	-
Totals	<u><u>\$ 209,339,638</u></u>	<u><u>\$ 33,212,949</u></u>	<u><u>\$ 16,256,535</u></u>	<u><u>\$ 226,296,052</u></u>	<u><u>\$ 20,607,926</u></u>
<u>Business-type Activities:</u>					
Revenue bonds	\$ 75,045,000	\$ 17,000,000	\$ 6,665,000	\$ 85,380,000	\$ 7,100,000
Compensated absences	1,952,415	1,786,374	1,745,292	1,993,497	956,399
Capital leases	3,700,000	-	319,444	3,380,556	329,741
Notes and loans payable	24,066,232	51,433,731	2,329,000	73,170,963	4,226,571
Other long-term liabilities	30,894	91,800	3,936	118,758	5,145
Totals	<u><u>\$ 104,794,541</u></u>	<u><u>\$ 70,311,905</u></u>	<u><u>\$ 11,062,672</u></u>	<u><u>\$ 164,043,774</u></u>	<u><u>\$ 12,617,856</u></u>

Discretely presented component units:

Lease rental revenue					
bonds payable	\$ 31,985,000	\$ -	\$ -	\$ 31,985,000	\$ 735,000
Capital leases	<u>31,543,877</u>	<u>-</u>	<u>615,904</u>	<u>30,927,973</u>	<u>651,585</u>
Totals	<u>\$ 63,528,877</u>	<u>\$ -</u>	<u>\$ 615,904</u>	<u>\$ 62,912,973</u>	<u>\$ 1,386,585</u>

B. Description of Bond Issues

Primary government:

<u>Governmental Activities:</u>	<u>Balance,</u>	<u>Due Within</u>	<u>Premium</u>	<u>Due In More</u>
<u>General Obligation Bonds:</u>	<u>12/31/2006</u>	<u>One Year</u>	<u>(Discount)</u>	<u>Than One Year</u>
\$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 4.5 percent to 6.45 percent.	\$ 3,195,000	\$ 930,000	\$ (3,158)	\$ 2,261,842
\$4,500,000 1999 Park District Improvement Bonds due in installments of \$195,000 to \$360,000 plus interest through July 1, 2019; interest at 5.6 percent to 6.05 percent.	<u>3,485,000</u>	<u>195,000</u>	<u>-</u>	<u>3,290,000</u>
Total General Obligation Bonds	<u>\$ 6,680,000</u>	<u>\$ 1,125,000</u>	<u>\$ (3,158)</u>	<u>\$ 5,551,842</u>

Special Obligation Bonds:	<u>Balance, 12/31/2006</u>	<u>Due Within One Year</u>	<u>Premium (Discount)</u>	<u>Due In More Than One Year</u>
\$16,500,000 2001 Economic Development Income Tax Revenue Bonds due in installments of \$1,005,000 to \$1,170,000 plus interest through December 1, 2010; interest at 4.0 percent to 4.25 percent.	\$ 8,690,000	\$ 2,030,000	\$ (36,282)	\$ 6,623,718
\$10,225,000 2002 Infrastructure Bonds due in installments of \$470,000 to \$595,000 plus interest through December 1, 2012; interest at 3.75 percent to 4.25 percent.	6,340,000	945,000	(42,161)	5,352,839
\$25,000,000 2005 Economic Development Income Tax Revenue Bonds due in installments of \$1,025,000 to \$1,510,000 plus interest through December 1, 2016; interest at 4.0 percent to 4.25 percent.	25,000,000	2,075,000	324,944	23,249,944
\$3,310,000 Redevelopment District Revenue Bonds, Series 2005 A-1 due in installments of \$90,000 to \$155,000 through June 1, 2021; interest at 4.0 percent to 5.0 percent.	3,310,000	90,000	48,759	3,268,759
\$6,690,000 Redevelopment District Revenue Bonds, Series 2005 A-2 due in installments of \$170,000 to \$330,000 through June 1, 2021; interest at 4.44 percent to 5.24 percent.	6,690,000	170,000	-	6,520,000
\$10,000,000 Redevelopment District Revenue Bonds, Series 2005 B due in installments of \$425,000 to \$595,000 through December 1, 2016; interest at 3.5 percent to 4.125 percent.	10,000,000	855,000	39,678	9,184,678
\$10,000,000 2005 Park District Improvement Bonds due in installments of \$1,105,000 to \$1,415,000 plus interest through July 15, 2015; interest at 3.0 percent to 3.75 percent.	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>
Total Special Obligation Bonds	<u>\$ 70,030,000</u>	<u>\$ 6,165,000</u>	<u>\$ 334,938</u>	<u>\$ 64,199,938</u>

First Mortgage Bonds:	Balance, 12/31/2006	Due Within One Year	Premium (Discount) (Deferral of loss on refunding)	Due In More Than One Year
\$2,400,000 2000A First Mortgage Bonds due in installments of \$275,000 to \$325,000 plus interest through January 15, 2010; interest at 4.75 percent.	\$ 1,195,000	\$ 275,000	\$ (4,929)	\$ 915,071
\$1,035,000 2002 First Mortgage Bonds due in installments of \$100,000 to \$125,000 plus interest through January 1, 2012; interest at 3.9 percent to 4.7 percent.	665,000	100,000	(15,525)	549,475
\$6,555,000 2003 First Mortgage Refunding Bonds due in installments of \$1,355,000 to \$1,400,000 plus interest through January 15, 2008; interest at 3.0 percent to 3.25 percent.	2,755,000	1,355,000	33,900	1,433,900
\$4,215,000 2005 First Mortgage Bonds due in installments of \$110,000 to \$185,000 plus interest through December 1, 2020; interest at 3.5 percent to 4.5 percent.	4,005,000	220,000	-	3,785,000
\$20,825,000, 2006 First Mortgage Bonds due in installments of \$710,000 to \$1,895,000 plus interest through December 15, 2022; interest at 4.1 percent to 5.01 percent.	<u>20,825,000</u>	-	-	<u>20,825,000</u>
Total First Mortgage Bonds	<u>\$ 29,445,000</u>	<u>\$ 1,950,000</u>	<u>\$ 13,446</u>	<u>\$ 27,508,446</u>

<u>Business-type Activities:</u>	<u>Balance,</u>	<u>Due Within</u>	<u>Premium</u>	<u>Due In More</u>
<u>Revenue Bonds:</u>	<u>12/31/2006</u>	<u>One Year</u>	<u>(Discount)</u>	<u>Than One Year</u>
\$7,100,000 1997 Water Works Revenue Bonds, interest rates range from 4.5 percent to 4.75 percent and mature serially in amounts ranging from \$545,000 to \$680,000, redeemable at 100 percent beginning in 2005.	\$ 3,055,000	\$ 545,000	\$ (14,022)	\$ 2,495,978
\$10,640,000 1998 Sewage Works Junior Revenue Bonds, Series A due in installments of \$760,000 to \$975,000 plus interest through August 1, 2012; interest at 4.25 percent to 5.0	5,170,000	760,000	(4,481)	4,405,519
\$16,760,000 1998 Sewage Works Junior Revenue Bonds, Series B due in installments of \$1,235,000 to \$1,535,000 plus interest through August 1, 2012; interest at 4.0 percent to 4.5 percent.	8,265,000	1,235,000	(4,303)	7,025,697
\$1,700,000 2001 Parking Garage Revenue Bonds due in installments of \$70,000 to \$140,000 plus interest through January 15, 2021; interest at 4.39 percent to 5.59 percent.	1,510,000	70,000	-	1,440,000
\$19,080,000 2002 Sewage Works Junior Refunding Revenue Bonds, Series B due in installments of \$1,660,000 to \$1,100,000 plus interest through 2017; interest at 3.5 percent to 5.5 percent.	14,370,000	1,660,000	302,086	13,012,086
\$5,750,000 2002 Sewage Works Junior Revenue Bonds, Series C due in installments of \$335,000 to \$500,000 plus interest through 2017; interest at 1.3 percent to 4.55 percent.	4,495,000	335,000	-	4,160,000
\$5,800,000 2003 Water Works Revenue Bond due in installments of \$340,000 to \$505,000 plus interest through 2017; interest at 2.0 percent to 4.25 percent.	4,535,000	340,000	24,446	4,219,446
\$12,350,000 2003 Sewage Works Junior Revenue Bonds due in installments of \$715,000 to \$1,045,000 plus interest through 2018; interest at 2.0 percent to 3.8 percent.	10,280,000	715,000	32,916	9,597,916
\$16,700,000 2005 Water Works Revenue Bond due in installments of \$595,000 to \$2,345,000 plus interest through 2019; interest at 2.7 percent to 4.4 percent.	16,700,000	595,000	77,984	16,182,984
\$17,000,000 2006 Stormwater Management District Revenue Bond due in installments of \$845,000 to \$1,500,000 plus interest through 2021; interest at 3.75 percent to 4.0 percent.	<u>17,000,000</u>	<u>845,000</u>	<u>82,887</u>	<u>16,237,887</u>
Total Revenue Bonds	\$ 85,380,000	\$ 7,100,000	\$ 497,513	\$ 78,777,513

Discretely presented component units:

Lease Rental Revenue Bonds:	Balance, 12/31/2006	Due Within One Year	Premium (Discount)	Due In More Than One Year
\$31,985,000 Fort Wayne Redevelopment Authority 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 5.0 percent.	\$ 31,985,000	\$ 735,000	\$ 1,161,923	\$ 32,411,923

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 Refunding 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, 2005 Series B, and 2005 Infrastructure Bonds, and in addition, the 1999, 2001 and 2005 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, 2003, 2005 and 2006 First Mortgage Bonds are secured by the pledge of the mortgaged property. The special obligation bond section also includes the 2005 Series A-1 and A-2 redevelopment district revenue bonds that are an obligation of the redevelopment district whose boundaries and taxing district are within the City.

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:

Governmental Activities:

Year Ended December 31	General Obligation			Special Obligation		
	Principal	Interest	Totals	Principal	Interest	Totals
2007	\$ 1,125,000	\$ 327,466	\$ 1,452,466	\$ 6,165,000	\$ 2,814,392	\$ 8,979,392
2008	1,180,000	272,709	1,452,709	7,785,000	2,561,259	10,346,259
2009	1,235,000	215,332	1,450,332	8,095,000	2,255,155	10,350,155
2010	495,000	173,300	668,300	8,430,000	1,931,707	10,361,707
2011	235,000	154,423	389,423	6,355,000	1,617,242	7,972,242
2012-2016	1,385,000	556,805	1,941,805	29,240,000	4,311,511	33,551,511
2017-2021	1,025,000	125,478	1,150,478	3,960,000	508,694	4,468,694
Total	\$ 6,680,000	\$ 1,825,513	\$ 8,505,513	\$ 70,030,000	\$ 15,999,960	\$ 86,029,960

Business-type Activities:

Year Ended December 31	First Mortgage			Revenue		
	Principal	Interest	Totals	Principal	Interest	Totals
2007	\$ 1,950,000	\$ 1,271,140	\$ 3,221,140	\$ 7,100,000	\$ 3,508,020	\$ 10,608,020
2008	2,730,000	1,202,665	3,932,665	7,400,000	3,223,582	10,623,582
2009	1,385,000	1,123,637	2,508,637	7,700,000	2,933,148	10,633,148
2010	1,455,000	1,064,131	2,519,131	7,435,000	2,626,899	10,061,899
2011	1,585,000	1,008,998	2,593,998	7,350,000	2,321,590	9,671,590
2012-2016	8,460,000	4,000,433	12,460,433	30,475,000	7,449,440	37,924,440
2017-2021	10,030,000	1,915,890	11,945,890	17,920,000	1,699,896	19,619,896
2022	1,850,000	92,685	1,942,685	-	-	-
Total	\$ 29,445,000	\$ 11,679,577	\$ 41,124,577	\$ 85,380,000	\$ 23,762,575	\$ 109,142,575

Discretely presented component units:

Year Ended December 31	Lease Rental Revenue		
	Principal	Interest	Totals
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	1,325,000	1,458,125	2,783,125
2011	1,625,000	1,384,375	3,009,375
2012-2016	5,990,000	5,993,750	11,983,750
2017-2021	7,575,000	4,311,375	11,886,375
2022-2026	9,075,000	2,223,375	11,298,375
2027-2028	4,235,000	214,375	4,449,375
Total	\$ 31,985,000	\$ 20,146,670	\$ 52,131,670

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, Wastewater Utility and Stormwater 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:

Governmental Activities:

Year	Description	Carrying Value
2001	Machinery and Equipment	\$ 1,892,744
2002	Equipment	3,950,000
2002	Street Maintenance Equipment	1,176,000
2003	Equipment	2,700,000
2003	Street Maintenance Equipment	200,000
2004	Equipment	2,100,000
2004	Fire Trucks	2,725,000
2004	Street Maintenance Equipment	850,000
2005	Equipment	2,943,540
2005	Street Maintenance Equipment	1,000,000
2006	Computer and Office Equipment	1,220,000
2006	Financial System	810,000
2006	Street Maintenance Equipment	825,000
2006	Equipment	2,425,000
2006	Fire Trucks	2,750,000
Totals		<u>\$ 27,567,284</u>

Business-type Activities:

Year	Description	Carrying Value
2005	Solid Waste Containers	<u>\$ 3,700,000</u>

Discretely presented component units:

In 2003, the Fort Wayne-Allen County Convention and Tourism Authority entered into a \$33,455,248 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, 2006:

Year Ended December 31	Primary Government		Discretely Presented Component Units
	Governmental Activities	Business-type Activities	
2007	\$ 5,181,756	\$ 435,237	\$ 2,314,563
2008	4,489,881	435,237	2,406,188
2009	3,628,286	435,237	2,117,950
2010	2,217,232	435,237	2,845,550
2011	1,330,143	435,237	3,079,300
2012-2016	886,563	1,740,948	12,280,000
2017-2021	-	-	12,222,251
2022-2026	-	-	11,671,749
2027-2029	-	-	3,791,149
Total minimum lease payments	17,733,861	3,917,133	52,728,700
Less amount representing interest	1,309,004	536,577	21,800,727
Present value of net minimum lease payments	<u>\$ 16,424,857</u>	<u>\$ 3,380,556</u>	<u>\$ 30,927,973</u>

E. Loans Payable

	Balance, 12-31-06
<u>Governmental Activities:</u>	
The City borrowed \$500,000 in 1999. The payments are due in installments of \$28,615 to \$30,454 plus interest at 2.5 percent through February 15, 2008. This loan is payable from the Redevelopment fund.	\$ 89,147
The City borrowed \$1,140,000 in 1999. Payments are due in installments of \$60,000 to \$105,000 plus interest 4.3 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>790,000</u>
Total	<u>\$ 879,147</u>

Business-type Activities:

During 2002 and 2005 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 and \$40,000,000 in 2002 and 2005, respectively, for improvements at the Wastewater treatment facility. At December 31, 2006, \$23,454,351 and \$19,840,612 had been drawn against the 2002 and 2005 agreements, respectively, resulting in unissued loan principal of \$20,159,388. The City does not intend to draw any more funds against the 2002 agreement. Payments are due in installments of \$854,000 to \$1,663,000 plus interest at 4.0 percent through 2023 for the 2002 agreement. Payments are due in installments of \$1,475,000 to \$2,635,000 plus interest at 3.1 percent through 2025 for the 2005 agreement. The following debt service requirements to maturity reflect the anticipated loan payments after the loans have been drawn down 100%.	\$ 39,355,963
During 2006, the City participated in a shared loan arrangement through State of Indiana's State Revolving Fund Pooled Loan program. This program allows Indiana municipalities to collectively borrow funds under the AAA rating of the State of Indiana's creditworthiness as well as receive other financial benefits. Under this program, the City received \$31,900,000 to invest in improvements to the Water Utility's infrastructure. Payments are due in installments of \$1,545,000 to \$2,755,000 plus interest at 3.95 percent through 2021.	31,900,000
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 annual installments of \$273,571 from 2007 through 2013.	<u>1,915,000</u>
Total	<u>\$ 73,170,963</u>

Annual debt service requirements to maturity for the loans as of December 31, 2006, are as follows:

Year Ended December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	(Anticipated) Principal	(Anticipated) Interest	Totals
2007	\$ 120,532	\$ 37,249	\$ 157,781	\$ 4,226,571	\$ 3,253,763	\$ 7,480,334
2008	88,615	33,972	122,587	4,426,571	3,152,098	7,578,669
2009	65,000	31,508	96,508	4,578,571	3,000,895	7,579,466
2010	70,000	29,025	99,025	4,737,571	2,844,095	7,581,666
2011	75,000	26,120	101,120	4,896,571	2,681,420	7,577,991
2012-2016	460,000	72,777	532,777	26,331,143	10,749,959	37,081,102
2017-2021	-	-	-	30,852,000	5,681,619	36,533,619
2022-2025	-	-	-	13,281,353	989,205	14,270,558
Unissued	-	-	-	(20,159,388)	-	(20,159,388)
Total	\$ 879,147	\$ 230,651	\$ 1,109,798	\$ 73,170,963	\$ 32,353,054	\$ 105,524,017

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 5. 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 2006 amounted to \$1,150,589. Of the \$1,150,589 the City Utilities portion for leasing the City-County Building was \$268,640.

The City has a lease commencing June 1, 1999 and terminating May 31, 2009 of \$68,782 annually for space at 303 E. Washington for the Neighborhood Code Enforcement offices. P & E Realty, Inc. became the new owner of these offices effective November 15, 2006. The previous owner was TK Enterprises.

The City has a lease with the McMillen Foundation, commencing October 1, 2004 and terminating September 30, 2009 for \$200,000 annually. 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 6. Deficit Fund Balances – Deficit Net Assets

The following funds have deficit fund balances at December 31, 2006:

Primary government:

Governmental funds - Deficit fund balances:

Non-major Special Revenue funds:

Parking Meter	\$ 136,136
Reimbursable State Grants	19,234
Emergency Shelter Grant	2,952
Public Safety Academy	<u>1,752,089</u>

Total Non-major Special Revenue funds \$ 1,910,411

Non-major Capital Projects funds:

2001 Safety Bond	<u>350</u>
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Total Deficit Fund Balances \$ 1,910,761

The following fund has deficit net assets at December 31, 2006:

Primary Government:

Internal Service funds - Deficit net assets:

Group Health Insurance	<u><u>\$ 735,494</u></u>
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The deficit fund balances listed above will be eliminated in 2007 by a decrease in expenditures and an increase in revenues.

Note 7. Interfund Balances and Activity

A. Due To/From Other Funds

The composition of due to/from other funds as of December 31, 2006, is as follows:

Due To	Due From							Total
	General	Highways and Streets	Parks	CEDIT	Water	Non-major Enterprise	Internal Service	
Governmental:								
General	\$ -	\$ -	\$ -	\$ -	\$ 222,651	\$ -	\$ -	\$ 222,651
Parks	-	2,185	-	-	-	-	-	2,185
Redevelopment	-	-	-	143,684	-	-	-	143,684
Non-major Governmental	85,694	-	-	2,624,914	-	-	-	2,710,608
Proprietary:								
Water	13,718	-	-	-	-	538,609	46,706	599,033
Wastewater	67,268	2,264	132	-	-	568,463	32,244	670,371
Stormwater	457	-	-	-	-	128,122	14,616	143,195
Non-major Enterprise	14	-	-	-	-	8,707	19	8,740
Totals	<u>\$ 167,151</u>	<u>\$ 4,449</u>	<u>\$ 132</u>	<u>\$ 2,768,598</u>	<u>\$ 222,651</u>	<u>\$ 1,243,901</u>	<u>\$ 93,585</u>	<u>\$ 4,500,467</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>\$ 196,087</u>	General	<u>\$ 196,087</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. 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.

C. Interfund Receivables/Payables – Pooled Cash

The following are reported in the fund financial statements:

<u>Receivable Fund</u>		<u>Payable Fund</u>	
Non-major Governmental:		Non-major Governmental:	
Other Non-major Special Revenue	<u>\$ 961,662</u>	Other Non-major Special Revenue	<u>\$ 961,662</u>
Non-major Fiduciary:		Non-major Fiduciary:	
Pension Trust - Police Pension	<u>\$ 225,040</u>	Pension Trust - Fire Pension	<u>\$ 225,040</u>

The interfund receivable/payable – pooled cash reflects when one fund with positive cash covers another fund with negative cash within the same fund type.

D. Interfund Transfers:

Interfund transfers for the year ended December 31, 2006 in the fund financial statements were as follows:

Transfer From	Transfer To									Total
	General	Highways and Streets	CEDIT	Parks	Redevelopment	Non-major Governmental	Stormwater	Non-major Enterprise	Non-major Internal Service	
Governmental:										
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 158,083	\$ -	\$ 720,000	\$ -	\$ 878,083
Highways and Streets	-	-	135,000	-	-	-	-	-	-	135,000
CEDIT	241,436	-	1,812,169	875,000	799,664	8,697,361	-	-	-	12,425,630
Parks	10,625	-	-	14,986	-	-	-	-	-	25,611
Redevelopment	-	-	1,000,000	-	2,153,752	517,357	-	-	-	3,671,109
Non-major Governmental	45,016	-	3,885,142	-	735,000	2,884,099	-	-	14,900	7,564,157
Proprietary:										
Water Utility	1,087,447	-	-	-	-	-	-	-	-	1,087,447
Wastewater Utility	1,793,085	-	-	-	-	-	3,815,799	-	-	5,608,884
Non-major Enterprise	-	664,000	-	-	-	2,244,466	-	-	-	2,908,466
Total	\$ 3,177,609	\$ 664,000	\$ 6,832,311	\$ 889,986	\$ 3,688,416	\$ 14,501,366	\$ 3,815,799	\$ 720,000	\$ 14,900	\$ 34,304,387

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, (3) use unrestricted revenues from the General fund and CEDIT fund to finance various programs accounted for in other funds in accordance with statutes or budgetary authorizations and (4) transfer of Stormwater Utility assets from the Wastewater Utility.

Note 8. 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 disasters. 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 interfund services provided and used. 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, 2006, the total of these liabilities was \$615,350. 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
2005	\$ 334,923	\$ 751,221	\$ 512,211	\$ 573,933
2006	573,933	493,863	452,446	615,350

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 \$250,000 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 \$1,803,768 in 2006.

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 interfund services provided and used. 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, 2006, the total of these liabilities was \$1,746,364. 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
2005	\$ 1,010,644	\$ 16,132,032	\$ 15,662,877	\$ 1,479,799
2006	1,479,799	17,676,889	17,410,324	1,746,364

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 risks involved in their jobs, and are reported as interfund services provided and used.

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, 2006, the total of these liabilities was \$78,233. 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
2005	\$ 106,717	\$ 239,434	\$ 237,138	\$ 109,013
2006	109,013	122,896	153,676	78,233

Note 9. Segment Information

	Civic Center Parking Garage	2001 Parking Garage Addition	
<u>Types of Good or Services Provided:</u>	Used to account for revenues and expenses in connection with operating the Civic Center Parking Garage.	Used to account for revenues and expenses in connection with the joint City and County parking facility addition.	
<u>Condensed Statement of Net Assets</u>			
			<u>Totals</u>
Assets:			
Current assets	\$ 615,453	\$ -	\$ 615,453
Restricted assets	-	158,156	158,156
Unamortized bond issuance costs	-	53,292	53,292
Capital assets	5,164,565	1,430,552	6,595,117
Total assets	5,780,018	1,642,000	7,422,018
Liabilities:			
Current liabilities	273,571	106,296	379,867
Noncurrent liabilities	1,641,429	1,440,000	3,081,429
Total liabilities	1,915,000	1,546,296	3,461,296
Net assets:			
Invested in capital assets, net of related debt	3,249,565	(115,744)	3,133,821
Restricted	-	158,156	158,156
Unrestricted	615,453	53,292	668,745
Total net assets	\$ 3,865,018	\$ 95,704	\$ 3,960,722
<u>Condensed Statement of Revenues, Expenses and Changes in Net Assets</u>			
Charges for goods and services	\$ 717,419	\$ -	\$ 717,419
Leases	34,326	-	34,326
Depreciation expense	(336,999)	(40,872)	(377,871)
Other operating expenses	(309,765)	-	(309,765)
Operating income (loss)	104,981	(40,872)	64,109
Nonoperating revenues (expenses):			
Investment earnings	-	8,032	8,032
Interest expense	-	(79,307)	(79,307)
Amortization of bond issuance costs	-	(3,553)	(3,553)
Change in net assets	104,981	(115,700)	(10,719)
Total net assets - beginning	3,760,037	211,404	3,971,441
Total net assets - ending	\$ 3,865,018	\$ 95,704	\$ 3,960,722
<u>Condensed Statement of Cash Flows</u>			
Net cash provided (used) by:			
Operating activities	\$ 486,545	\$ -	\$ 486,545
Capital and related financing activities	(88,081)	(145,560)	(233,641)
Investing activities	-	8,031	8,031
Net increase (decrease) in cash and cash equivalents	398,464	(137,529)	260,935
Cash and cash equivalents, January 1	214,745	295,685	510,430
Cash and cash equivalents, December 31	\$ 613,209	\$ 158,156	\$ 771,365

Note 10. 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 204 retired police officers and firefighters based upon union agreements. Police officers and firefighters who retire with 20 years of service, are eligible for 100 percent City paid health insurance under the "\$500 Deductible" plan. Other plans are available at a cost to the retired officers and firefighters. The City also provides health care benefits for 67 retirees from other departments throughout the City. Post Employment Health Care Benefits are available to employees who have retired with 20 years of service. Employees who have sick time benefits that exceed 520 hours may convert that benefit to pay for health insurance premiums (see Note 1.D.9). These and similar benefits for active employees are provided under a self-funded plan administered by a Third Party Administrator (TPA). Costs are based on claims paid during the year plus administrative costs charged by the TPA. 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 retirement health care was approximately \$3,717,119.

Note 11. 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, 2006, there were 23 series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for 18 series issued after July 1, 1985 was \$76,587,527. The aggregate principal amount payable for the 5 series issued prior to July 1, 1985, could not be determined; however, their original issue amounts totaled \$32,052,000.

Note 12. 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, 2003 and 2005 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.

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

Construction Account

Unspent bond issue proceeds to be used in the construction of designated capital assets.

Replacement Account

This account, required by the EPA, exists to provide resources to maintain capacity and performance of the property of the Wastewater Utility. In 1991 the Indiana Department of Environmental Management concluded that the account was underfunded. The Wastewater Utility agreed to fund the account over the remaining life of the equipment acquired under the grant. It was anticipated the desired balance of \$6,800,000 would be fully funded by December 31, 1997. However, City Council capped the account at \$6,657,609 as of June 10, 1997.

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 14.

Restricted assets at year-end consisted of the following:

Asset Type / Account	Enterprise Funds				Totals
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise	
Cash and cash equivalents					
Sinking account	\$ 322,476	\$ 7,715,967	\$ 629,604	\$ 158,156	\$ 8,826,203
Construction account	33,831,004	-	12,163,421	-	45,994,425
Replacement account	-	6,657,609	-	-	6,657,609
Customer deposits account	1,179,231	-	-	-	1,179,231
Connection fees account	-	3,152,100	-	-	3,152,100
Tank painting account	357,176	-	-	-	357,176
Community trust	-	-	-	12,928	12,928
Totals	35,689,887	17,525,676	12,793,025	171,084	66,179,672
Investments					
Community trust	-	-	-	31,719,632	31,719,632
Total Restricted assets	\$ 35,689,887	\$ 17,525,676	\$ 12,793,025	\$ 31,890,716	\$ 97,899,304

Note 13. 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 non-cancelable lease for the term of the lease:

Annual Amount	Five-Year Period	Five-Year Totals	Received	Future Rentals
\$ 1,440,000	03-01-1975 to 02-29-1980	\$ 7,200,000	\$ 7,200,000	\$ -
1,490,000	03-01-1980 to 02-28-1985	7,450,000	7,450,000	-
1,540,000	03-01-1985 to 02-28-1990	7,700,000	7,700,000	-
1,590,000	03-01-1990 to 02-28-1995	7,950,000	7,950,000	-
1,640,000	03-01-1995 to 02-28-2000	8,200,000	8,200,000	-
1,690,000	03-01-2000 to 02-28-2005	8,450,000	8,450,000	-
1,740,000	03-01-2005 to 02-28-2010	8,700,000	3,190,000	5,510,000
	Totals	<u>\$ 55,650,000</u>	<u>\$ 50,140,000</u>	<u>\$ 5,510,000</u>

Note 14. 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 15. 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
2007	\$ 69,947
2008	69,947
2009	69,947
2010	69,947
2011	69,947
2012-2016	<u>320,591</u>
Total Minimum Lease Payments	670,326
Less: Unearned Interest Income	<u>(138,610)</u>
Net Investment in Direct Financing Lease	<u>\$ 531,716</u>

Note 16. Deferred Revenue – Unearned Revenue

The City reports the following deferred or unearned revenue balances in the governmental funds as of December 31, 2006:

<u>Deferred revenue:</u>	Taxes	Direct Financing Lease	Assessments	Inter- governmental	Total
	General	\$ 1,619,162	\$ 531,716	\$ -	\$ 19,218
Parks	339,631	-	-	16,176	355,807
Fire	1,176,264	-	-	-	1,176,264
Redevelopment	12,810	-	-	-	12,810
Highways and Streets	-	-	-	226,864	226,864
Other Non-major Governmental	312	-	471,957	209,854	682,123
Total	<u>\$ 3,148,179</u>	<u>\$ 531,716</u>	<u>\$ 471,957</u>	<u>\$ 472,112</u>	<u>\$ 4,623,964</u>
<u>Unearned revenue:</u>					
Other Non-major Governmental	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,135</u>	<u>\$ 120,135</u>

Note 17. 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 does not directly benefit from the expansion, but the expansion is an integral part of the revitalization of City of Fort Wayne's downtown.

The C&TA titled the GWC to the Redevelopment Authority so the lease rental revenue bonds sold by the RA would have a secured interest. For legal reasons, the Redevelopment Commission leases the GWC from the RA. The Redevelopment Commission subleases the GWC to the C&TA. The C&TA makes lease payments to the Redevelopment Commission. The Redevelopment Commission makes lease payments to the Redevelopment Authority. The Redevelopment Authority will use these payments to retire the lease rental revenue bonds they issued 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, 2006. The Redevelopment Authority will report on their financial statements. Lease rental revenue bonds payable, which is the net amount of the lease rental revenue bonds and bond premium due at December 31, 2006.

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 18. Harrison Square Project

Scope of the Project

The Harrison Square project represents a significant private-public venture in the community's efforts to revitalize Downtown Fort Wayne and create new opportunities for living, working and enjoying the heart of the community. The scope of the initial phase of this project includes: a new hotel with at least 250 rooms, 60 new residential condominium units, 30,000 square feet of new street level retail, a new multi-use stadium and a 900-space parking garage. Future phases would include an additional 120 residential condominium units, as well as an additional 60,000 square feet of retail space.

Project costs for the initial phase, including land and infrastructure, would be around \$125 million. Approximately 50% of the total project would come from public sources. The remaining 50% would be privately financed. When all phases of the project are completed, it's expected that the overall costs would be 60% private and 40% public.

The public dollars for this project will come from a variety of sources including CEDIT (Community Economic Development Income Tax), TIF (Jefferson Pointe Tax Increment Financing), CRED (Community Revitalization Enhancement District-allows the City to capture increased sales and income tax dollars generated by new investment in downtown), and City Cumulative Capital. Approximately 80% of the public financing comes from funding tools that are dedicated to areas in the City center and created for downtown revitalization. Only 20% of the public financing could be used to support other economic development activities citywide. CRED and TIF are geographic-specific funding tools.

Financial Impact Actions

Land has been purchased by the Redevelopment Commission within the project area. The amount spent for land acquisition as of December 31, 2006 is \$3,114,384 (\$2,778,211 from bond proceeds and \$336,173 from Tax Increment Financing ("TIF") revenues). The amount spent for land acquisition subsequent to December 31, 2006 is \$7,276,612 (\$2,348,567 from bond proceeds and \$4,928,045 from Tax Increment Financing ("TIF") revenues) with approximately \$2,414,000 yet to be purchased.

In April 2007, Resolution No. R-07-04-09 pledging Cumulative Capital Improvement Fund proceeds (not to exceed \$1,000,000), as well as CEDIT proceeds (not to exceed \$26,000,000) to the Fort Wayne Redevelopment Commission as a source of revenue for financing the development of Harrison Square was passed. The CEDIT pledge includes \$6,000,000 to be loaned to the Redevelopment Commission which will be reimbursed from Tax Increment Financing ("TIF") revenues after payment of prior TIF obligations.

In April 2007, Resolution No. R-07-04-10 confirming an approving order of the Fort Wayne City Plan Commission and confirming declaratory Resolution #2007-13 of the Fort Wayne Redevelopment Commission concerning Amendment II, Jefferson Illinois Road Economic Development Area was passed. This resolution confirms the expansion of the Jefferson Illinois Road Economic Development Area to include all real estate and improvements, including dedicated public rights-of-way, contained within a boundary defined by West Jefferson Blvd. on the north; South Harrison Street on the east (not including any property owned by the United States of America commonly known as the J. Ross Adair Federal Office Building located at 1300 South Harrison Street, Fort Wayne, IN); Baker Street on the south; and Ewing Street on the west.

Note 19. 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 two civil cases in which the plaintiffs are seeking unspecified damages in excess of \$1 million each. The chances of settlement are remote. In each, if a jury finds for the plaintiffs, the award could exceed \$1 million in damages and attorney fees. However, the City Attorney believes that the chance of the City obtaining a defense verdict in both is more likely than not.

The City is also a defendant in various other lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City Attorney the resolution of these other 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 and additional improvements are being 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 \$216 million over the next 20 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 20. Subsequent Events

Effective March 1, 2007, the Wastewater Utility increased rates by 25% for most services.

Debt Issued

In March 2007, the City entered into a \$4,550,000 capital lease. The lease proceeds will be used to purchase vehicles and vehicle equipment for several City departments.

In March 2007, the City entered into an \$835,000 capital lease. The lease proceeds will be used to purchase vehicles and vehicle equipment for the City Street department.

In March 2007, Resolution No. R-07-03-15 authorizing the City to incur debt to fund the Barrett Law Program was passed. The City intends to expand its Barrett Law Program to extend loans to fund commercial projects that qualify for Barrett Law reimbursement. The City intends to obtain two term loans. The first, in the amount of \$1,500,000, would be drawn down in 2007. The second, in the amount of \$2,500,000, would be drawn down in 2008.

In June 2007, the City entered into a \$3,175,000 capital lease. The lease proceeds will be used to purchase furniture and equipment for the Public Safety Academy.

Contracts Awarded

Major contracts awarded subsequent to December 31, 2006:

	<u>Amount</u>
Water Plant's North Pump Building and Electrical Building	\$ 13,587,100
General Cured-in-Place Pipe Rehabilitation	1,392,084
Saint Joe Pump Station Electrical Upgrade	6,594,000
South McMillan Park Stormwater Collection System	2,011,459

Note 21. 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 negative Net Pension Obligation (NPO) is considered an asset of the City and is reflected as such in the Statement of Net Assets. The amount is separated between the governmental and business-type activities.

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	\$ 2,630,398	\$ 8,583,700	\$ 7,296,800	\$ 541,966
Interest on NPO	(143,056)	2,754,200	2,415,100	16,173
Adjustment to annual required contribution	163,023	(3,336,000)	(2,925,300)	(2,851)
Annual pension cost	2,650,365	8,001,900	6,786,600	555,288
Contributions made	2,583,195	7,956,110	6,946,260	484,264
Increase in NPO	67,170	45,790	(159,660)	71,024
NPO, beginning of year	(1,973,177)	50,341,500	40,251,800	3,867,437
NPO, end of year	\$ (1,906,007)	\$ 50,387,290	\$ 40,092,140	\$ 3,938,461

The Net Pension Obligation reported in the Statement of Net Assets is \$94,417,891 (1925 Police Officers' Pension, \$50,387,290; 1937 Firefighters' Pension, \$40,092,140; Sanitary Officers' Pension, \$3,938,461). The Net Pension Asset reported in the Statement of Net Assets is \$1,906,007 (PERF).

Contribution rates:	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
City	5.5%	808%	1457%	1141%
Plan members	3%	6%	6%	3%

	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
Actuarial valuation date	07/01/06	01/01/06	01/01/06	01/01/07
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
Amortization period	40 years	30 years	30 years	30 years
Amortization period (from date)	07/01/97	01/01/05	01/01/05	01/01/05
Asset valuation method	75% of expected actuarial value plus 25% of market value	4 year phase in of realized and unrealized capital	4 year phase in of realized and unrealized capital	4 year phase in of realized and unrealized capital

Actuarial assumptions:	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
Investment rate of return	7.25%	6%	6%	6%
Projected future salary increases:				
Total	5%	4%	4%	8%
Attributed to inflation	4%	4%	4%	4%
Attributed to merit/seniority	1%	0%	0%	0%
Attributed to post-retirement benefit	0%	0%	0%	4%
Cost-of-living adjustments	1%	2.75% / 4% *	2.75% / 4% *	0%

* 2.75% converted members; 4% non-converted members

Three Year Trend Information

PERF

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2004	\$ 1,832,414	128%	\$ (1,822,195)
6/30/2005	2,233,944	107%	(1,973,177)
6/30/2006	2,650,365	97%	(1,906,007)

1925 Police Officers' Pension Plan

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2003	\$ 11,970,000	61%	\$ 45,743,000
12/31/2004	12,135,400	62%	50,341,500
12/31/2005	8,001,900	99%	50,387,290

1937 Firefighters' Pension Plan

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2003	\$ 9,194,000	71%	\$ 35,931,000
12/31/2004	10,974,200	61%	40,251,800
12/31/2005	6,786,600	102%	40,092,140

Sanitary Officers' Pension Plan

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2004	\$ 570,847	87%	\$ 3,785,417
12/31/2005	650,369	76%	3,867,437
12/31/2006	555,288	87%	3,938,461

Plan Membership

Group	1925 Police Officers' Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
Retirees and beneficiaries currently receiving benefits	340	301	21
Active employees - vested	22	7	1
Active employees - nonvested	0	0	0

f. Financial Statements for Defined Benefit Plans

Statements of Fiduciary Net Assets:

	<u>1925 Police Officers Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
<u>Assets</u>			
Cash and cash equivalents	\$ 707,913	\$ -	\$ 258,290
Investments at fair value:			
Participation in external investment pool	1,405,312	1,206,576	-
Receivables:			
Taxes	136,528	114,659	18,433
Interfund receivables - pooled cash	<u>225,040</u>	<u>-</u>	<u>-</u>
 Total assets	 <u>2,474,793</u>	 <u>1,321,235</u>	 <u>276,723</u>
<u>Liabilities</u>			
Accrued payroll and deductions	35,983	34,455	2,741
Interfund payables - pooled cash	<u>-</u>	<u>225,040</u>	<u>-</u>
 Total liabilities	 <u>35,983</u>	 <u>259,495</u>	 <u>2,741</u>
<u>Net assets</u>			
Held in trust for:			
Employees' pension benefits	<u>\$ 2,438,810</u>	<u>\$ 1,061,740</u>	<u>\$ 273,982</u>

Statements of Changes in Fiduciary Net Assets:

	<u>1925 Police Officers Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
<u>Additions</u>			
Contributions:			
Employer	\$ 7,956,109	\$ 6,946,261	\$ 484,264
Plan members	32,513	21,350	3,357
Other	3,484	-	-
Net investment income	<u>11,289</u>	<u>177</u>	<u>-</u>
 Total additions	 <u>8,003,395</u>	 <u>6,967,788</u>	 <u>487,621</u>
<u>Deductions</u>			
Benefits and refunds paid to plan members and beneficiaries	7,727,151	7,224,461	431,430
Administrative expenses	<u>14,740</u>	<u>19,036</u>	<u>3,791</u>
 Total deductions	 <u>7,741,891</u>	 <u>7,243,497</u>	 <u>435,221</u>
 Change in net assets	 261,504	 (275,709)	 52,400
Net assets - beginning	<u>2,177,306</u>	<u>1,337,449</u>	<u>221,582</u>
 Net assets - ending	 <u>\$ 2,438,810</u>	 <u>\$ 1,061,740</u>	 <u>\$ 273,982</u>

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, 2006, 2005, and 2004 were \$7,226,307, \$6,815,004, and \$6,458,384 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, 2006

	General Fund			
	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 54,017,858	\$ 54,017,858	\$ 53,234,349	\$ (783,509)
Licenses and permits	1,963,946	1,963,946	1,909,742	(54,204)
Intergovernmental	5,478,998	5,478,998	3,326,723	(2,152,275)
Charges for services	4,299,524	4,299,524	3,519,512	(780,012)
Fines and forfeits	1,120,764	1,120,764	1,618,108	497,344
Other	950,571	950,571	1,323,310	372,739
Total revenues	67,831,661	67,831,661	64,931,744	(2,899,917)
Expenditures:				
Current:				
General government	12,782,011	13,214,267	11,904,720	1,309,547
Public safety	49,420,435	49,791,751	47,929,292	1,862,459
Highways and streets	4,648,411	4,643,097	4,388,195	254,902
Health and welfare	2,200,838	2,173,835	2,107,571	66,264
Economic opportunity	673,101	663,562	633,818	29,744
Economic development	2,139,144	2,145,881	1,972,025	173,856
Total expenditures	71,863,940	72,632,393	68,935,621	3,696,772
Other financing sources (uses):				
Operating transfers in	488,820	488,820	3,177,609	2,688,789
Operating transfers out	(870,000)	(870,000)	(878,083)	(8,083)
Total other financing sources (uses)	(381,180)	(381,180)	2,299,526	2,680,706
Net change in fund balance	(4,413,459)	(5,181,912)	(1,704,351)	3,477,561
Fund balance - beginning	12,702,739	12,702,739	12,702,739	-
Fund balance - ending	\$ 8,289,280	\$ 7,520,827	\$ 10,998,388	\$ 3,477,561

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, 2006

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	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		
Revenues:												
Taxes	\$ 1,930,300	\$ 1,930,300	\$ 1,889,604	\$ (40,696)	\$ 9,311,757	\$ 9,311,757	\$ 9,209,852	\$ (101,905)	\$ 30,870,190	\$ 30,870,190	\$ 30,620,229	\$ (249,961)
Licenses and permits	-	-	-	-	43,000	43,000	39,147	(3,853)	46,000	46,000	-	(46,000)
Intergovernmental	8,868,654	8,868,654	9,611,725	743,071	-	-	-	-	-	-	-	-
Charges for services	5,080,190	5,080,190	3,395,041	(1,685,149)	4,267,352	4,267,352	3,940,773	(326,579)	368,783	368,783	12,356	(356,427)
Fines and forfeits	6,100	6,100	-	(6,100)	-	-	-	-	5,500	5,500	17,133	11,633
Other	664,000	664,000	261,744	(402,256)	2,138,108	2,138,108	2,133,044	(5,064)	3,540	3,540	101,805	98,265
Total revenues	16,549,244	16,549,244	15,158,114	(1,391,130)	15,760,217	15,760,217	15,322,816	(437,401)	31,294,013	31,294,013	30,751,523	(542,490)
Expenditures:												
Current:												
Public safety:												
Personal services	-	-	-	-	-	-	-	-	30,062,346	30,001,003	29,134,685	866,318
Supplies	-	-	-	-	-	-	-	-	645,860	654,594	629,309	25,285
Other services and charges	-	-	-	-	-	-	-	-	942,793	931,395	890,755	40,640
Capital outlay	-	-	-	-	-	-	-	-	76,688	91,641	54,200	37,441
Highways and streets:												
Personal services	8,761,978	8,696,988	8,594,568	102,420	-	-	-	-	-	-	-	-
Supplies	2,283,629	2,443,582	2,290,672	152,910	-	-	-	-	-	-	-	-
Other services and charges	3,867,840	4,748,584	3,298,495	1,450,089	-	-	-	-	-	-	-	-
Capital outlay	67,500	71,077	584,382	(513,305)	-	-	-	-	-	-	-	-
Culture and recreation:												
Personal services	-	-	-	-	8,711,938	8,560,744	8,426,093	134,651	-	-	-	-
Supplies	-	-	-	-	1,310,302	1,380,261	1,321,527	58,734	-	-	-	-
Other services and charges	-	-	-	-	4,581,196	4,562,318	4,521,651	40,667	-	-	-	-
Capital outlay	-	-	-	-	3,142,520	3,142,520	3,142,520	-	-	-	-	-
Total expenditures	14,980,947	15,960,231	14,768,117	1,192,114	17,745,956	17,645,843	17,411,791	234,052	31,727,687	31,678,633	30,708,949	969,684
Other financing sources (uses):												
Operating transfers in	664,000	664,000	664,000	-	889,986	889,986	889,986	-	-	-	-	-
Operating transfers out	(135,000)	(135,000)	(135,000)	-	(25,611)	(25,611)	(25,611)	-	-	-	-	-
Total other financing sources	529,000	529,000	529,000	-	864,375	864,375	864,375	-	-	-	-	-
Net change in fund balances	2,097,297	1,118,013	918,997	(199,016)	(1,121,364)	(1,021,251)	(1,224,600)	(203,349)	(433,674)	(384,620)	42,574	427,194
Fund balances - beginning	4,568,541	4,568,541	4,568,541	-	13,629,396	13,629,396	13,629,396	-	2,766,124	2,766,124	2,766,124	-
Fund balances - ending	\$ 6,665,838	\$ 5,686,554	\$ 5,487,538	\$ (199,016)	\$ 12,508,032	\$ 12,608,145	\$ 12,404,796	\$ (203,349)	\$ 2,332,450	\$ 2,381,504	\$ 2,808,698	\$ 427,194

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 INFRASTRUCTURE – MODIFIED REPORTING

Comparison of Needed-to-Actual Maintenance/Preservation:

Roads	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Arterial					
Needed	\$ 843,611	\$ 1,317,770	\$ 684,069	\$ 3,633,337	\$ 6,858,502
Actual	788,588	1,278,949	700,128	3,563,575	7,634,647
Collector					
Needed	327,923	172,913	63,114	731,323	210,935
Actual	355,443	198,784	63,114	524,084	146,895
Residential					
Needed	1,376,292	2,366,088	2,440,135	6,757,534	4,888,170
Actual	2,049,752	2,670,703	2,388,097	5,883,572	5,945,313

Condition Rating:

Average Pavement Condition Index (PCI)

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Total system	76	76	74	73	69

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)
07/01/04	\$ 43,920,812	\$ 47,948,698	\$ (4,027,886)	92%	\$ 41,000,931	(10%)
07/01/05	45,806,122	53,496,046	(7,689,924)	86%	41,709,021	(18%)
07/01/06	47,213,478	57,460,321	(10,246,843)	82%	44,364,740	(23%)

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)
01/01/01	\$ 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%)
01/01/05	2,423,389	117,028,600	(114,605,211)	2%	1,257,300	(9,115%)
01/01/06	2,177,306	118,558,700	(116,381,394)	2%	1,062,500	(10,954%)

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)
01/01/01	\$ 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%)
01/01/05	2,321,797	101,112,400	(98,790,603)	2%	556,800	(17,743%)
01/01/06	1,337,449	110,575,500	(109,238,051)	1%	500,800	(21,813%)

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)
01/01/02	\$ 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%)
01/01/05	132,802	7,478,337	(7,345,535)	2%	134,715	(5,453%)
01/01/06	221,582	7,490,795	(7,269,213)	3%	138,577	(5,246%)
01/01/07	273,982	7,478,472	(7,204,490)	4%	47,518	(15,162%)

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
12/31/00	\$ 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%
12/31/04	14,441,900	49%	3%
12/31/05	8,583,700	42%	51%

1937 Firefighters' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
		City	State
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%
12/31/04	12,786,000	49%	3%
12/31/05	7,296,800	41%	54%

Sanitary Officers' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed
		City
12/31/01	\$ 875,476	47%
12/31/02	892,263	20%
12/31/03	947,674	53%
12/31/04	562,303	89%
12/31/05	569,939	87%
12/31/06	541,966	89%

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE, INDIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2006

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:

Parking Meter, Law Enforcement Training, Cable Television,
Unsafe Building, Domestic Violence

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 \$2,585,942 in 2006.

B. Expenditures in Excess of Appropriations

For the year ended December 31, 2006, 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	\$ 8,421
General	Board of Works	Other services & charges	100,234
General	Data Processing	Capital outlay	2,961
General	Property Management	Supplies	104
General	Highways and Streets	Capital outlay	3,579
General	Animal Control	Supplies	354
General	Animal Control	Other services & charges	7,116
Highways and Streets		Capital outlay	513,305
CEDIT		Capital outlay	4,792,804
CEDIT		Transfers out	392,437
Domestic Violence		Supplies	156

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 measured 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. No other factors exist that would significantly affect trends in the information reported.

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 of Fort Wayne's policy to maintain our road pavement infrastructure at a condition of "Good". Condition reports using a weighted average are compiled on an annual basis to determine the total system's status. The City field assesses one third (1/3) of the total miles each year to keep the information current.

Factors that significantly affect trends in the road maintenance schedule include:

1. Extreme winter weather conditions that result in excessive “freeze-thaw” activity.
2. Extreme summer weather conditions that result in excessive heat. Under extreme heat, asphalt can become soft and buckle. Concrete suffers from a condition known as “blow ups”. The ground under the concrete roads and the roads themselves begin to expand during exceptionally high temperatures. The concrete can find no other way to expand than to “blow up”, or shoot into the air.
3. Conflicts with utilities. Utility work that results in the disruption of a road surface will weaken the original integrity of the structure. More repairs may become necessary once a road’s initial structure has been altered.
4. Extreme loading. Each road is rated for a certain percentage of traffic coming from trucks. When the percentage exceeds the rating, damage to the road will occur.
5. The presence of water. Excessive water levels from winter thaw, high rains, water pipe breaks, or higher than usual water tables can cause rapid deterioration of roads.

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
- Neighborhood Code Enforcement
- Police Merit Commission
- Police
- Communications

Highways and Streets:

- Street Lighting/Flood Control/Transportation
- Engineering Services/Traffic Engineering
- Admin

Health and Welfare:

- Animal Control

Economic Opportunity:

- Metropolitan Human Relations

Economic Development:

- Community 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, 2006

<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	\$ 867,315	\$ 880,614	\$ 848,413	\$ 32,201
Supplies	11,482	10,932	8,303	2,629
Other services and charges	104,570	107,588	93,596	13,992
Controller				
Personal services	820,167	820,167	793,525	26,642
Supplies	7,655	8,205	8,205	-
Other services and charges	411,770	1,125,440	149,447	975,993
City Clerk and Council				
Personal services	810,324	811,349	802,456	8,893
Supplies	13,000	10,434	6,838	3,596
Other services and charges	59,281	58,248	41,384	16,864
Board of Works				
Personal services	548,287	545,618	554,039	(8,421)
Supplies	6,300	6,007	4,380	1,627
Other services and charges	2,110,036	2,204,976	2,305,210	(100,234)
Capital outlay	-	4,155	-	4,155
Law				
Personal services	318,944	318,944	318,343	601
Supplies	1,570	2,150	1,601	549
Other services and charges	148,730	148,150	142,335	5,815
Internal Audit				
Personal services	200,016	199,974	198,256	1,718
Supplies	280	622	386	236
Other services and charges	7,211	6,911	4,477	2,434
Data Processing / ACS				
Personal services	164,736	164,736	145,237	19,499
Supplies	51,237	51,237	27,345	23,892
Other services and charges	2,985,209	2,619,629	2,429,771	189,858
Capital outlay	288,537	284,539	287,500	(2,961)
Property Management				
Personal services	118,071	120,261	119,577	684
Supplies	1,706	973	1,077	(104)
Other services and charges	1,149,315	1,141,450	1,130,525	10,925
Capital outlay	-	500	500	-
Human Resources				
Personal services	573,073	573,073	562,439	10,634
Supplies	12,680	12,415	9,938	2,477
Other services and charges	169,601	146,255	114,067	32,188
Payroll				
Personal services	232,750	240,842	236,830	4,012
Supplies	1,784	1,776	1,776	-
Other services and charges	7,016	6,739	5,412	1,327
Purchasing				
Personal services	404,780	404,780	403,422	1,358
Supplies	23,915	23,915	15,985	7,930
Other services and charges	150,663	150,663	132,125	18,538
Total General government	<u>12,782,011</u>	<u>13,214,267</u>	<u>11,904,720</u>	<u>1,309,547</u>

(Continued)

CITY OF FORT WAYNE, INDIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2006
(Continued)

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
Public safety:				
Weights and Measures				
Personal services	\$ 121,673	\$ 122,621	\$ 122,598	\$ 23
Supplies	4,210	4,210	4,174	36
Other services and charges	10,063	10,063	9,965	98
Neighborhood Code Enforcement				
Personal services	1,269,277	1,212,434	1,147,967	64,467
Supplies	33,970	34,970	34,455	515
Other services and charges	676,752	647,290	617,614	29,676
Capital outlay	3,160	3,160	3,160	-
Police Merit Commission				
Personal services	2,500	2,500	2,500	-
Police				
Personal services	36,392,437	36,215,205	35,539,884	675,321
Supplies	1,225,986	1,333,157	1,220,267	112,890
Other services and charges	4,225,439	4,218,145	3,911,890	306,255
Capital outlay	83,146	131,661	120,893	10,768
Communications				
Personal services	5,015,153	5,494,419	4,890,257	604,162
Supplies	82,961	81,967	79,880	2,087
Other services and charges	256,708	262,949	207,653	55,296
Capital outlay	17,000	17,000	16,135	865
Total Public safety	<u>49,420,435</u>	<u>49,791,751</u>	<u>47,929,292</u>	<u>1,862,459</u>
Highways and streets:				
Street Lighting/Flood/Transp Engineering				
Personal services	2,407,004	2,409,004	2,294,348	114,656
Supplies	443,483	435,483	325,513	109,970
Other services and charges	1,787,924	1,788,185	1,754,330	33,855
Capital outlay	10,000	10,425	14,004	(3,579)
Total Highways and streets	<u>4,648,411</u>	<u>4,643,097</u>	<u>4,388,195</u>	<u>254,902</u>
Health and welfare:				
Animal Control				
Personal services	1,776,261	1,763,055	1,689,321	73,734
Supplies	79,680	90,586	90,940	(354)
Other services and charges	344,897	320,194	327,310	(7,116)
Total Health and welfare	<u>2,200,838</u>	<u>2,173,835</u>	<u>2,107,571</u>	<u>66,264</u>
Economic opportunity:				
Metropolitan Human Relations				
Personal services	577,213	559,880	551,813	8,067
Supplies	12,100	14,081	11,596	2,485
Other services and charges	83,788	89,601	70,409	19,192
Total Economic opportunity	<u>673,101</u>	<u>663,562</u>	<u>633,818</u>	<u>29,744</u>
Economic development:				
Community and Economic Development				
Personal services	1,949,616	1,949,635	1,806,788	142,847
Supplies	20,046	20,046	19,329	717
Other services and charges	167,713	174,431	144,139	30,292
Capital outlay	1,769	1,769	1,769	-
Total Economic development	<u>2,139,144</u>	<u>2,145,881</u>	<u>1,972,025</u>	<u>173,856</u>
Total General Fund	<u>\$ 71,863,940</u>	<u>\$ 72,632,393</u>	<u>\$ 68,935,621</u>	<u>\$ 3,696,772</u>

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER BUDGETED MAJOR GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006

	Redevelopment				CEDIT			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 7,810,390	\$ 7,810,390	\$ 7,800,859	\$ (9,531)	\$ 18,559,384	\$ 18,559,384	\$ 18,582,984	\$ 23,600
Charges for services	-	-	-	-	22,542	22,542	22,542	-
Other	2,782,694	2,782,694	2,786,327	3,633	855,150	855,150	855,150	-
Total revenues	10,593,084	10,593,084	10,587,186	(5,898)	19,437,076	19,437,076	19,460,676	23,600
Expenditures:								
Urban redevelopment and housing:								
Personal Services	482,473	482,473	429,954	52,519	-	-	-	-
Supplies	300	300	267	33	-	-	-	-
Other Services and Charges	8,678,044	8,678,044	8,667,112	10,932	-	-	-	-
Capital Outlay	578,902	578,902	578,902	-	-	-	-	-
Debt Service:								
Principal	919,046	919,046	919,046	-	5,473,702	5,473,702	5,460,000	13,702
Interest	651,615	651,615	651,615	-	2,467,675	2,467,675	2,467,675	-
Capital Outlay	-	-	-	-	8,342,226	8,342,226	13,135,030	(4,792,804)
Total expenditures	11,310,380	11,310,380	11,246,896	63,484	16,283,603	16,283,603	21,062,705	(4,779,102)
Other financing sources (uses):								
Transfers in	3,688,416	3,688,416	3,688,416	-	6,832,311	6,832,311	6,832,311	-
Transfers out	(3,671,109)	(3,671,109)	(3,671,109)	-	(10,549,205)	(12,033,193)	(12,425,630)	(392,437)
Total other financing sources (uses)	17,307	17,307	17,307	-	(3,716,894)	(5,200,882)	(5,593,319)	(392,437)
Net change in fund balances	(699,989)	(699,989)	(642,403)	57,586	(563,421)	(2,047,409)	(7,195,348)	(5,147,939)
Fund balances - beginning	42,656,114	42,656,114	42,656,114	-	25,016,990	25,016,990	25,016,990	-
Fund balances - ending	\$ 41,956,125	\$ 41,956,125	\$ 42,013,711	\$ 57,586	\$ 24,453,569	\$ 22,969,581	\$ 17,821,642	\$ (5,147,939)

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:

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.

Public Safety Academy – to account for financial resources/pledges in addition to the bond dollars for the construction, developing and furnishing of the Public Safety Academy.

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.

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:

Renaissance Pointe – to account for financial resources/pledges for the development, improvement and revitalization of the area designated as “Renaissance Pointe”.

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.

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 seven fire stations, an animal care building, a transportation sub-station, the public safety academy 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, 2006

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Capital Projects Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 2,480,365	\$ -	\$ 5,438,346	\$ 7,918,711
Investments	153,000	-	21,876,363	22,029,363
Receivables (net of allowances for uncollectibles):				
Interest	30,238	-	85,983	116,221
Taxes	312	-	-	312
Assessments	-	-	813,631	813,631
Intergovernmental	2,030,712	-	70,465	2,101,177
Loans	940,456	-	-	940,456
Miscellaneous	573,451	-	-	573,451
Interfund receivable - pooled cash	961,662	-	-	961,662
Assets held for resale	1,167,681	-	-	1,167,681
	<u>8,337,877</u>	<u>-</u>	<u>28,284,788</u>	<u>36,622,665</u>
Total assets	<u>\$ 8,337,877</u>	<u>\$ -</u>	<u>\$ 28,284,788</u>	<u>\$ 36,622,665</u>
 <u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 1,532,356	\$ -	\$ 1,732,670	\$ 3,265,026
Contracts payable	-	-	107,321	107,321
Retainage payable	-	-	25,757	25,757
Due to other funds	2,710,608	-	-	2,710,608
Interfund payable - pooled cash	961,662	-	-	961,662
Deferred revenue	139,701	-	542,422	682,123
Unearned revenue	120,135	-	-	120,135
	<u>5,464,462</u>	<u>-</u>	<u>2,408,170</u>	<u>7,872,632</u>
Total liabilities	<u>5,464,462</u>	<u>-</u>	<u>2,408,170</u>	<u>7,872,632</u>
Fund balances:				
Reserved for:				
Encumbrances	691,081	-	78,916	769,997
Noncurrent loans receivable	758,770	-	-	758,770
Assets held for resale	1,167,681	-	-	1,167,681
Unreserved, reported in:				
Special revenue funds	255,883	-	-	255,883
Capital projects funds	-	-	25,797,702	25,797,702
	<u>2,873,415</u>	<u>-</u>	<u>25,876,618</u>	<u>28,750,033</u>
Total fund balances	<u>2,873,415</u>	<u>-</u>	<u>25,876,618</u>	<u>28,750,033</u>
Total liabilities and fund balances	<u>\$ 8,337,877</u>	<u>\$ -</u>	<u>\$ 28,284,788</u>	<u>\$ 36,622,665</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, 2006

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Capital Projects Funds	Totals
Revenues:				
Taxes	\$ 8,290	\$ -	\$ -	\$ 8,290
Special assessments	-	-	624,104	624,104
Licenses and permits	821,837	-	-	821,837
Intergovernmental	6,913,484	-	803,736	7,717,220
Charges for services	501,653	-	-	501,653
Fines and forfeits	451,039	-	-	451,039
Other	1,283,818	-	1,065,035	2,348,853
Total revenues	<u>9,980,121</u>	<u>-</u>	<u>2,492,875</u>	<u>12,472,996</u>
Expenditures:				
Current:				
General government	2,399,660	-	-	2,399,660
Public safety	3,249,802	-	-	3,249,802
Health and welfare	170,199	-	-	170,199
Economic development	402,752	-	-	402,752
Urban redevelopment and housing	3,569,390	-	-	3,569,390
Debt service:				
Principal	-	-	1,870,000	1,870,000
Interest	-	-	827,302	827,302
Bond issuance costs	-	-	493,419	493,419
Capital outlay	-	-	16,041,807	16,041,807
Total expenditures	<u>9,791,803</u>	<u>-</u>	<u>19,232,528</u>	<u>29,024,331</u>
Excess (deficiency) of revenues over (under) expenditures	<u>188,318</u>	<u>-</u>	<u>(16,739,653)</u>	<u>(16,551,335)</u>
Other financing sources (uses):				
Transfers in	1,824,003	2,167,000	10,510,363	14,501,366
Transfers out	(2,983,655)	(2,167,000)	(2,413,502)	(7,564,157)
Bonds issued	-	-	20,825,000	20,825,000
Capital leases issued	-	-	8,030,000	8,030,000
Total other financing sources (uses)	<u>(1,159,652)</u>	<u>-</u>	<u>36,951,861</u>	<u>35,792,209</u>
Net change in fund balances	(971,334)	-	20,212,208	19,240,874
Fund balances - beginning	<u>3,844,749</u>	<u>-</u>	<u>5,664,410</u>	<u>9,509,159</u>
Fund balances - ending	<u>\$ 2,873,415</u>	<u>\$ -</u>	<u>\$ 25,876,618</u>	<u>\$ 28,750,033</u>

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2006

	Parking Meter	Law Enforcement Training	Omnibus Crime	Cable Television	Community Development Block Grants	Reimbursable State Grants	Unsafe Building	DED International Trade	HOME	Federal Revolving
Assets										
Cash and cash equivalents	\$ -	\$ 182,458	\$ -	\$ 190,887	\$ -	\$ -	\$ 31,346	\$ 5,779	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-	-	-
Receivables (net of allowances for uncollectibles):										
Interest	-	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	9,806	15,402	-	498,287	1,318,420	2,303	-	131,215	28,910
Loans	-	-	-	-	207,797	-	-	-	682,859	-
Miscellaneous	1,274	-	-	204,351	331,030	-	-	-	-	-
Interfund receivable - pooled cash	-	136,582	-	-	-	-	-	-	110,769	426,678
Assets held for resale	-	-	-	-	1,167,681	-	-	-	-	-
Total assets	\$ 1,274	\$ 328,846	\$ 15,402	\$ 395,238	\$ 2,204,795	\$ 1,318,420	\$ 33,649	\$ 5,779	\$ 924,843	\$ 455,588
Liabilities and fund balances										
Liabilities:										
Accounts payable	\$ 828	\$ -	\$ -	\$ 165,601	\$ 126,534	\$ 1,165,714	\$ -	\$ -	\$ 30,782	\$ 20,258
Due to other funds	-	-	-	-	-	-	-	-	-	-
Interfund payable - pooled cash	136,582	-	15,402	-	702,433	61,917	-	-	-	-
Deferred revenue	-	-	-	-	3,509	19,829	-	-	99,907	12,170
Unearned revenue	-	-	-	-	-	90,194	-	-	-	29,941
Total liabilities	137,410	-	15,402	165,601	832,476	1,337,654	-	-	130,689	62,369
Fund balances:										
Reserved for:										
Encumbrances	35,581	1,600	-	22,107	43,079	67,057	30,370	-	-	227,741
Noncurrent loans receivable	-	-	-	-	165,168	-	-	-	560,402	-
Assets held for resale	-	-	-	-	1,167,681	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	(171,717)	327,246	-	207,530	(3,609)	(86,291)	3,279	5,779	233,752	165,478
Total fund balances	(136,136)	328,846	-	229,637	1,372,319	(19,234)	33,649	5,779	794,154	393,219
Total liabilities and fund balances	\$ 1,274	\$ 328,846	\$ 15,402	\$ 395,238	\$ 2,204,795	\$ 1,318,420	\$ 33,649	\$ 5,779	\$ 924,843	\$ 455,588

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CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2006

	Urban Development Action Grant	Urban Enterprise Association	Emergency Shelter Grant	Public Safety Academy	Central City Housing	General Donation	Domestic Violence	Animal Care Donation	Animal Control Special Project	Barrett Law Surplus	Totals
<u>Assets</u>											
Cash and cash equivalents	\$ 141,150	\$ -	\$ -	\$ 873,089	\$ 25,183	\$ 465,773	\$ 2,106	\$ 365,837	\$ 119,693	\$ 77,064	\$ 2,480,365
Investments	-	-	-	-	-	-	-	-	-	153,000	153,000
Receivables (net of allowances for uncollectibles):											
Interest	-	-	-	-	-	-	-	-	-	30,238	30,238
Taxes	-	-	-	-	-	-	312	-	-	-	312
Intergovernmental	-	-	25,347	-	-	1,022	-	-	-	-	2,030,712
Loans	49,800	-	-	-	-	-	-	-	-	-	940,456
Miscellaneous	-	36,696	-	-	-	100	-	-	-	-	573,451
Interfund receivable - pooled cash	287,633	-	-	-	-	-	-	-	-	-	961,662
Assets held for resale	-	-	-	-	-	-	-	-	-	-	1,167,681
Total assets	\$ 478,583	\$ 36,696	\$ 25,347	\$ 873,089	\$ 25,183	\$ 466,895	\$ 2,418	\$ 365,837	\$ 119,693	\$ 260,302	\$ 8,337,877
<u>Liabilities and fund balances</u>											
<u>Liabilities:</u>											
Accounts payable	\$ -	\$ 9	\$ 16,706	\$ 264	\$ -	\$ 1,872	\$ 22	\$ -	\$ 3,709	\$ 57	\$ 1,532,356
Due to other funds	-	-	-	2,624,914	-	-	-	-	-	85,694	2,710,608
Interfund payable - pooled cash	-	36,687	8,641	-	-	-	-	-	-	-	961,662
Deferred revenue	-	-	2,952	-	-	1,022	312	-	-	-	139,701
Unearned revenue	-	-	-	-	-	-	-	-	-	-	120,135
Total liabilities	-	36,696	28,299	2,625,178	-	2,894	334	-	3,709	85,751	5,464,462
<u>Fund balances:</u>											
<u>Reserved for:</u>											
Encumbrances	250,000	-	-	-	-	13,280	-	-	266	-	691,081
Noncurrent loans receivable	33,200	-	-	-	-	-	-	-	-	-	758,770
Assets held for resale	-	-	-	-	-	-	-	-	-	-	1,167,681
<u>Unreserved, reported in:</u>											
Special revenue funds	195,383	-	(2,952)	(1,752,089)	25,183	450,721	2,084	365,837	115,718	174,551	255,883
Total fund balances	478,583	-	(2,952)	(1,752,089)	25,183	464,001	2,084	365,837	115,984	174,551	2,873,415
Total liabilities and fund balances	\$ 478,583	\$ 36,696	\$ 25,347	\$ 873,089	\$ 25,183	\$ 466,895	\$ 2,418	\$ 365,837	\$ 119,693	\$ 260,302	\$ 8,337,877

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 December 31, 2006

	Renaissance Pointe	Equipment Purchase	Civic Center Urban Renewal 1995	Cumulative Capital Improvement	TIF Allocation	2001 Safety Bond	Building Project	Barrett Law Revolving Improvement	Totals
Assets									
Cash and cash equivalents	\$ 74,538	\$ 2,620,340	\$ -	\$ 2,153,973	\$ -	\$ -	\$ -	\$ 589,495	\$ 5,438,346
Investments	-	-	-	-	-	-	20,876,363	1,000,000	21,876,363
Receivables (net of allowances for uncollectibles):									
Interest	-	-	-	-	-	-	85,983	-	85,983
Assessments	-	-	-	24	-	-	-	813,607	813,631
Intergovernmental	-	-	-	70,465	-	-	-	-	70,465
Interfund receivable - pooled cash	-	-	-	-	-	-	-	-	-
Total assets	\$ 74,538	\$ 2,620,340	\$ -	\$ 2,224,462	\$ -	\$ -	\$ 20,962,346	\$ 2,403,102	\$ 28,284,788
Liabilities and fund balances									
Liabilities:									
Accounts payable	\$ 72,056	\$ 124,273	\$ -	\$ 164,539	\$ -	\$ 350	\$ 1,371,452	\$ -	\$ 1,732,670
Contracts payable	-	-	-	-	-	-	-	107,321	107,321
Retainage payable	-	-	-	-	-	-	-	25,757	25,757
Interfund payable - pooled cash	-	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	70,465	-	-	-	471,957	542,422
Total liabilities	72,056	124,273	-	235,004	-	350	1,371,452	605,035	2,408,170
Fund balances:									
Reserved for:									
Encumbrances	-	-	-	78,916	-	-	-	-	78,916
Unreserved, reported in:									
Capital projects funds	2,482	2,496,067	-	1,910,542	-	(350)	19,590,894	1,798,067	25,797,702
Total fund balances	2,482	2,496,067	-	1,989,458	-	(350)	19,590,894	1,798,067	25,876,618
Total liabilities and fund balances	\$ 74,538	\$ 2,620,340	\$ -	\$ 2,224,462	\$ -	\$ -	\$ 20,962,346	\$ 2,403,102	\$ 28,284,788

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, 2006

	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	-	40,327	-	781,510	-	-	-	-	-	-
Intergovernmental	-	-	65,570	-	3,227,598	1,861,777	-	-	340,533	1,322,029
Charges for services	220,009	139,528	-	-	24,076	-	-	-	6,421	91,150
Fines and forfeits	-	41,188	-	-	45,765	-	81,953	-	-	181,947
Other	234	100	43	100	342,309	-	-	1,750	932	218,946
Total revenues	<u>220,243</u>	<u>221,143</u>	<u>65,613</u>	<u>781,610</u>	<u>3,639,748</u>	<u>1,861,777</u>	<u>81,953</u>	<u>1,750</u>	<u>347,886</u>	<u>1,814,072</u>
Expenditures:										
Current:										
General government	512,519	-	-	686,532	-	-	-	-	-	1,053,921
Public safety	-	176,697	63,896	-	-	1,862,727	218,593	-	-	836,288
Health and welfare	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	48,435	-	12,945	-	-
Urban redevelopment and housing	-	-	-	-	2,490,930	-	-	-	982,072	-
Total expenditures	<u>512,519</u>	<u>176,697</u>	<u>63,896</u>	<u>686,532</u>	<u>2,490,930</u>	<u>1,911,162</u>	<u>218,593</u>	<u>12,945</u>	<u>982,072</u>	<u>1,890,209</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(292,276)</u>	<u>44,446</u>	<u>1,717</u>	<u>95,078</u>	<u>1,148,818</u>	<u>(49,385)</u>	<u>(136,640)</u>	<u>(11,195)</u>	<u>(634,186)</u>	<u>(76,137)</u>
Other financing sources (uses):										
Transfers in	150,000	-	27	-	562,166	94,473	80,000	-	-	1
Transfers out	-	-	(43)	(45,000)	(64,866)	(94,352)	-	-	(150,381)	-
Total other financing sources (uses)	<u>150,000</u>	<u>-</u>	<u>(16)</u>	<u>(45,000)</u>	<u>497,300</u>	<u>121</u>	<u>80,000</u>	<u>-</u>	<u>(150,381)</u>	<u>1</u>
Net change in fund balances	(142,276)	44,446	1,701	50,078	1,646,118	(49,264)	(56,640)	(11,195)	(784,567)	(76,136)
Fund balances - beginning	6,140	284,400	(1,701)	179,559	(273,799)	30,030	90,289	16,974	1,578,721	469,355
Fund balances - ending	<u>\$ (136,136)</u>	<u>\$ 328,846</u>	<u>\$ -</u>	<u>\$ 229,637</u>	<u>\$ 1,372,319</u>	<u>\$ (19,234)</u>	<u>\$ 33,649</u>	<u>\$ 5,779</u>	<u>\$ 794,154</u>	<u>\$ 393,219</u>

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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, 2006

	Urban Development Action Grant	Urban Enterprise Association	Emergency Shelter Grant	Public Safety Academy	Central City Housing	General Donation	Domestic Violence	Animal Care Donation	Animal Control Special Project	Barrett Law Surplus	Totals
Revenues:											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,290	\$ -	\$ -	\$ -	\$ 8,290
Licenses and permits	-	-	-	-	-	-	-	-	-	-	821,837
Intergovernmental	-	-	95,977	-	-	-	-	-	-	-	6,913,484
Charges for services	-	-	-	-	-	20,469	-	-	-	-	501,653
Fines and forfeits	-	-	-	-	-	100,186	-	-	-	-	451,039
Other	19,074	299,575	-	-	-	169,455	-	25,756	96,272	109,272	1,283,818
Total revenues	19,074	299,575	95,977	-	-	290,110	8,290	25,756	96,272	109,272	9,980,121
Expenditures:											
Current:											
General government	-	-	-	44,417	-	12,094	-	-	-	90,177	2,399,660
Public safety	-	-	-	-	-	84,168	7,433	-	-	-	3,249,802
Health and welfare	-	-	-	-	-	-	-	65,395	104,804	-	170,199
Economic development	1,056	299,575	-	-	-	40,741	-	-	-	-	402,752
Urban redevelopment and housing	-	-	94,548	-	1,840	-	-	-	-	-	3,569,390
Total expenditures	1,056	299,575	94,548	44,417	1,840	137,003	7,433	65,395	104,804	90,177	9,791,803
Excess (deficiency) of revenues over (under) expenditures	18,018	-	1,429	(44,417)	(1,840)	153,107	857	(39,639)	(8,532)	19,095	188,318
Other financing sources (uses):											
Transfers in	-	-	12,132	917,242	-	7,962	-	-	-	-	1,824,003
Transfers out	-	-	(4,099)	(2,624,914)	-	-	-	-	-	-	(2,983,655)
Total other financing sources (uses)	-	-	8,033	(1,707,672)	-	7,962	-	-	-	-	(1,159,652)
Net change in fund balances	18,018	-	9,462	(1,752,089)	(1,840)	161,069	857	(39,639)	(8,532)	19,095	(971,334)
Fund balances - beginning	460,565	-	(12,414)	-	27,023	302,932	1,227	405,476	124,516	155,456	3,844,749
Fund balances - ending	\$ 478,583	\$ -	\$ (2,952)	\$ (1,752,089)	\$ 25,183	\$ 464,001	\$ 2,084	\$ 365,837	\$ 115,984	\$ 174,551	\$ 2,873,415

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, 2006

	<u>Renaissance Pointe</u>	<u>Equipment Purchase</u>	<u>Civic Center Urban Renewal 1995</u>	<u>Cumulative Capital Improvement</u>	<u>TIF Allocation</u>	<u>2001 Safety Bond</u>	<u>Building Project</u>	<u>Barrett Law Revolving Improvement</u>	<u>Totals</u>
Revenues:									
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 624,104	\$ 624,104
Intergovernmental	-	-	-	803,736	-	-	-	-	803,736
Other	-	344,739	-	73,363	-	3,366	637,222	6,345	1,065,035
Total revenues	-	344,739	-	877,099	-	3,366	637,222	630,449	2,492,875
Expenditures:									
Debt service:									
Principal	-	-	-	-	-	-	1,870,000	-	1,870,000
Interest	-	-	-	-	-	-	827,302	-	827,302
Bond issuance costs	-	-	-	-	-	-	493,419	-	493,419
Capital outlay	582,518	6,849,087	-	949,386	2,728	350	6,944,568	713,170	16,041,807
Total expenditures	582,518	6,849,087	-	949,386	2,728	350	10,135,289	713,170	19,232,528
Excess (deficiency) of revenues over (under) expenditures	(582,518)	(6,504,348)	-	(72,287)	(2,728)	3,016	(9,498,067)	(82,721)	(16,739,653)
Other financing sources (uses):									
Transfers in	585,000	3,374	115	2,244,466	-	-	7,647,408	30,000	10,510,363
Transfers out	-	(14,900)	-	(1,135,000)	-	(20,369)	(1,243,233)	-	(2,413,502)
Bond issued	-	-	-	-	-	-	20,825,000	-	20,825,000
Capital leases issued	-	8,030,000	-	-	-	-	-	-	8,030,000
Total other financing sources (uses)	585,000	8,018,474	115	1,109,466	-	(20,369)	27,229,175	30,000	36,951,861
Net change in fund balances	2,482	1,514,126	115	1,037,179	(2,728)	(17,353)	17,731,108	(52,721)	20,212,208
Fund balances - beginning	-	981,941	(115)	952,279	2,728	17,003	1,859,786	1,850,788	5,664,410
Fund balances - ending	\$ 2,482	\$ 2,496,067	\$ -	\$ 1,989,458	\$ -	\$ (350)	\$ 19,590,894	\$ 1,798,067	\$ 25,876,618

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006

	Parking Meter				Law Enforcement Training				Cable Television			
	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:												
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ 24,090	\$ 24,090	\$ 40,327	\$ 16,237	\$ 781,510	\$ 781,510	\$ 781,510	\$ -
Charges for services	220,009	220,009	220,009	-	92,500	92,500	139,528	47,028	-	-	-	-
Fines and forfeits	-	-	-	-	33,151	33,151	41,188	8,037	-	-	-	-
Other	-	-	234	234	259	259	100	(159)	100	100	100	-
Total revenues	220,009	220,009	220,243	234	150,000	150,000	221,143	71,143	781,610	781,610	781,610	-
Expenditures:												
General government:												
Personal services	427,670	427,670	424,141	3,529	-	-	-	-	-	-	-	-
Supplies	19,022	19,022	15,725	3,297	-	-	-	-	800	800	800	-
Other services and charges	47,491	47,175	33,753	13,422	-	-	-	-	685,732	685,732	685,732	-
Capital outlay	74,865	39,600	38,900	700	-	-	-	-	-	-	-	-
Public safety:												
Other services and charges	-	-	-	-	187,377	177,377	171,797	5,580	-	-	-	-
Capital outlay	-	-	-	-	10,000	10,000	4,900	5,100	-	-	-	-
Total expenditures	569,048	533,467	512,519	20,948	197,377	187,377	176,697	10,680	686,532	686,532	686,532	-
Other financing sources (uses):												
Transfers in	150,000	150,000	150,000	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	(45,000)	(45,000)	(45,000)	-
Total other financing sources (uses)	150,000	150,000	150,000	-	-	-	-	-	(45,000)	(45,000)	(45,000)	-
Net change in fund balances	(199,039)	(163,458)	(142,276)	21,182	(47,377)	(37,377)	44,446	81,823	50,078	50,078	50,078	-
Fund balances - beginning	6,140	6,140	6,140	-	284,400	284,400	284,400	-	179,559	179,559	179,559	-
Fund balances - ending	\$ (192,899)	\$ (157,318)	\$ (136,136)	\$ 21,182	\$ 237,023	\$ 247,023	\$ 328,846	\$ 81,823	\$ 229,637	\$ 229,637	\$ 229,637	\$ -

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006

	Unsafe Building				Domestic Violence			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 8,290	\$ 8,290	\$ 8,290	\$ -
Fines and forfeits	81,953	81,953	81,953	-	-	-	-	-
Total revenues	<u>81,953</u>	<u>81,953</u>	<u>81,953</u>	<u>-</u>	<u>8,290</u>	<u>8,290</u>	<u>8,290</u>	<u>-</u>
Expenditures:								
Public safety:								
Supplies	-	-	-	-	150	150	306	(156)
Other services and charges	18,258	18,258	18,258	-	7,150	7,150	7,127	23
Capital outlay	200,335	200,335	200,335	-	-	-	-	-
Total expenditures	<u>218,593</u>	<u>218,593</u>	<u>218,593</u>	<u>-</u>	<u>7,300</u>	<u>7,300</u>	<u>7,433</u>	<u>(133)</u>
Other financing sources:								
Transfers in	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(56,640)	(56,640)	(56,640)	-	990	990	857	(133)
Fund balances - beginning	<u>90,289</u>	<u>90,289</u>	<u>90,289</u>	<u>-</u>	<u>1,227</u>	<u>1,227</u>	<u>1,227</u>	<u>-</u>
Fund balances - ending	<u>\$ 33,649</u>	<u>\$ 33,649</u>	<u>\$ 33,649</u>	<u>\$ -</u>	<u>\$ 2,217</u>	<u>\$ 2,217</u>	<u>\$ 2,084</u>	<u>\$ (133)</u>

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006

	City Bond Redemption				Cumulative Capital Improvement			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 767,291	\$ 767,291	\$ 803,736	\$ 36,445
Other	-	-	-	-	13,000	13,000	73,363	60,363
Total revenues	-	-	-	-	780,291	780,291	877,099	96,808
Expenditures:								
Capital outlay	-	-	-	-	1,067,572	1,133,373	949,386	183,987
Other financing sources (uses):								
Transfers in	2,167,000	2,167,000	2,167,000	-	2,244,466	2,244,466	2,244,466	-
Transfers out	(2,167,000)	(2,167,000)	(2,167,000)	-	-	(1,135,000)	(1,135,000)	-
Total other financing sources	-	-	-	-	2,244,466	1,109,466	1,109,466	-
Net change in fund balances	-	-	-	-	1,957,185	756,384	1,037,179	280,795
Fund balances - beginning	-	-	-	-	952,279	952,279	952,279	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -	\$ 2,909,464	\$ 1,708,663	\$ 1,989,458	\$ 280,795

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.

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

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 ENTERPRISE FUNDS
 December 31, 2006

	Solid Waste Management	Civic Center Parking Garage	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals
Assets							
Current assets:							
Cash and cash equivalents	\$ 958,617	\$ 613,209	\$ 10,200	\$ -	\$ 247,514	\$ 147,632	\$ 1,977,172
Interest receivable	-	-	-	-	4,461	-	4,461
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	1,970	20,244	22,214
Miscellaneous receivable	1,150	-	-	-	-	-	1,150
Interfund receivable	-	-	-	-	196,087	-	196,087
Due from other funds	1,243,901	-	-	-	-	-	1,243,901
Prepaid expenses	18	2,244	-	-	-	-	2,262
Total current assets	2,203,686	615,453	10,200	-	450,032	167,876	3,447,247
Noncurrent assets:							
Restricted cash and cash equivalents	-	-	-	158,156	12,928	-	171,084
Restricted investments	-	-	-	-	31,719,632	-	31,719,632
Unamortized issuance cost	-	-	-	53,292	-	-	53,292
Capital assets:							
Land, improvements to land and construction in progress	-	997,802	-	-	110,703	-	1,108,505
Other capital assets (net of accumulated depreciation)	3,588,430	4,166,763	300,000	1,430,552	628,359	47,376	10,161,480
Total noncurrent assets	3,588,430	5,164,565	300,000	1,642,000	32,471,622	47,376	43,213,993
Total assets	5,792,116	5,780,018	310,200	1,642,000	32,921,654	215,252	46,661,240
Liabilities							
Current liabilities:							
Accounts payable	627,417	-	-	-	258	460	628,135
Due to other funds	-	-	-	-	4,993	3,747	8,740
Compensated absences - current portion	2,474	-	-	-	1,011	758	4,243
Capital lease payable - current portion	329,741	-	-	-	-	-	329,741
Revenue bonds and loans payable - current portion	-	273,571	-	70,000	-	-	343,571
Accrued interest payable	45,947	-	-	36,296	-	-	82,243
Other current liabilities	-	-	-	-	5,438	220	5,658
Total current liabilities	1,005,579	273,571	-	106,296	11,700	5,185	1,402,331
Noncurrent liabilities:							
Compensated absences payable	-	-	-	-	1,014	761	1,775
Capital lease payable	3,050,815	-	-	-	-	-	3,050,815
Loans payable	-	1,641,429	-	-	-	-	1,641,429
Revenue bonds payable (net of discount)	-	-	-	1,440,000	-	-	1,440,000
Other noncurrent liabilities	-	-	-	-	21,813	-	21,813
Total noncurrent liabilities	3,050,815	1,641,429	-	1,440,000	22,827	761	6,155,832
Total liabilities	4,056,394	1,915,000	-	1,546,296	34,527	5,946	7,558,163
Net assets							
Invested in capital assets, net of related debt	161,927	3,249,565	300,000	(115,744)	739,062	47,376	4,382,186
Restricted for:							
Debt service	-	-	-	158,156	-	-	158,156
Community trust	-	-	-	-	31,933,108	-	31,933,108
Unrestricted	1,573,795	615,453	10,200	53,292	214,957	161,930	2,629,627
Total net assets	\$ 1,735,722	\$ 3,865,018	\$ 310,200	\$ 95,704	\$ 32,887,127	\$ 209,306	\$ 39,103,077

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 December 31, 2006

	<u>Group Health Insurance</u>	<u>General and Auto Liability Insurance</u>	<u>Worker's Compensation</u>	<u>Garage</u>	<u>Totals</u>
<u>Assets</u>					
Current assets:					
Cash and cash equivalents	\$ 1,201,490	\$ 924,057	\$ 835,249	\$ 455,611	\$ 3,416,407
Miscellaneous receivable	41,745	5,914	-	5,603	53,262
Due from other funds	-	-	-	93,585	93,585
Inventories	-	-	-	29,192	29,192
Prepaid expenses	-	-	10	1,843	1,853
	<u>1,243,235</u>	<u>929,971</u>	<u>835,259</u>	<u>585,834</u>	<u>3,594,299</u>
Total current assets					
Noncurrent assets:					
Capital assets:					
Land, improvements to land and construction in progress	-	-	-	27,277	27,277
Other capital assets (net of accumulated depreciation)	-	13,096	-	556,099	569,195
	<u>-</u>	<u>13,096</u>	<u>-</u>	<u>583,376</u>	<u>596,472</u>
Total noncurrent assets	<u>-</u>	<u>13,096</u>	<u>-</u>	<u>583,376</u>	<u>596,472</u>
Total assets	<u>1,243,235</u>	<u>943,067</u>	<u>835,259</u>	<u>1,169,210</u>	<u>4,190,771</u>
<u>Liabilities</u>					
Current liabilities:					
Accounts payable	232,365	106,019	3,424	295,917	637,725
Compensated absences - current portion	-	1,620	2,600	14,346	18,566
Accrued group insurance benefits	1,746,364	-	-	-	1,746,364
Other current liabilities	-	615,350	78,233	-	693,583
	<u>-</u>	<u>615,350</u>	<u>78,233</u>	<u>-</u>	<u>693,583</u>
Total liabilities	<u>1,978,729</u>	<u>722,989</u>	<u>84,257</u>	<u>310,263</u>	<u>3,096,238</u>
<u>Net assets</u>					
Invested in capital assets, net of related debt	-	13,096	-	583,376	596,472
Unrestricted	(735,494)	206,982	751,002	275,571	498,061
	<u>(735,494)</u>	<u>206,982</u>	<u>751,002</u>	<u>275,571</u>	<u>498,061</u>
Total net assets	<u>\$ (735,494)</u>	<u>\$ 220,078</u>	<u>\$ 751,002</u>	<u>\$ 858,947</u>	<u>\$ 1,094,533</u>

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 NON-MAJOR ENTERPRISE FUNDS
 For The Year Ended December 31, 2006

	Solid Waste Management	Civic Center Parking Garage	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals
Operating Revenues:							
Charges for goods and services	\$ 9,179,821	\$ 717,419	\$ 72,461	\$ -	\$ 55,930	\$ 132,850	\$ 10,158,481
Leases	-	34,326	-	-	1,740,000	-	1,774,326
Total operating revenues	9,179,821	751,745	72,461	-	1,795,930	132,850	11,932,807
Operating expenses:							
Personnel services	213,030	-	-	-	-	63,529	276,559
Contractual services	8,288,819	232,064	-	-	-	3,524	8,524,407
Utilities	1,401	44,693	-	-	-	-	46,094
Administrative services	-	-	-	-	6,984	26,470	33,454
Other supplies and services	277,069	27,290	73,681	-	188,908	12,478	579,426
Insurance claims and premiums	267	5,718	-	-	-	-	5,985
Depreciation	255,953	336,999	12,500	40,872	201,900	4,628	852,852
Total operating expenses	9,036,539	646,764	86,181	40,872	397,792	110,629	10,318,777
Operating income (loss)	143,282	104,981	(13,720)	(40,872)	1,398,138	22,221	1,614,030
Nonoperating revenues (expenses):							
Interest and investment revenue	20,965	-	-	8,032	3,400,442	-	3,429,439
Miscellaneous revenue	-	-	6,441	-	-	-	6,441
Interest expense	(161,740)	-	-	(79,307)	-	-	(241,047)
Amortization of debt issuance costs	-	-	-	(3,553)	-	-	(3,553)
Miscellaneous expense	-	-	-	-	(40,180)	-	(40,180)
Total nonoperating revenue (expenses)	(140,775)	-	6,441	(74,828)	3,360,262	-	3,151,100
Income (loss) before contributions and transfers	2,507	104,981	(7,279)	(115,700)	4,758,400	22,221	4,765,130
Transfers in	720,000	-	-	-	-	-	720,000
Transfers out	(664,000)	-	-	-	(2,244,466)	-	(2,908,466)
Change in net assets	58,507	104,981	(7,279)	(115,700)	2,513,934	22,221	2,576,664
Total net assets - beginning	1,677,215	3,760,037	317,479	211,404	30,373,193	187,085	36,526,413
Total net assets - ending	\$ 1,735,722	\$ 3,865,018	\$ 310,200	\$ 95,704	\$ 32,887,127	\$ 209,306	\$ 39,103,077

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 For The Year Ended December 31, 2006

	Group Health Insurance	General and Auto Liability Insurance	Worker's Compensation	Garage	Totals
Operating Revenues:					
Charges for goods and services	\$ -	\$ -	\$ -	\$ 5,264,511	\$ 5,264,511
City contributions	16,820,159	1,228,065	581,825	-	18,630,049
Employee contributions	2,101,005	-	-	-	2,101,005
Total operating revenues	18,921,164	1,228,065	581,825	5,264,511	25,995,565
Operating expenses:					
Personnel services	122,569	179,237	104,614	199,019	605,439
Contractual services	11,986	823,808	105,684	2,668,663	3,610,141
Utilities	768	844	291	60,069	61,972
Other supplies and services	16,471	7,536	12,361	2,222,770	2,259,138
Insurance claims and premiums	19,128,306	468,415	153,840	2,598	19,753,159
Depreciation	-	1,804	-	143,385	145,189
Total operating expenses	19,280,100	1,481,644	376,790	5,296,504	26,435,038
Operating income (loss)	(358,936)	(253,579)	205,035	(31,993)	(439,473)
Nonoperating revenues:					
Interest and investment revenue	-	46,770	70	-	46,840
Miscellaneous revenue	107,477	51,078	7,187	8,417	174,159
Total nonoperating revenue	107,477	97,848	7,257	8,417	220,999
Income (loss) before contributions and transfers	(251,459)	(155,731)	212,292	(23,576)	(218,474)
Transfers in	-	14,900	-	-	14,900
Change in net assets	(251,459)	(140,831)	212,292	(23,576)	(203,574)
Total net assets - beginning	(484,035)	360,909	538,710	882,523	1,298,107
Total net assets - ending	\$ (735,494)	\$ 220,078	\$ 751,002	\$ 858,947	\$ 1,094,533

CITY OF FORT WAYNE
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For The Year Ended December 31, 2006

	Solid Waste Management	Civic Center Parking Garage	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals
Cash flows from operating activities:							
Receipts from customers and users	\$ 9,034,064	\$ 794,791	\$ 78,902	\$ -	\$ 269,949	\$ 132,212	\$ 10,309,918
Receipts from leases	-	-	-	-	1,740,000	-	1,740,000
Payments to suppliers	(9,056,806)	(308,246)	(73,681)	-	(211,427)	(42,336)	(9,692,496)
Payments to employees	(210,925)	-	-	-	5,016	(63,529)	(269,438)
Net cash provided (used) by operating activities	(233,667)	486,545	5,221	-	1,803,538	26,347	2,087,984
Cash flows from noncapital financing activities:							
Transfer from other funds	720,000	-	-	-	-	-	720,000
Transfer to other funds	(664,000)	-	-	-	(2,244,466)	-	(2,908,466)
Net cash provided (used) by noncapital financing activities	56,000	-	-	-	(2,244,466)	-	(2,188,466)
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(1,284,849)	-	-	-	-	-	(1,284,849)
Principal paid on capital debt	(319,444)	(85,000)	-	(65,000)	-	-	(469,444)
Interest paid on capital debt	(161,740)	(3,081)	-	(80,560)	-	-	(245,381)
Net cash used by capital and related financing activities	(1,766,033)	(88,081)	-	(145,560)	-	-	(1,999,674)
Cash flows from investing activities:							
Proceeds from sales and maturities of investments	-	-	-	-	4,541,128	-	4,541,128
Purchase of investments	-	-	-	-	(7,839,727)	-	(7,839,727)
Interest received	20,965	-	-	8,031	2,633,249	-	2,662,245
Net cash provided (used) by investing activities	20,965	-	-	8,031	(665,350)	-	(636,354)
Net increase (decrease) in cash and cash equivalents	(1,922,735)	398,464	5,221	(137,529)	(1,106,278)	26,347	(2,736,510)
Cash and cash equivalents, January 1	2,881,352	214,745	4,979	295,685	1,366,720	121,285	4,884,766
Cash and cash equivalents, December 31	\$ 958,617	\$ 613,209	\$ 10,200	\$ 158,156	\$ 260,442	\$ 147,632	\$ 2,148,256
Reconciliation of operating income to net cash provided (used) by operating activities:							
Operating income	\$ 143,282	\$ 104,981	\$ (13,720)	\$ (40,872)	\$ 1,398,138	\$ 22,221	\$ 1,614,030
Adjustments to reconcile operating income to net cash provided (used) by operating activities:							
Nonoperating revenue	-	-	6,441	-	21,904	-	28,345
Depreciation expense	255,953	336,999	12,500	40,872	201,900	4,628	852,852
(Increase) decrease in assets:							
Miscellaneous receivable	-	43,046	-	-	192,115	(638)	234,523
Due from other funds	(145,756)	-	-	-	-	-	(145,756)
Prepaid items	(18)	1,519	-	-	-	-	1,501
Increase (decrease) in liabilities:							
Accounts payable	(489,233)	-	-	-	(10,519)	136	(499,616)
Compensated absences payable	2,105	-	-	-	-	-	2,105
Total adjustments	(376,949)	381,564	18,941	40,872	405,400	4,126	473,954
Net cash provided (used) by operating activities	\$ (233,667)	\$ 486,545	\$ 5,221	\$ -	\$ 1,803,538	\$ 26,347	\$ 2,087,984
Noncash investing, capital and financing activities:							
Change in fair value of investments	\$ -	\$ -	\$ -	\$ -	\$ 727,013	\$ -	\$ 727,013

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For The Year Ended December 31, 2006

	Group Health Insurance	General and Auto Liability Insurance	Worker's Compensation	Garage	Totals
Cash flows from operating activities:					
Receipts from customers and users	\$ 18,986,952	\$ 1,273,229	\$ 589,050	\$ 5,287,459	\$ 26,136,690
Payments to suppliers	(18,995,829)	(1,173,430)	(303,425)	(5,066,488)	(25,539,172)
Payments to employees	(122,569)	(178,759)	(104,906)	(193,934)	(600,168)
Net cash provided (used) by operating activities	(131,446)	(78,960)	180,719	27,037	(2,650)
Cash flows from capital and related financing activities:					
Capital contributions	-	-	-	51,252	51,252
Acquisition and construction of capital assets	-	-	-	(70,151)	(70,151)
Net cash used by capital and related financing activities	-	-	-	(18,899)	(18,899)
Cash flows from investing activities:					
Interest received	-	46,770	70	-	46,840
Net increase (decrease) in cash and cash equivalents	(131,446)	(32,190)	180,789	8,138	25,291
Cash and cash equivalents, January 1	1,332,936	956,247	654,460	447,473	3,391,116
Cash and cash equivalents, December 31	\$ 1,201,490	\$ 924,057	\$ 835,249	\$ 455,611	\$ 3,416,407
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (358,936)	\$ (253,579)	\$ 205,035	\$ (31,993)	\$ (439,473)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Nonoperating revenue	107,477	51,078	7,187	8,417	174,159
Depreciation expense	-	1,804	-	143,385	145,189
(Increase) decrease in assets:					
Miscellaneous receivable	(41,689)	(5,913)	38	72	(47,492)
Due from other funds	-	-	-	14,459	14,459
Inventories	-	-	-	13,320	13,320
Prepaid items	-	28,328	(10)	(1,068)	27,250
Increase (decrease) in liabilities:					
Accounts payable	(104,863)	57,427	(99)	(124,640)	(172,175)
Accrued group insurance benefits	266,565	-	-	-	266,565
Compensated absences payable	-	478	(652)	5,085	4,911
Other current liabilities	-	41,417	(30,780)	-	10,637
Total adjustments	227,490	174,619	(24,316)	59,030	436,823
Net cash provided (used) by operating activities	\$ (131,446)	\$ (78,960)	\$ 180,719	\$ 27,037	\$ (2,650)

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.

FWNP Program – to account for housing rehab loans turned over to the City by Fort Wayne Neighborhood Partnership.

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 – to 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, 2006

	Pension Trust Funds			Totals
	Fire Pension	Police Pension	Sanitary Officers' Pension	
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 707,913	\$ 258,290	\$ 966,203
Receivables:				
Taxes	114,659	136,528	18,433	269,620
Interfund receivable - pooled cash	-	225,040	-	225,040
Investments at fair value:				
Participation in investment pools of other governments	1,206,576	1,405,312	-	2,611,888
Total assets	<u>1,321,235</u>	<u>2,474,793</u>	<u>276,723</u>	<u>4,072,751</u>
<u>Liabilities</u>				
Accrued payroll and deductions	34,455	35,983	2,741	73,179
Interfund payable - pooled cash	<u>225,040</u>	<u>-</u>	<u>-</u>	<u>225,040</u>
Total Liabilities	<u>259,495</u>	<u>35,983</u>	<u>2,741</u>	<u>298,219</u>
<u>Net assets</u>				
Held in trust for:				
Employees' pension benefits	<u>\$ 1,061,740</u>	<u>\$ 2,438,810</u>	<u>\$ 273,982</u>	<u>\$ 3,774,532</u>

CITY OF FORT WAYNE
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 December 31, 2006

	Agency Funds				Totals
	FWNP Program	Allocated Expense Clearing	Payroll	Barrett Law Regular Waivered	
<u>Assets</u>					
Cash and cash equivalents	\$ 7,295	\$ 9,223	\$ 4,059,218	\$ 100	\$ 4,075,836
Receivables:					
Miscellaneous	-	3,367	-	-	3,367
Loans	553,566	-	-	-	553,566
Investments at fair value:					
Certificates of deposit	-	-	-	7,000	7,000
Total assets	\$ 560,861	\$ 12,590	\$ 4,059,218	\$ 7,100	\$ 4,639,769
<u>Liabilities</u>					
Accounts payable	\$ 560,861	\$ 12,590	\$ 33,621	\$ -	\$ 607,072
Accrued payroll and deductions	-	-	4,025,597	-	4,025,597
Trust payable	-	-	-	7,100	7,100
Total liabilities	\$ 560,861	\$ 12,590	\$ 4,059,218	\$ 7,100	\$ 4,639,769

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2006

	<u>Fire Pension</u>	<u>Police Pension</u>	<u>Sanitary Officers' Pension</u>	<u>Totals</u>
<u>Additions</u>				
Contributions:				
Employer	\$ 6,946,261	\$ 7,956,109	\$ 484,264	\$ 15,386,634
Plan members	21,350	32,513	3,357	57,220
Other	-	3,484	-	3,484
Investment income:				
Interest	177	11,289	-	11,466
Total additions	<u>6,967,788</u>	<u>8,003,395</u>	<u>487,621</u>	<u>15,458,804</u>
<u>Deductions</u>				
Benefits and refunds paid to plan members and beneficiaries	7,224,461	7,727,151	431,430	15,383,042
Administrative expenses	19,036	14,740	3,791	37,567
Total deductions	<u>7,243,497</u>	<u>7,741,891</u>	<u>435,221</u>	<u>15,420,609</u>
Changes in net assets	(275,709)	261,504	52,400	38,195
Net assets - beginning	<u>1,337,449</u>	<u>2,177,306</u>	<u>221,582</u>	<u>3,736,337</u>
Net assets - ending	<u><u>\$ 1,061,740</u></u>	<u><u>\$ 2,438,810</u></u>	<u><u>\$ 273,982</u></u>	<u><u>\$ 3,774,532</u></u>

CITY OF FORT WAYNE, INDIANA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For The Year Ended December 31, 2006

	FWNP Program	Allocated Expense Clearing	Payroll	Barrett Law Regular Waivered	Totals
Assets:					
Cash and cash equivalents - January 1, 2006	\$ -	\$ 18,157	\$ 3,874,148	\$ 1,100	\$ 3,893,405
Additions	30,532	1,475,634	134,621,106	-	136,127,272
Deductions	<u>(23,237)</u>	<u>(1,484,568)</u>	<u>(134,436,036)</u>	<u>(1,000)</u>	<u>(135,944,841)</u>
Cash and cash equivalents - December 31, 2006	<u>7,295</u>	<u>9,223</u>	<u>4,059,218</u>	<u>100</u>	<u>4,075,836</u>
Investments - January 1, 2006	-	-	-	6,000	6,000
Additions	-	-	-	13,000	13,000
Deductions	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,000)</u>	<u>(12,000)</u>
Investments - December 31, 2006	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,000</u>	<u>7,000</u>
Other assets - January 1, 2006	608,949	1,872	-	-	610,821
Additions	24,763	282,842	1,513	-	309,118
Deductions	<u>(80,146)</u>	<u>(281,347)</u>	<u>(1,513)</u>	<u>-</u>	<u>(363,006)</u>
Other assets - December 31, 2006	<u>553,566</u>	<u>3,367</u>	<u>-</u>	<u>-</u>	<u>556,933</u>
Total assets - December 31, 2006	<u>\$ 560,861</u>	<u>\$ 12,590</u>	<u>\$ 4,059,218</u>	<u>\$ 7,100</u>	<u>\$ 4,639,769</u>
Liabilities:					
Payables - January 1, 2006	\$ 608,949	\$ 20,029	\$ 3,874,148	\$ 7,100	\$ 4,510,226
Additions	46,099	2,456,230	176,444,589	-	178,946,918
Deductions	<u>(94,187)</u>	<u>(2,463,669)</u>	<u>(176,259,519)</u>	<u>-</u>	<u>(178,817,375)</u>
Payables - December 31, 2006	<u>560,861</u>	<u>12,590</u>	<u>4,059,218</u>	<u>7,100</u>	<u>4,639,769</u>
Total liabilities - December 31, 2006	<u>\$ 560,861</u>	<u>\$ 12,590</u>	<u>\$ 4,059,218</u>	<u>\$ 7,100</u>	<u>\$ 4,639,769</u>

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STATISTICAL SECTION



Statistical Section

This part of the City of Fort Wayne's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the Financial Statements, Note Disclosures, and Required Supplementary Information says about the overall financial health of Fort Wayne.

Contents

Schedule

Financial Trends

These schedules contain trend information to help the reader understand how Fort Wayne's financial performance and well-being has changed over time.

1, 2, 3, 4

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting Fort Wayne's ability to generate its property taxes.

5, 6, 7, 8,
9, 10

Debt Capacity

These schedules present information to help the reader assess the affordability of Fort Wayne's current levels of outstanding debt and the city's ability to issue additional debt in the future.

11, 12, 13, 14
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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which Fort Wayne's financial activities take place and to help make comparisons over time and with other governments.

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Operating Information

These schedules contain information about Fort Wayne's operations and resources to help the reader understand how the city's financial information relates to the services Fort Wayne provides and the activities it performs.

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Schedule 1
City of Fort Wayne
Net Assets by Component,
Last Five Fiscal Years
(accrual basis of accounting)

	FISCAL YEAR				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental activities					
Invested in capital assets, net of related debt	\$ 447,900,757	\$ 474,569,833	\$ 508,789,081	\$ 458,516,651	\$ 533,702,894
Restricted	-	(65,058,338)	-	-	-
Unrestricted	18,026,535	47,479,838	(23,697,714)	19,367,230	26,886,506
Total governmental activities net assets	<u>\$ 465,927,292</u>	<u>\$ 456,991,333</u>	<u>\$ 485,091,367</u>	<u>\$ 477,883,881</u>	<u>\$ 560,589,400</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 282,748,586	\$ 303,383,318	\$ 328,189,954	\$ 349,671,981	\$ 320,404,006
Restricted	42,617,304	43,828,934	46,047,504	46,839,484	96,920,622
Unrestricted	27,797,668	25,694,838	14,607,656	14,560,385	9,776,256
Total business-type activities net assets	<u>\$ 353,163,558</u>	<u>\$ 372,907,090</u>	<u>\$ 388,845,114</u>	<u>\$ 411,071,850</u>	<u>\$ 427,100,884</u>
Primary government					
Invested in capital assets, net of related debt	\$ 730,649,343	\$ 777,953,151	\$ 836,979,035	\$ 808,188,632	\$ 854,106,900
Restricted	42,617,304	(21,229,404)	46,047,504	46,839,484	96,920,622
Unrestricted	45,824,203	73,174,676	(9,090,058)	33,927,615	36,662,762
Total primary government net assets	<u>\$ 819,090,850</u>	<u>\$ 829,898,423</u>	<u>\$ 873,936,481</u>	<u>\$ 888,955,731</u>	<u>\$ 987,690,284</u>

Note: The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

Schedule 2
City of Fort Wayne
Changes in Net Assets,
Last Five Fiscal Years
(accrual basis of accounting)

	FISCAL YEAR				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Expenses					
Governmental activities:					
General government	\$ 29,474,256	\$ 32,060,690	\$ 33,415,208	\$ 36,908,051	\$ 34,267,228
Public safety	35,038,719	91,028,917 (A)	80,775,673	80,640,428	85,874,761
Highways and streets	19,642,865	21,542,069	16,275,839	15,420,566	16,622,514
Sanitation	24,333	2,416	11,650	3,200	-
Health and welfare	1,783,695	1,874,292	1,978,936	1,913,439	2,048,561
Economic opportunity	585,519	537,038	539,527	563,393	633,818
Economic development	2,704,968	12,224,524	12,807,160	17,909,374	14,280,814
Culture and recreation	15,921,185	15,503,106	15,208,568	14,055,443	15,147,975
Urban redevelopment and housing	3,553,529	8,018,354	7,725,149	10,420,374	12,274,740
Capital outlay	21,974,015	-	-	-	-
Interest on long-term debt	2,325,047	-	2,343,378	3,275,178	3,345,188
Total governmental activities expenses	<u>133,028,131</u>	<u>182,791,406</u>	<u>171,081,088</u>	<u>181,109,446</u>	<u>184,495,599</u>
Business-type activities:					
Water	19,456,284	19,640,535	20,118,692	20,937,933	22,097,610
Wastewater	21,087,290	20,479,191	21,581,577	22,897,615	25,818,890
Stormwater	3,969,682	4,722,977	5,129,101	5,455,740	6,790,476
Parking garages	962,203	930,172	1,066,214	872,193	856,677
Solid waste	5,921,695	6,639,150	6,620,643	6,433,915	9,198,279
Other	1,062,046	510,025	906,619	567,938	548,601
Total business-type activities expenses	<u>52,459,200</u>	<u>52,922,050</u>	<u>55,422,846</u>	<u>57,165,334</u>	<u>65,310,533</u>
Total primary government expenses	<u>\$ 185,487,331</u>	<u>\$ 235,713,456</u>	<u>\$ 226,503,934</u>	<u>\$ 238,274,780</u>	<u>\$ 249,806,132</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 22,078,050	\$ 25,809,371	\$ 26,065,716	\$ 14,782,844	\$ 16,928,556
Public safety	1,040,018	1,033,709	1,084,587	1,794,739	1,998,386
Highways and streets	2,593,991	3,788,484	2,749,257	4,731,776	1,927,137
Sanitation	-	-	-	-	-
Health and welfare	326,693	354,641	369,635	415,067	410,062
Economic opportunity	-	-	750	9,500	-
Economic development	393,043	515,399	412,003	291,359	272,422
Culture and recreation	4,489,757	4,542,137	4,919,555	5,039,482	4,095,331
Urban redevelopment and housing	-	62,746	67,143	83,523	84,484
Capital outlay	2,742,904	-	-	-	-
Interest on long-term debt	-	-	-	-	-
Operating grants and contributions	19,665,141	21,993,897	20,073,260	19,726,510	24,136,110
Capital grants and contributions	-	-	-	-	83,827,988
Total governmental activities program revenues	<u>53,329,597</u>	<u>58,100,384</u>	<u>55,741,906</u>	<u>46,874,800</u>	<u>133,680,476</u>
Business-type activities:					
Charges for services:					
Water	24,454,057	24,049,050	24,006,361	24,840,923	25,849,920
Wastewater	29,777,177	28,386,482	29,123,296	30,797,618	28,495,423
Stormwater	4,818,263	5,063,904	5,242,971	5,842,887	9,440,089
Parking garages	1,188,968	972,886	890,030	814,664	824,206
Solid waste	6,086,845	6,397,489	6,763,694	8,090,087	9,179,821
Other	1,823,471	1,859,519	1,831,641	1,835,883	1,928,780
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	6,014,432	7,451,375	4,237,355	7,657,241	4,812,222
Total business-type activities program revenues	<u>74,163,213</u>	<u>74,180,705</u>	<u>72,095,348</u>	<u>79,879,303</u>	<u>80,530,461</u>
Total primary government program revenues	<u>\$ 127,492,810</u>	<u>\$ 132,281,089</u>	<u>\$ 127,837,254</u>	<u>\$ 126,754,103</u>	<u>\$ 214,210,937</u>
Net (Expense)/Revenue					
Governmental activities	\$ (79,698,534)	\$(124,691,022)	\$(115,339,182)	\$(134,234,646)	\$(50,815,123)
Business-type activities	21,704,013	21,258,655	16,672,502	22,713,969	15,219,928
Total primary government net expense	<u>\$ (57,994,521)</u>	<u>\$(103,432,367)</u>	<u>\$(98,666,680)</u>	<u>\$(111,520,677)</u>	<u>\$ (35,595,195)</u>

Continued on next page

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Schedule 2
City of Fort Wayne
Changes in Net Assets,
Last Five Fiscal Years
(accrual basis of accounting)

	FISCAL YEAR				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property Taxes	\$ 61,745,606	\$ 59,519,121	\$ 80,344,000 (B)	\$ 76,008,208	\$ 81,710,470
CEDIT	14,211,116	14,514,745	15,830,142	16,206,853	18,559,384
Other tax	17,376,009	18,754,745	18,222,124	23,368,053	19,465,162
Grants and contributions not restricted to a specific program	-	14,096,020	20,608,081	-	-
Unrestricted investment earnings	1,410,177	655,507	538,372	2,057,818	3,501,707
Refunds and reimbursements	414,771	783,150	239,812	551,582	676,499
Other	1,614,300	2,739,993	3,678,570	4,564,806	4,538,422
Transfers	179,774	4,691,782	3,978,115	4,269,840	5,068,998
Special items:					
Net pension obligation	(2,703,416)	-	-	-	-
Total governmental activities	<u>94,248,337</u>	<u>115,755,063</u>	<u>143,439,216</u>	<u>127,027,160</u>	<u>133,520,642</u>
Business-type activities:					
Unrealized gain	-	3,385,848	1,505,331	-	-
Unrestricted investment earnings	1,808,555	1,711,378	1,584,415	3,745,919	5,871,663
Other	27,352	19,767	153,891	36,688	6,441
Transfers	(179,774)	(4,691,782)	(3,978,115)	(4,269,840)	(5,068,998)
Special items:					
Loss on abandonment	-	(1,940,334)	-	-	-
Unrealized loss	(2,374,026)	-	-	-	-
Total business-type activities	<u>(717,893)</u>	<u>(1,515,123)</u>	<u>(734,478)</u>	<u>(487,233)</u>	<u>809,106</u>
Total primary government	<u>\$ 93,530,444</u>	<u>\$ 114,239,940</u>	<u>\$ 142,704,738</u>	<u>\$ 126,539,927</u>	<u>\$ 134,329,748</u>
Change in Net Assets					
Governmental activities	\$ 14,549,803	\$ (8,935,959)	\$ 28,100,034	\$ (7,207,486)	\$ 82,705,519 (C)
Business-type activities	20,986,120	19,743,532	15,938,024	22,226,736	16,029,034
Total primary government	<u>\$ 35,535,923</u>	<u>\$ 10,807,573</u>	<u>\$ 44,038,058</u>	<u>\$ 15,019,250</u>	<u>\$ 98,734,553</u>

(A) Increase in 2003 is mainly due to the staffing of two new fire stations in preparation for 2004 annexations.

(B) Increase from 2003 to 2004 is due to the reassessment in 2003 and the annexations that became effective in 2004.

(C) Increase from 2006 to 2005 is mainly due to the annexation of Aboite township which resulted in additional road infrastructure.

Note: The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

Schedule 3
City of Fort Wayne
Fund Balances, Governmental Funds,
Last Five Fiscal Years
(modified accrual basis of accounting)

	FISCAL YEAR				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund					
Reserved	\$ 1,092,444	\$ 873,348	\$ 833,316	\$ 370,046	\$ 567,547
Unreserved	13,412,055	3,296,417	9,730,849	12,332,693	10,430,841
Total general fund	<u>\$ 14,504,499</u>	<u>\$ 4,169,765</u>	<u>\$ 10,564,165</u>	<u>\$ 12,702,739</u>	<u>\$ 10,998,388</u>
All Other Governmental Funds					
Reserved	\$ 13,078,526	\$ 11,616,607	\$ 18,881,377	\$ 18,039,151	\$ 17,005,413
Unreserved, reported in:					
Special revenue funds	17,376,722	7,178,464	9,288,118	20,971,859	16,538,405
Capital projects funds	28,954,802	25,213,460	19,499,885	59,135,314	75,742,600
Total all other governmental funds	<u>\$ 59,410,050</u>	<u>\$ 44,008,531</u>	<u>\$ 47,669,380</u>	<u>\$ 98,146,324</u>	<u>\$ 109,286,418</u> (A)
Total all funds	<u>\$ 73,914,549</u>	<u>\$ 48,178,296</u>	<u>\$ 58,233,545</u>	<u>\$ 110,849,063</u>	<u>\$ 120,284,806</u>

(A) The substantial increase in all other governmental funds is explained in the 2006 Management's Discussion and Analysis.

Note: The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

Schedule 4
City of Fort Wayne
Changes in Fund Balances, Governmental Funds,
Last Five Fiscal Years
(modified accrual basis of accounting)

	FISCAL YEAR				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues					
Taxes	\$ 104,335,731	\$ 84,442,388	\$ 124,763,838	\$ 115,506,409	\$ 121,346,167
Special assessments	2,631,391	1,882,144	1,467,452	884,628	624,104
Licenses and permits	2,355,775	2,512,925	2,518,200	2,551,928	2,770,726
Intergovernmental	19,230,444	17,306,137	16,030,237	21,293,218	20,655,668
Charges for services	9,827,560	9,556,187	8,934,918	11,588,833	11,391,877
Fines and forfeits	1,684,280	1,765,081	1,835,584	1,782,439	2,086,280
Other revenues	4,810,585	8,392,607	5,478,327	7,922,217	9,810,233
Total revenues	<u>\$ 144,875,766</u>	<u>\$ 125,857,469</u>	<u>\$ 161,028,556</u>	<u>\$ 161,529,672</u>	<u>\$ 168,685,055</u>
Expenditures					
General government	11,677,038	11,857,168	12,428,283	12,783,421	14,304,380
Public safety	62,302,119	67,994,305	71,167,443	75,850,684	81,888,043
Highways and streets	18,867,710	20,842,092	20,435,369	19,297,784	19,156,312
Sanitation	24,333	2,416	11,650	3,200	-
Health and welfare	1,679,614	1,833,456	1,948,213	2,091,874	2,277,770
Economic opportunity	585,519	537,038	539,527	563,393	633,818
Economic development	2,704,968	3,185,647	2,989,073	3,011,176	2,374,777
Culture and recreation	16,183,009	16,148,620	17,818,095	15,699,132	17,411,791
Urban redevelopment and housing	3,578,450	3,092,572	8,176,225	11,543,846	13,245,625
Capital outlay	35,097,784	26,778,874	15,721,064	24,634,068	29,176,837
Debt service					
Principal	7,126,429	5,317,097	7,929,184	7,207,598	8,250,899
Interest	2,273,583	1,620,950	1,440,734	2,825,005	3,944,739
Bond issuance costs	218,333	101,653	-	1,275,140	493,419
Total expenditures	<u>162,318,889</u>	<u>159,311,888</u>	<u>160,604,860</u>	<u>176,786,321</u>	<u>193,158,410</u>
Excess of revenues over (under) expenditures	(17,443,123)	(33,454,419)	423,696	(15,256,649)	(24,473,355)
Other Financing Sources (Uses)					
Transfers in	15,051,034	23,492,170	16,297,753	17,811,315	29,753,688
Transfers out	(15,621,260)	(18,800,388)	(12,341,200)	(13,550,782)	(24,699,590)
Bonds issued	-	-	-	59,215,000	20,825,000
Premium on bond issuance	-	-	-	453,094	-
First mortgage bonds issued	1,035,000	6,781,384	-	-	-
First mortgage bond payments	-	(6,655,000)	-	-	-
Revenue bonds issued	10,225,000	-	-	-	-
Bond anticipation note issued	4,300,000	-	-	-	-
Capital leases	5,126,000	2,900,000	5,675,000	3,943,540	8,030,000
Total other financing sources (uses)	<u>20,115,774</u>	<u>7,718,166</u>	<u>9,631,553</u>	<u>67,872,167</u>	<u>33,909,098</u>
Net change in fund balances	<u>\$ 2,672,651</u>	<u>\$ (25,736,253)</u>	<u>\$ 10,055,249</u>	<u>\$ 52,615,518 (A)</u>	<u>\$ 9,435,743</u>
Debt service as a percentage of noncapital expenditures	7.9%	5.6%	6.8%	6.8%	7.8%

(A) The increase in fund balances from governmental funds in 2005 was the result of three major bond issues.

Note: The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

**Schedule 5
City of Fort Wayne
Tax Revenues by Source, Governmental Funds,
Last Ten Fiscal Years**

Fiscal Year	(A) General Property	Excise	Wheel	Financial Institution	COIT	(B) CEDIT	Total
1997	\$ 49,059,032	\$ 3,491,463	\$ 1,591,252	\$ 727,455	\$ 8,076,933	\$ 6,692,700	\$ 69,638,835
1998	49,436,025	4,583,120	1,685,152	702,614	9,871,928	7,272,282	73,551,121
1999	52,455,541	4,640,148	1,832,232	723,372	10,303,279	15,947,191	85,901,763
2000	51,365,910	4,446,293	1,747,459	670,365	11,263,966	17,668,570	87,162,563
2001	53,055,807	5,162,619	1,796,199	652,631	17,548,884	25,162,654	103,378,794
2002	60,762,061	5,574,784	1,797,636	726,151	13,438,524	22,036,574	104,335,730
2003	47,977,202	5,740,641	1,760,953	772,984	10,703,146	17,487,462	84,442,388
2004	90,767,526	5,087,183	1,853,777	746,630	10,478,580	15,830,142	124,763,838
2005	77,055,981	6,072,381	1,837,641	721,706	13,611,847	16,206,853	115,506,409
2006	82,206,070	6,040,667	1,889,604	697,578	11,929,264	18,582,984	121,346,167

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

(B) The first revenue from the County Economic Development Income Tax was received in June of 1994. The tax was effective July 1, 1993.

Source: City of Fort Wayne Statement of Revenues, Expenditures and Changes in Fund Balances. While the Statement of Revenues list total tax revenue, the sources were itemized for this schedule.

**Schedule 6
City of Fort Wayne
Property Tax Levies and Collections,
Last Ten Fiscal Years for Allen County**

Tax Collections Measurement:	2006	2005	2004	2003	2002
Total Tax Levy	\$ 423,667,496	\$ 404,939,852	\$ 392,189,991	\$ 352,474,267	\$ 343,127,157
Current Tax Collections	\$ 411,472,985	\$ 392,526,880	\$ 377,612,575	\$ 341,253,361	\$ 324,143,475
Percent of Levy Collected	97.12%	96.93%	96.28%	96.82%	94.47%
Delinquent Tax Collections	\$ 9,072,693	\$ 6,754,184	\$ 4,320,258	\$ 10,779,907	\$ 10,442,943
Total Tax Collections	\$ 420,545,678	\$ 399,281,064	\$ 381,932,833	\$ 352,033,268	\$ 334,586,418
Percent of Total Tax Collections to Levy	99.26%	98.60%	97.38%	99.87%	97.51%
Outstanding Delinquent Taxes	\$ 15,360,588	\$ 16,878,058	\$ 22,056,911	\$ 14,866,299	\$ 16,300,389
Percent of Delinquent Taxes to Levy	3.63%	4.17%	5.62%	4.22%	4.75%

Tax Collections Measurement:	2001	2000	1999	1998	1997
Total Tax Levy	\$ 308,115,752	\$ 300,888,833	\$ 298,675,890	\$ 290,175,549	\$ 279,745,476
Current Tax Collections	\$ 306,771,546	\$ 297,308,400	\$ 291,497,902	\$ 287,919,723	\$ 276,816,607
Percent of Levy Collected	99.56%	98.81%	97.60%	99.22%	98.95%
Delinquent Tax Collections	\$ 11,186,590	\$ 11,253,948	\$ 9,043,097	\$ 8,448,399	\$ 10,755,978
Total Tax Collections	\$ 317,958,136	\$ 308,562,348	\$ 300,540,999	\$ 296,368,122	\$ 287,572,585
Percent of Total Tax Collections to Levy	103.19%	102.55%	100.62%	102.13%	102.80%
Outstanding Delinquent Taxes	\$ 13,378,002	\$ 13,119,784	\$ 13,339,890	\$ 11,020,067	\$ 10,358,645
Percent of Delinquent Taxes to Levy	4.34%	4.36%	4.47%	3.80%	3.70%

Note: GASB Statement 44 requires that the information in this schedule be shown for each "period for which levied" as defined in Statement 33. However, the information needed for this schedule was not available from the County Auditor's office at the time this document was produced. Therefore, the City has presented this information in the prior year format.

Schedule 7
City of Fort Wayne
Assessed Value and Actual Value of Taxable Property,
Last Five Fiscal Years

(in hundreds of dollars)

<u>Year (A)</u>	<u>Assessed Valuation (B)</u>	<u>Estimated Actual Value (C)</u>	<u>Percent Increase (D)</u>
2006	7,714,274,681	7,714,274,681	3.14%
2005	7,479,525,039	7,479,525,039	-5.48%
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%

Average Annual Rate of Increase **5.62%**

(A) 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 - 2006.

(B) Assessed values for personal property are updated annually.

(C) For the years 1996 - 2001, actual value is estimated at 3 times assessed value. For the years 2002 - 2006, assessed value reflects actual value.

(D) Change in assessed valuation.

Note: GASB Statement 44 has called for a new report on the assessed values that breaks the total value into major components such as residential, commercial and industrial property as well as any adjustments and credits. At the time of CAFR production, this information was unavailable from the County Auditor's office. Therefore, the City has presented this information in the prior year format.

Schedule 8
City of Fort Wayne
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year	City of Fort Wayne											Overlapping Rates (B)				
	General Fund Rate	Debt Service Rate	Fire Pension Rate	Police Pension Rate	Sanitary Officers' Pension Rate	Community Services Rate	Abandoned Vehicles Rate	Fire Rate	Park Rate	Redevelopment General Rate	Tax Increment Replacement Rate	(A) Total City	(B, C) Municipal Corporations	(B, C) School Districts	Allen County	(B, C) Townships and Other
1997	\$ 1.4555	\$ 0.1149	\$ 0.1442	\$ 0.1422	\$ 0.0157	\$ -	\$ -	\$ 0.9832	\$ 0.4211	\$ 0.0130	\$ -	\$ 3.2898	\$ 0.6198	\$ 5.0260	\$ 1.1501	\$ 0.2317
1998	1.5800	-	0.1955	0.1920	0.0152	0.0003	-	1.0023	0.3491	0.0140	-	3.3484	0.6453	4.8661	1.6130	0.2461
1999	1.6715	-	0.1500	0.1535	0.0195	0.0062	0.0003	0.9807	0.3639	0.0003	-	3.3459	0.6429	4.7493	1.7122	0.3014
2000	1.5318	-	0.1967	0.2505	0.0214	0.0020	0.0020	0.9537	0.3594	0.0128	-	3.3303	0.6465	4.7739	1.6881	0.3393
2001	1.5098	-	0.1999	0.1784	0.0209	0.0019	-	1.0607	0.3508	0.0077	-	3.3301	0.6503	4.7796	1.7948	0.3192
2002	0.5288	-	0.0233	0.0155	0.0069	0.0001	0.0005	0.4157	0.1146	0.0046	-	1.1100	0.2658	1.6064	0.5685	0.0966
2003	0.4275	-	0.0160	0.0188	0.0028	0.0001	-	0.3066	0.1023	0.0038	0.0067	0.8846	0.2026	1.2566	0.4229	0.0757
2004	0.4477	-	0.0264	0.0296	0.0053	0.0001	-	0.3313	0.0973	0.0044	-	0.9421	0.2007	1.4306	0.4746	0.0747
2005	0.5158	-	0.0272	0.0370	0.0059	0.0000	-	0.3613	0.0939	0.0049	-	1.0460	0.2206	1.4078	0.5452	0.1267
2006	0.5043	-	0.0367	0.0437	0.0059	0.0001	-	0.3765	0.1082	0.0041	-	1.0795	0.2243	1.4743	0.5675	0.0967

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

(B) Overlapping rates are those of local and county governments that apply to property owners within the City of Fort Wayne. Not all overlapping rates apply to all Fort Wayne property owners.

(C) Obtained from the Allen County Auditor's Office and the various governmental units. The figures used for the municipal corporations, school districts, and townships represent citywide averages.

Source: From Published Rates for Wayne Township

Notes: The City's levy increases are limited to the 6-year average increase in Indiana personal income.

**Schedule 9
City of Fort Wayne
Principal Property Tax Payers,
Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>2006</u>			<u>1997</u>		
	<u>(A) Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>(B) Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
GGP - Glenbrook LLC	\$ 114,784,990	1	1.49%	--	--	--
Verizon North (Formerly GTE North)	103,188,020	2	1.34%	22,662,960	3	1.43%
Indiana Michigan Power (Formerly AEP)	61,775,820	3	0.80%	22,898,250	2	1.45%
Regency Canterbury	53,563,100	4	0.69%	--	--	--
St Joseph Health System	50,375,850	5	0.65%	--	--	--
Sommerfeld Nicholas	48,964,800	6	0.63%	10,466,420	8	0.66%
Meijer Stores LP	44,844,320	7	0.58%	--	--	--
Wal-Mart Real Estate Business	44,015,630	8	0.57%	--	--	--
Rose Edward of Indiana	43,130,130	9	0.56%	--	--	--
IMI Jefferson Pointe LLC	41,129,900	10	0.53%	--	--	--
Dana Corporation	--	--	--	31,694,130	1	2.01%
Lake County Trust	--	--	--	18,617,180	4	1.18%
General Electric	--	--	--	17,806,590	5	1.13%
Environmental Properties LLC	--	--	--	14,501,530	6	0.92%
Ohio Cubco/SuperValue Holding Inc.	--	--	--	14,419,560	7	0.91%
Slater Steel, Inc.	--	--	--	9,929,310	9	0.63%
Nipsco	--	--	--	9,499,790	10	0.60%
Total	<u>\$ 605,772,560</u>		<u>7.85%</u>	<u>\$ 172,495,720</u>		<u>10.91%</u>

(A) Represents the taxable assessed valuations for taxes due and payable in 2006 within the corporation limits.

(B) Represents the taxable assessed valuations for taxes due and payable in 1997 within the corporation limits.

Source: Allen County Auditor's Office

Schedule 10
City of Fort Wayne Utilities
Water and Sewer Rates,
Last Five Fiscal Years

Fiscal Year	Water				Sewer			
	(Meter Use) Monthly Base Rate	Rate per 748 gallons (Up to 18,675 gallons)	Rate per 748 gallons (From 18,676 gallons to 89,640 gallons)	Rate per 748 gallons (Over 89,640 gallons)	Monthly Base Rate	Rate per 748 gallons (Up to 18,675 gallons)	Rate per 748 gallons (From 18,676 gallons to 89,640 gallons)	Rate per 748 gallons (Over 89,640 gallons)
Inside City								
2002	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94
2003	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94
2004	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94
2005	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94
1/1/06-8/31/06	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94
9/1/06-12/31/06	7.30	1.49	1.33	1.24	2.22	1.94	1.94	1.94
Outside City								
2002	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43
2003	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43
2004	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43
2005	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43
1/1/06-8/31/06	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43
9/1/06-12/31/06	8.40	1.71	1.66	1.55	2.78	2.43	2.43	2.43

Source: City of Fort Wayne, City Utilities Accounting Department

Notes: Water rates are based on 5/8" meter, which is the standard household meter size. Sewer rates are based on non food handlers. Rates are billed per 100 cubic ft.. 100 cubic ft. is equivalent to 748 gallons.

The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

**Schedule 11
City of Fort Wayne
Legal Debt Margin Information,
Last Five Fiscal Years**

(dollars in thousands)

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Debt Limit	\$ 333,605	\$ 442,871	\$ 157,293	\$ 148,698	\$ 153,419
Total net debt applicable to limit	<u>47,535</u>	<u>34,494</u>	<u>28,215</u>	<u>76,710 (B)</u>	<u>83,999</u>
Legal debt margin	<u>\$ 286,070</u>	<u>\$ 408,377</u>	<u>\$ 129,078</u>	<u>\$ 71,988</u>	<u>\$ 69,420</u>
Total net debt applicable to the limit as a percentage of debt limit	14.25%	7.79%	17.94%	51.59%	54.75%

Legal Debt Margin Calculation for Fiscal Year 2006

Assessed adjusted value (Civil City)	\$ 2,571,425 (A)
Assessed adjusted value (Redevelopment District)	2,571,425 (A)
Assessed adjusted value (Park District)	<u>2,528,109 (A)</u>
Total Assessed adjusted value	\$ 7,670,959
Debt limit (2% of assessed adjusted value)	153,419
Debt applicable to limit:	
General obligation bonds	6,680
Special obligation bonds	70,030
Less: Amount set aside for repayment of debt	<u>(7,290)</u>
Total net debt applicable to limit	<u>69,420</u>
Legal debt margin	<u>\$ 83,999</u>

(A) Assessed adjusted value is determined by dividing the net assessed valuation by 3. Each taxing district has a 2% debt limit.

(B) Increase in debt is due to additional Special Obligation Bonds issued by Community Development and the Parks Department.

Note: The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

Schedule 12
City of Fort Wayne
Direct and Overlapping Governmental Activities Debt,
As of December 31, 2006
(dollars in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>(A) Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Allen County Public Library	\$ 71,150	54.86%	\$ 39,032
Allen County	52,025	54.86%	28,540
Southwest Allen School District	99,155	1.06%	1,054
East Allen School District	58,495	17.23%	10,081
Fort Wayne Community Schools	119,232	92.74%	110,577
Northwest Allen School District	98,245	20.52%	20,157
New Haven	3,805	19.07%	726
Aboite Township	1,077	1.22%	13
Subtotal, overlapping debt			<u>\$ 210,180</u>
City direct debt			<u>\$ 76,710</u>
Total direct and overlapping debt			<u><u>\$ 286,890</u></u>

(A) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Sources: Assessed value data used to estimate applicable percentages and the debt outstanding provided by the Allen County Auditor's Office.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Fort Wayne. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Schedule 13
City of Fort Wayne
Ratios of Outstanding Debt by Type,
Last Five Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities						Business-Type Activities			Total Primary Government	(B) Percentage of Personal Income	(B) Per Capita
	General Obligation Bonds	Special Obligation Bonds (A)	First Mortgage Bonds	Capital Leases	Loans Payable	Mortgages Payable	Revenue Bonds	Capital Leases	Loans Payable			
2002	\$ 15,100	\$ 38,320	\$ 11,035	\$ 7,411	\$ 2,523	\$ 42	\$ 59,505	\$ -	\$ 5,608	\$ 139,544	2.27%	\$ 663
2003	12,680	29,860	9,450	8,421	1,954	42	72,145	-	15,288	149,840	2.33%	712
2004	8,720	25,230	7,870	11,887	1,181	42	65,707	-	23,564	144,201	2.15%	654
2005	7,725	75,490	10,490	12,368	993	42	75,045	3,700	24,066	209,919	3.02%	948
2006	6,680	70,030	29,445	16,425	879	42	85,380	3,381	73,171	285,433	4.06%	1,269

(A) The City issued \$55 million of special obligation bonds in 2005 for use in property acquisition, street extensions, southtown redevelopment project, park projects, infrastructure and lighting improvements.

(B) See schedule 15 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

**Schedule 14
City of Fort Wayne
Ratio of Net General Bonded Debt to Assessed Value
And Net Bonded Debt Per Capita
Last Ten Fiscal 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
2006	250,086	\$ 7,714,274,681	\$ 40,030,000	\$ 5,050,000	\$ 34,980,000	0.45%	140
2005	224,913	7,479,525,039	45,490,000	5,460,000	40,030,000	0.54%	178
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

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
2006	250,086	\$ 7,584,327,001	\$ 13,485,000	\$ 195,000	\$ 13,290,000	0.18%	53
2005	224,913	7,345,576,671	13,670,000	185,000	13,485,000	0.18%	60
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

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
2006	250,086	\$ 7,714,274,681	\$ 23,195,000	\$ 2,045,000	\$ 21,150,000	0.27%	85
2005	224,913	7,479,525,039	24,055,000	860,000	23,195,000	0.31%	103
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%	-

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
2006	250,086	\$ 23,012,876,363	\$ 76,710,000	\$ 7,290,000	\$ 69,420,000	0.30%	278
2005	224,913	22,304,626,749	83,215,000	6,505,000	76,710,000	0.34%	341
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

* 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 2005 were derived from the 2000 census. The increases in 1996, and 2001 through 2005 were the result of additions due to annexations.

(C) Redevelopment does not include TIF bonds.

Note: GASB Statement 44 has called for a new report on the assessed values that breaks the total value into major components such as residential, commercial and industrial property as well as any adjustments and credits. At the time of CAFR production, this information was unavailable from the County Auditor's office. Since the information was unavailable for Schedule 7 and could not be carried forward to the format for this schedule, the City has presented this information in the prior year format.

Schedule 15
City of Fort Wayne
Pledged-Revenue Coverage,
Last Five Fiscal Years
(dollars in thousands)

Fiscal Year	Water Revenue Bonds							Sewer Revenue Bonds						
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage		
				Principal	Interest					Principal	Interest			
2002	\$ 24,454	\$ 18,200	\$ 6,254	\$ 520	\$ 291	7.71	\$ 29,777	\$ 17,627	\$ 12,151	\$ 3,128	\$ 3,178	1.93		
2003	24,049	19,467	4,583	2,110	517	1.74	28,386	19,003	9,383	3,330	3,894	1.30		
2004	24,006	20,048	3,958	2,130	515	1.50	29,123	20,203	8,920	4,178	4,109	1.08		
2005	24,841	20,369	4,472	2,075	448	1.77	30,798	20,676	10,122	5,148	5,371	0.96		
2006	25,850	21,562	4,288	2,000	1,018	1.42	28,495	23,086	5,410	4,515	1,997	0.83		

Fiscal Year	Civic Center Parking Garage (1979)							Parking Garage Addition (2001)						
	Parking Garage Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Parking Garage Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage		
				Principal	Interest					Principal	Interest			
2002	\$ 780	\$ 713	\$ 67	\$ 60	24	0.80	\$ 335	\$ 41	\$ 294	\$ -	\$ 85	3.47		
2003	833	696	137	70	19	1.54	65	41	24	-	87	0.28		
2004	644	845	(201) (A)	70	14	(2.39)	167	41	127	60	86	0.87		
2005	596	636	(40) (A)	75	9	(0.48)	148	41	107	65	83	0.72		
2006	752	647	105	85	3	1.19	-	41	(41) (B)	65	81	(0.28)		

(A) The Civic Center Parking Garage was renovated during 2004-2005. The negative net available revenue is due to the fact that portions of the garage were closed during renovation. Even though the revenues dropped during this period, there was a sufficient cash balance to cover all expenses.
(B) The Plaza Parking Garage took a hit in 2006 when the renovated Allen County Juvenile Center reopened. Most court cases moved to the Juvenile Center and the parkers also moved over to the Center. However, an increase in monthly users has increased the revenue in 2007.

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or amortization expenses.

The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

**Schedule 16
City of Fort Wayne
Demographic and Economic Statistics,
Last Five Calendar Years**

Year	(A) Population	(B) Personal Income (thousands of dollars)	(C) Per Capita Personal Income	(D) Unemployment Rate
2002	210,439	\$ 6,145,661	\$ 29,829	5.0%
2003	220,486	6,440,837	29,645	5.3%
2004	221,479	6,691,767	30,664	5.2%
2005	224,913	6,943,739	31,722	5.2%
2006	250,086	N/A	N/A	4.9%

(A) Population numbers for years 2002 through 2005 were derived from the 2000 census.

Population numbers for 2006 were certified by the Office of the Governor of Indiana.

(B) Personal income information is a total for the year. 2006 Personal Income data was unavailable at the time of the CAFR production. Source: U.S. Department of Commerce, Bureau of Economic Analysis.

(C) Source: U.S. Department of Labor, Bureau of Labor Statistics.

(D) Unemployment rate information is a yearly average.

Notes: The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

**Schedule 17
City of Fort Wayne
Principal Employers,
Current Year and Nine Years Ago**

<u>Employer</u>	<u>2006</u>			<u>1997</u>		
	<u>Employees</u>	<u>Rank</u>	(A) <u>% of Total</u>	<u>Employees</u>	<u>Rank</u>	(A) <u>% of Total</u>
Fort Wayne Community Schools	4,201	1	2.38%	4,101	1	2.10%
Parkview Health Systems (Formerly Parkview Memorial Hospital)	3,844	2	2.18%	3,512	3	1.79%
Lutheran Health Network (Formerly Lutheran Hospital)	3,432	3	1.95%	2,000	8	1.02%
General Motors Truck & Bus Group	2,981	4	1.69%	3,194	4	1.63%
Allen County Government	1,964	5	1.11%	---	---	---
ITT Aerospace/Communications	1,910	6	1.08%	---	7	1.15%
City of Fort Wayne	1,905	7	1.08%	1,638	10	0.84%
Lincoln Financial Group (Formerly Lincoln National Corporation)	1,700	8	0.96%	3,672	2	1.88%
Uniroyal Goodrich Tire Manufacturing	1,502	9	0.85%	---	---	---
Scott's Food Stores, Inc.	1,500	10	0.85%	---	6	1.16%
Verizon Telephone (Formerly General Telephone)	---	---	---	1,802	9	0.92%
Dana Corporation	---	---	---	2,500	5	1.28%
Total	24,939		14.16%	22,419		13.77%

(A) Represents the percent of total employees within Allen County.

Source: Fort Wayne-Allen County Economic Development Alliance and Indiana University Purdue University Fort Wayne

Schedule 18
City of Fort Wayne
Full-time Equivalent City Government Employees by Function/Program,
Last Five Fiscal Years

<u>Function/Program</u>	<u>Full-time Equivalent Employees as of December 31,</u>				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Government	107	110	110	111	118
Public Safety					
Police	418	415	406	434	429
Fire	326	350	357	364	356
Civilians	241	250	243	214	226
Highways and streets	172	179	161	176	165
Health and welfare	33	31	34	35	35
Culture and recreation	163	172	164	161	147
Urban redevelopment and housing	20	19	18	42	43
Internal Services	7	8	7	7	8
Solid Waste	2	2	2	2	2
City Utilities					
Water	127	129	123	123	119
Sewage	78	78	83	88	88
Storm Water	17	23	24	22	21
Planning and Design	21	23	21	24	29
Engineering	18	17	20	18	18
Customer Relations	33	34	32	34	27
Administrative	24	22	22	20	21
Total	1,804	1,857	1,825	1,872	1,852

Source: City of Fort Wayne Payroll Department

Notes: The functional breakout is from the "Statement of Activities".

The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

Schedule 19
City of Fort Wayne
Operating Indicators by Function/Program,
Last Five Fiscal Years

Function/Program	Fiscal Year				
	2002	2003	2004	2005	2006
General Government					
Board of Public Works					
Emerging business enterprise applicants	10	12	10	7	11
Worksite visits	130	40	20	40	40
Wage violations	24	32	25	53	22
Compliance workshops	2	2	2	3	3
Public Safety					
Police					
Calls for service	164,413	169,768	170,535	171,263	182,912
Fire Department					
Emergency medical runs	7,069	7,914	7,697	6,474	6,433
Fire rescue runs	7,379	7,528	7,800	10,574	10,566
Weight & Measures					
Scales inspected	750	1,158	1,254	1,257	1,257
Measuring devices inspected	2,353	4,145	5,589	6,318	5,851
Calibrations and tests conducted	669	758	491	2,039	2,506
Highways and streets					
Street Department					
Paving - miles of maintenance	18	18	15	15	16
Chip and seal - miles of maintenance	13	14	14	14	14
Crack sealing - miles of maintenance	60	75	75	75	96
Traffic Engineering					
Accident records and analysis	8,657	9,105	8,813	9,300	9,500
Fatal accident investigation	13	8	10	12	8
Plot plans processed	33	64	42	52	55
Traffic counts conducted	10	36	45	30	50
Traffic studies conducted	148	142	180	180	190
Traffic investigations (complaints)	223	218	260	250	325
Traffic Signal Division					
New signals installed	7	7	3	5	6
Signals modernized	26	28	5	4	14
Signal accident repairs	51	40	23	50	36
Signal bulbs replaced (emergency/non-emergency)	10,208	9,743	9,820	1,004	10 (A)
Sign & Marking Division					
Signs manufactured	4,437	4,158	4,746	4,724	5,169
Street lanes marked - painted (miles)	321	596	633	657	719
Curb parking marked (feet)	26,043	12,995	29,566	23,663	21,037
Crosswalks marked	411	644	636	760	849
Lane arrows marked	434	483	795	883	822
Health and welfare					
Animals handled	13,251	13,756	13,871	14,023	15,919
Animals adopted	1,496	1,614	1,488	1,733	1,920
Animals euthanized	9,834	10,241	10,445	10,164	11,508
Bite cases	578	659	817	673	915
Education programs contacts	362,418	346,991	343,579	335,016	282,442 (B)

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Schedule 19
City of Fort Wayne
Operating Indicators by Function/Program,
Last Five Fiscal Years

<u>Function/Program</u>	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Urban redevelopment and housing					
Neighborhood Code Enforcement					
Emergency orders to repair	475	485	606	874	1,286
Emergency orders to demolish	79	71	55	173	93
Boardings	318	295	366	455	729
Demolitions - hearing affirmed	102	52	31	107	19
Water					
New connects	750	874	737	776	649
Consumption (millions of gallons)	9,266	8,581	8,241	8,639	8,310
Wastewater					
New connects	1,246	1,336	1,153	1,145	843
Sewage treatment (millions of gallons)	8,428	8,031	7,843	8,085	7,724

(A) By 2006, the City had completely switched to LED signal bulbs, thus reducing the number of replacements.

(B) The grant funding educational programs was not renewed in 2006.

Notes: The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

**Schedule 20
City of Fort Wayne
Capital Asset Statistics by Function/Program,
Last Five Fiscal Years**

<u>Function/Program</u>	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<u>Public Safety</u>					
Police					
Division outposts	-	-	-	3	4
Training academies	1	1	1	1	1
Fire					
Fire stations	14	16	16	18	18
Training academies	1	1	1	1	1
<u>Highways and streets</u>					
Underground cable in service (feet)	892,500	895,000	896,000	897,000	898,000
Number of street lights	30,094	30,646	30,825	31,382	32,594
Miles of streets	943	943	943	990	1,130
<u>Health and welfare</u>					
Animal Control					
Animal care centers	1	1	1	1	1
Patrol districts	3	3	3	3	3
<u>Culture and recreation</u>					
Acreage for parks and recreational areas	2,450	2,429	2,429	2,429	2,625
Parks and recreational areas	86	84	84	84	84
Gold courses	3	3	3	3	3
Swimming pools	4	4	4	4	4
<u>Water</u>					
Miles of water lines	964	976	992	996	1,005
Treatment capacity (million gallons/day)	72	72	72	72	72
<u>Wastewater</u>					
Miles of sewer/stormwater mains	1,572	1,604	1,653	1,685	1,685
Treatment capacity (million gallons/day)	60	60	60	60	60

Sources: Various city departments.

Notes: No capital asset indicators are available for the general government function.

The City of Fort Wayne fully implemented GASB Statement 34 in 2002 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.



The City of Fort Wayne

**One Main Street
Fort Wayne, Indiana 46802
260.427.1106**