

City of Fort Wayne, Indiana

2012 Comprehensive Annual Financial Report For the year ended December 31, 2012



Thomas C. Henry
Mayor

Patricia A. Roller CPA
Controller

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**City of Fort Wayne, Indiana
Year Ended December 31, 2012**



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

**Valerie A. Ahr
Deputy Controller**

INTRODUCTION



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CITY OF FORT WAYNE

TOM HENRY, MAYOR

June 27, 2013

Dear Citizens:

I am pleased to present to you the 2012 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. The City of Fort Wayne has a long tradition of prudent management of your tax dollars. We remain committed to fiscally conservative management of your tax dollars, while continuing to provide basic services to our citizens.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas C. Henry".

Thomas C. Henry
Mayor



CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

June 27, 2013

Honorable Mayor Thomas C. Henry 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, 2012. This is the twenty-fourth CAFR prepared by the City's financial staff. The twenty-three 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.

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 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, neighborhood revitalization, and economic development), parks and recreation, transportation (roads and streets), solid waste disposal, engineering, and general administrative services. In addition, the City provides water, wastewater, and stormwater utility services. In 1975, the City leased its electrical utility to an investor-owned utility.

The City of Fort Wayne, Indiana entity has been carefully defined pursuant to the entity definition criteria promulgated by the Governmental Accounting Standards Board (GASB) in Statement 14, "The Financial Reporting Entity". In accordance with this criterion, the City has included various component units in its presentation of the general-purpose financial statements. Blended component units are included as part of the primary government's operations even though they are legally separate entities. The Fort Wayne Municipal Building Corporation and the Consolidated Communications Partnership (CCP) have been presented as blended component units because the financial statements would be misleading if data from these component units were not included.

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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 (Summit), Fort Wayne Urban Enterprise Association, Inc. (UEA), Allen County Fort Wayne Capital Improvement Board of Managers (CIB), Fort Wayne Redevelopment Authority (RA), Fort Wayne Public Transportation Corporation (PTC), Downtown Fort Wayne Economic Improvement District (DID), and Community Development Corporation of Fort Wayne (CDC).

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, and Fort Wayne Community School System. The City of Fort Wayne entity also excludes several nonprofit entities that have some association with the City, including the Headwaters Park Alliance.

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, 2012, 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 253,691 (US Census 2010 population estimates), Fort Wayne is the second largest city in Indiana. In January 2012, the Milken Institute named the Fort Wayne area to its "Best Performing Cities Index". The 2012 list ranked Fort Wayne 59 out of 200 largest metropolitan areas in the U.S. This is up from a 2011 ranking on the list of 127. In June 2012, Area Development, a corporate site selection and facility planning publication, recognized the Fort Wayne Metropolitan Statistical Area (MSA) as a top area for economic and job growth. 365 MSAs were ranked across 23 economic and workforce growth indicators pulled from data from the U.S. Bureau of Labor Statistics, U.S. Bureau of Economic Analysis, and U.S. Census American Community Survey. Fort Wayne ranked 51st out of the 365 small, medium and large MSAs studied.

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 continues to be seen primarily from expansion of existing businesses as a result of new investment in products or services or through the consolidation of business within the company's organization.

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 Greater Fort Wayne Chamber of Commerce, created the Fort Wayne - Allen County Economic Development Alliance. Over the last twelve 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. In 2012, a steering committee with representatives from the business community, the Alliance, the Chamber, the Downtown Improvement District (DID), the City of Fort Wayne, and Allen County began examining the possible coordination of economic development activities between the DID, Chamber and Alliance. Their findings are expected the first quarter of 2013.

Several new large construction projects in Allen County were announced in 2012. In May 2012, Meijer Stores' announced that it would invest over \$9.2 million to renovate an existing building in Interstate Industrial Park for a pharmacy fill operation. Thirty-three jobs will be created as a result of their project. Also in May, Logistics Insight Corporation (LINC), a provider of custom third party logistics solutions, announced that it would invest \$1 million to expand its operations at the Fort Wayne International Airport Cargo Hub. The company will lease an additional 59,480 square feet in the facility for a total lease of 165,370 square feet of operations space. Fifty new jobs are anticipated to be created as a result of this expansion. In October 2012, Voss Automotive, a German owned designer and supplier of exhaust control systems equipment for the automotive industry, announced that it would invest \$5.8 million to construct a new 32,300 square foot facility off of Hillegas Road. Thirty jobs will be created and 34 jobs will be retained as a result of the project.

Long Term Financial Planning

City Utilities agreed to a Long Term Control Plan (LTCP) in the form of a federal consent decree, effective April 1, 2008, which will ultimately bring the Utilities' storm and sanitary sewer system into compliance with the Clean Water Act. City Utilities committed to combined sewer overflow reductions that require an approximate investment of \$240.0 million (denominated in 2005 dollars) in infrastructure solutions over the next eighteen years. City Utilities also agreed to eliminate three sanitary sewer overflows at an estimated cost of \$31.0 million, maintain the entire storm and sewer systems to performance standards prescribed in the LTCP and mitigate assessed penalties with local investments in septic tank elimination subsidies and rain garden stipends. The Fort Wayne City Council (Council) has authorized the issuance of \$255.0 million in debt to fund a six year capital plan that will accomplish a significant portion of the infrastructure investment needed to fulfill the requirements of the consent decree. City Utilities has issued \$172.8 million in debt associated with the \$255.0 million Council authorization.

In 2008, City Utilities paid Aqua Indiana \$16.9 million, the appraised value, and took possession of those assets. The North Assets are now fully integrated with City Utilities' water and sewer systems and generating revenues at existing rates from 8,600 new retail water customers and 1,600 new retail sewer customers. Aqua Indiana asserts that the purchase price is inadequate and has sued for unspecified damages.

In May, 2009, the City of Fort Wayne issued \$30.0 million in capital improvement bonds in order to finance future infrastructure improvements. These bonds have a twenty-five year maturity and will be repaid with County Economic Development Income Taxes (CEDIT).

In 2010, the City entered into an agreement to transfer the remaining Electric Utility assets to another electric utility (transferee). In August, 2011, the Indiana Utility Regulatory Commission (IURC) approved the agreement. In exchange for the remaining leased Electric Utility assets and the right to be the exclusive supplier of electricity in the City, the transferee will pay in excess of \$39 million over the next 15 years, including an initial payment of \$5 million in 2011.

In 2011, the renovation of the former Renaissance Square building was completed and the building renamed Citizens Square. By purchasing this building, it is estimated that the City will see a reduction of approximately \$463,000 per year in property taxes and will own the building in 20 years.

In 2012, the Harrison Square retail component was completed at a value of \$6 million and currently has three tenants. The Harrison Square apartments, valued at \$14.5 million are scheduled to be completed in January, 2013.

Relevant Financial Policies

According to Indiana statute, if the state budget agency determines that a sufficient balance exists in a county account in excess of the amount necessary, when added to other money that will be deposited in the account after the date of the determination, to make certified distributions to the county in the ensuing year, the budget agency shall make a supplemental distribution to a county from the county's special account. This supplemental distribution is then allocated in the same manner as the certified distributions for deposit in a civil unit's rainy day fund. Funds in the City of Fort Wayne rainy day fund are unrestricted and must be appropriated and approved by the Fort Wayne City Council.

Major Initiatives

Mayor Henry's administration has developed a strategic plan with three key priorities:

Engage, Innovate, and Perform. It represents what our community is all about, and it's a commitment to being the very best.

1. Engage – Provide excellent customer service and involve the public in our efforts to be a great City.
2. Innovate - Maintain a pro-investment environment through proactive leadership and strategic partnerships.
3. Perform - Be an outstanding place to work, operating as a trustworthy, transparent organization that drives continuous improvement and high performance.

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 October 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 November 1 of 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.

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 twenty-fourth published by the City of Fort Wayne. The 1989-2011 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 twenty-fourth Certificate.

Acknowledgments

Without the strong commitment of Mayor Thomas Henry 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.

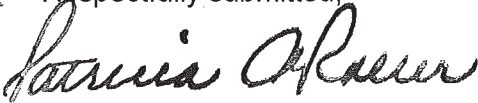
The City Controller and Deputy Controller are not able to produce a report of this type and magnitude alone. A number of people are part of the team effort that produces the City's CAFR.

We acknowledge and thank the following City employees:

- Mark Knepper**, Financial Analyst
- Jake Gillespie**, Financial Analyst
- Jolie Walker**, Financial Analyst
- Jay Bigham**, Senior Financial Accountant
- Greg Weisser**, Financial Accountant
- Suzanne Sims**, Bookkeeper/Receptionist
- Jeanne Cook**, Administrative Assistant to the Controller

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

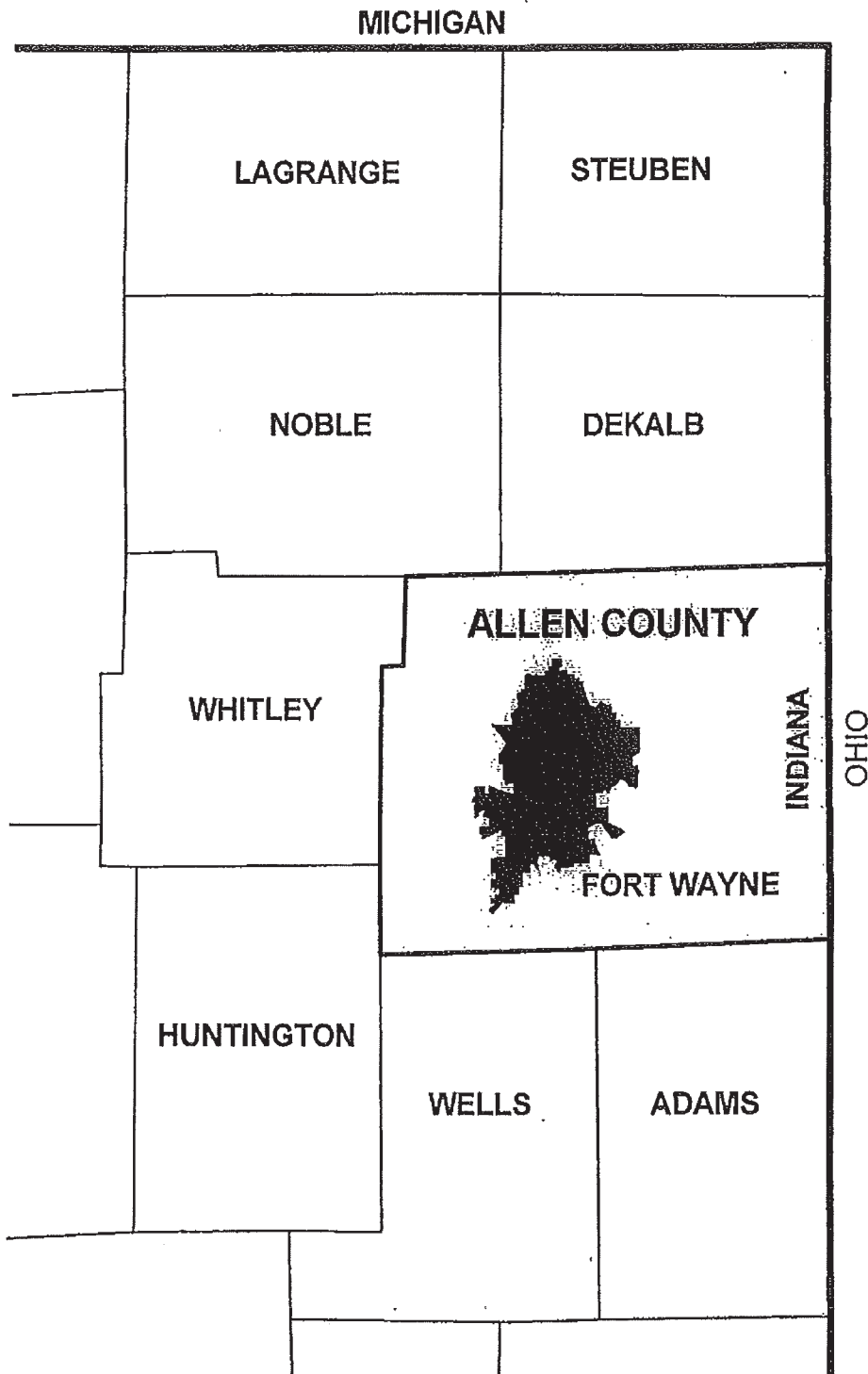


Valerie Ahr
Deputy Controller

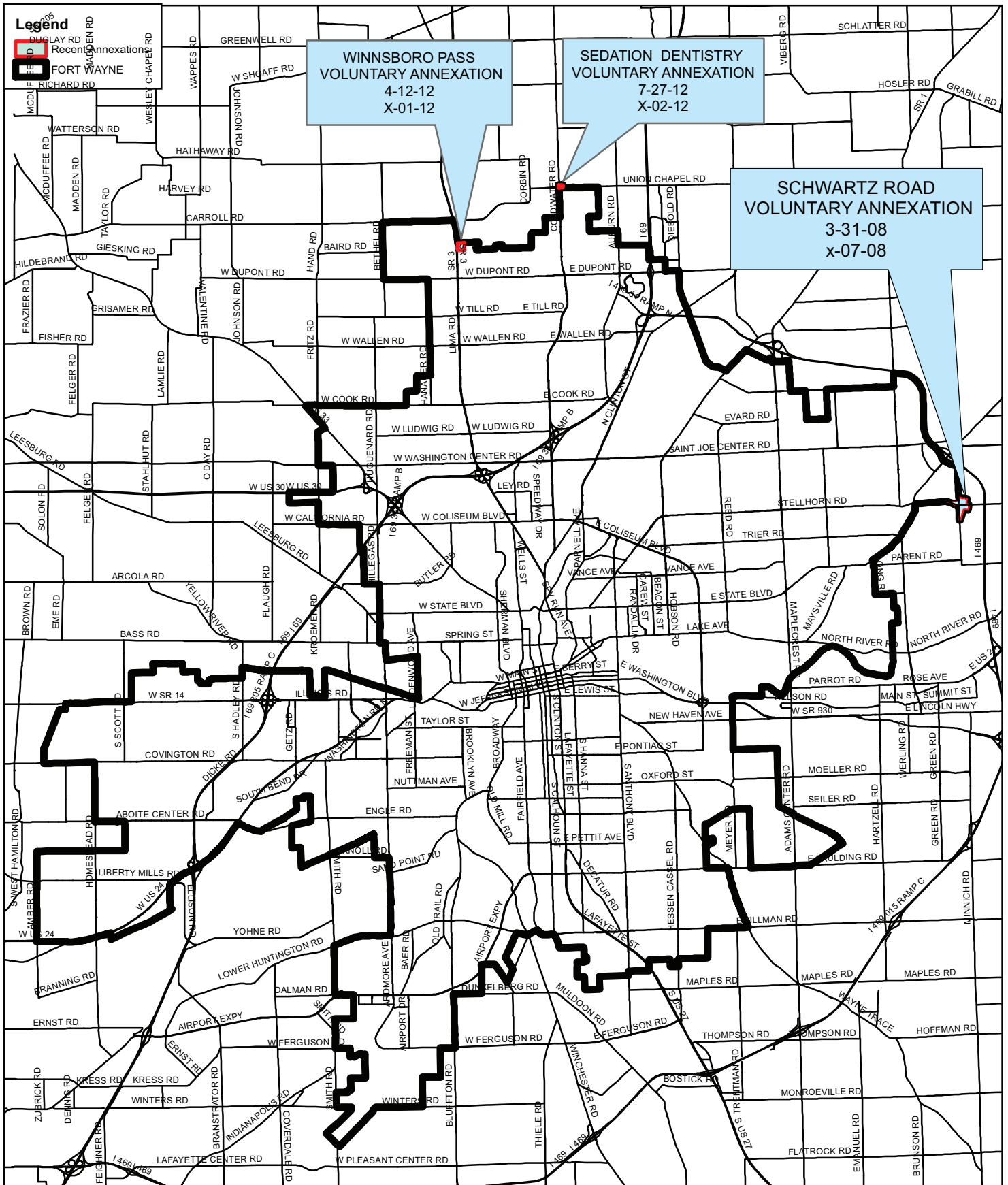
Midwest Locator Map



Northeast Indiana Locator Map



FORT WAYNE RECENT ANNEXATIONS (after 2007)



Although strict accuracy standards have been employed in the compilation of this map, Fort Wayne City CDD GIS does not warrant or guarantee the accuracy of the information contained herein and disclaims any and all liability resulting from any error or omission in this map.

North American Datum 1983
State Plane Coordinate System, Indiana East

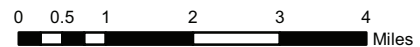


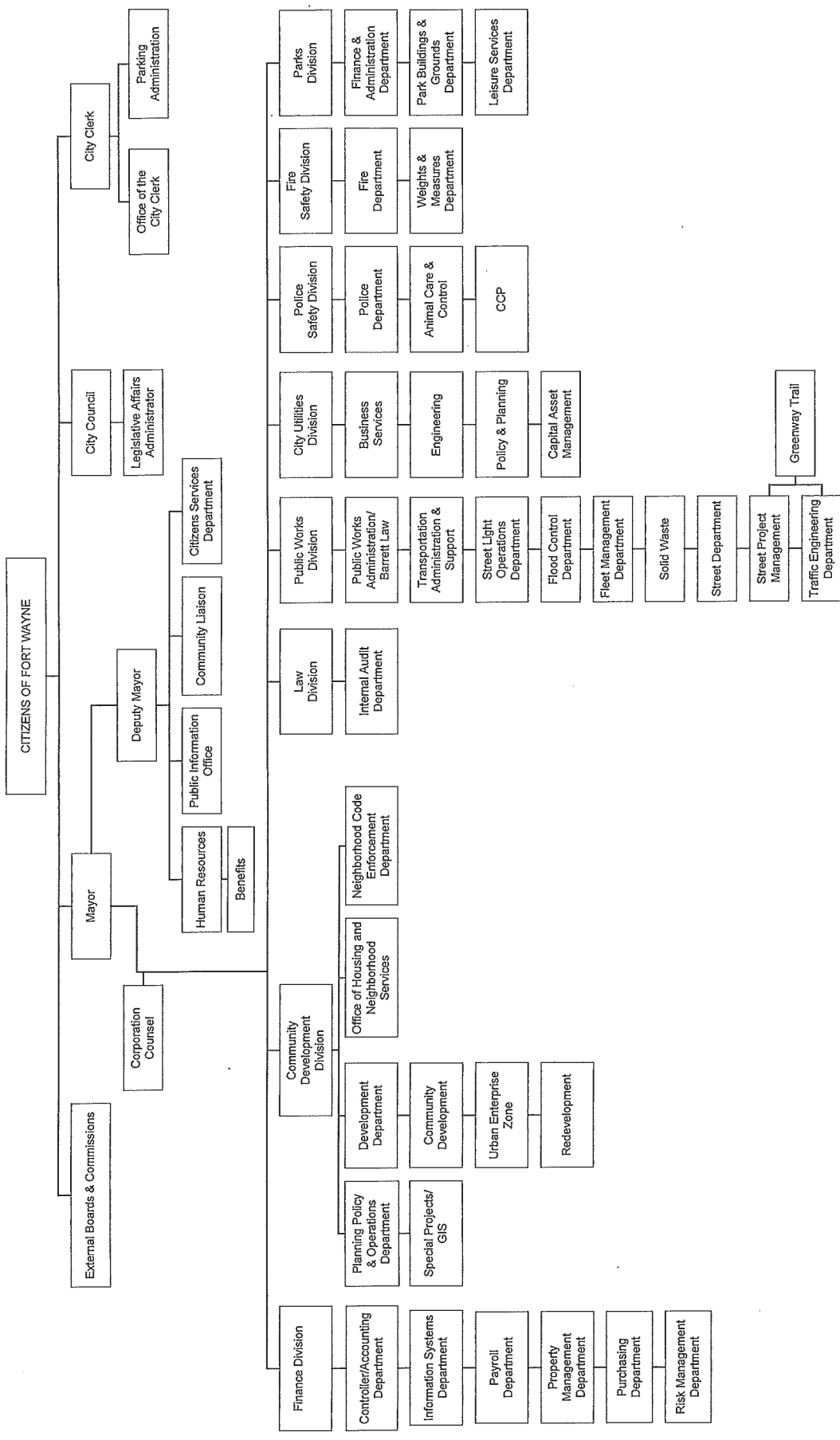
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FW CDD GIS





Director of City Utilities Kumar Menon

Deputy Director of Utilities
Business Services
Len Poehler

Director of Finance (1)
Project Accountant (1)
Accountant/Systems Analyst (1)
Financial Accountant (1)
Fixed Asset/Budget Accountant (1)
Accounting Clerk (1)

GIS Manager (1)
GIS Techs (5)

Utility Service Manager (1)
Customer Relations Manager/Superv (2)
Credit & Collections (3)
Cashier/Service Reps (19.5)
Utility Clerk (3)

Data Control Billing Systems Manager (1)
Administrative Assistant (1)
Audit Error Spec/Cust Rel (4)

Utilities Administration

Public Information Officer (1)
Administrative Assistant (2)
Utility Service Manager PW (Budgeted in 908)

Deputy Director of Utilities
Engineering
Matthew Wirtz

Manager (2)
Administrative Asst (2)
Program Manager (20.5)
CADD Technician (2)
Engineering Tech (2)
Designer (6)
Construction Manager (4)

Deputy Director of Utilities
Policy and Planning
Matt Land

Program Manager Stakeholder Relations (1)
Program Manager Mgmt Sys Develop (2)
Asst Program Manager (1)
Assoc City Attorney (1)
Manager Develop Services (1)
Administrative Asst (1)
Program Manager (2)
Permit Specialist (2)
Engineering Rep III (4)

Program Manager Wet Weather (1)

Program Manager NPDES (1)
Wet Weather Coordinator (1)

Program Manager Regulatory (1)

Deputy Director of Utilities
Capital Asset Mgmt
John Clark

Superintendent Water Maintenance
Kurt Roberts

Senior Clerk (3)
Dispatcher (1)
Storekeeper (2)
Accountant/Book (1)
Supervisor (3)
Program Manager (1)
Meter Reading Mgr (1)
Watch Maint (4)
Maintenance Crew Leader (1)
Service Technician (14)
Water Operator (14)
Laborer (9)
Meter Reader (3)
Plumber Crew Leader (5)
Utility Person (5)
Backhoe Operator (6)
Tandem Driver (5)

Superintendent WPC/STM Maintenance
Jeff Morris

Administrative Assistant (1)
Dispatcher (1)
Data Entry Clerk (1)
Supervisor (2)
Program Manager (5)
Inspector (3)
Flusher Operator/Assistant (8)
TV Truck Operator/Assistant (6)
Rodder Operator/Assistant (2)
Vacuum Operator/Assistant (10)
MH Sealing Operator/Asst. (3)
Working Foreman (6)
Heavy Equip. Operator (6)
Combination Repairer Driver (11)
Special/Night Investigator (5)
Storekeeper (1)

Superintendent WPC Plant
Brian Robinson

Safety, Training, Admin PM (.5)
Wet Weather Program Mgr (1)
Systems Process Specialist (2)
Chemist (3)
Maintenance Working Leader (2)
Water Quality Supervisor (1)
Program Mgr (1)
Supervisor/Maint (1)
CMMS Adm (1)
Pretreatment Coordinator (1)
Operator (8)
Inspector (2)
Mechanic (12)
Plant Clerk (1)
Electrician (5)

Maint Work Leader (1)
Equip Oper (4)

Superintendent Filtration Plant
Chet Shastri

Safety, Training, Admin PM (.5)
System Process Specialist (1)
Assoc System Process Spec (1)
Water Quality Supervisor (1)
Maintenance Supervisor (1)
Operator (14.5)
Chemist (3)
CMMS Adm (.5)
Maintenance Working Leader (3)
Mechanics (7)
Plant Clerk (1)
Electrician (6)

January 2012

CITY OF FORT WAYNE
LIST OF PRINCIPAL OFFICIALS
December 31, 2012

NAME

TITLE

Elected Officials:

| | |
|-------------------|-----------------------------|
| Thomas Henry | Mayor |
| Sandra E. Kennedy | City Clerk |
| Thomas Smith | Council Member - District 1 |
| Russ Jehl | Council Member - District 2 |
| Thomas Didier | Council Member - District 3 |
| Mitch Harper | Council Member - District 4 |
| Geoff Paddock | Council Member - District 5 |
| Glynn Hines | Council Member - District 6 |
| John Shoaff | Council Member - At-Large |
| John Crawford | Council Member - At-Large |
| Martin Bender | Council Member - At-Large |

Division Directors:

| | |
|--------------------|--|
| Mark Becker | Deputy Mayor |
| Patricia A. Roller | Director of Finance and Administration |
| Carol Helton | City Attorney |
| Kumar Menon | Director of City Utilities |
| John Urbahns | Director of Community and Economic Development |
| Amy Biggs | Fire Chief |
| Alvin R. Moll, Jr. | Director of Parks and Recreation |
| Russell York | Police Chief |
| Robert Kennedy | Director of Public Works |

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.

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.

311 Call Center

The 311 Call Center is a community resource which connects the constituents of Fort Wayne to City services and information. This office also provides performance measurement and improvement services to governmental and non-governmental agencies in their goal to improve customer service and facilitates citizen engagement. In times of emergency, the 311 Call Center serves as a standby emergency operating center (EOC), ready to take non-emergency calls in a matter of minutes. 311's experienced operators relieve EOC staff by taking the high volume of resident's calls in disasters so EOC staff can concentrate on working with field employees.

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, Human Resources, Benefits, Information Systems 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.

Purchasing Department/Contract Compliance Office

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.

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.

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.

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.

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.

FORT WAYNE CITY UTILITIES

City Utilities is a municipal utility and a division of the City of Fort Wayne. The City Utilities Division is organized into four Strategic Business Units (SBU); Capital Asset Management, Policy and Planning, Engineering Services and Business Services under the leadership of the Director of City Utilities. Along with the Director, Each SBU has a Deputy Director that comprises the Senior Management team. City Utilities'

mission is to protect the health, welfare and prosperity of the Fort Wayne community and therefore, committed to provide quality water, sewer and stormwater services in an efficient, effective and reliable manner.

Capital Asset Management SBU (includes the Three Rivers Filtration Plant, the Water Maintenance and Services Department, the Water Pollution Control Plant, the Biosolids Facility, and the Water Pollution Control Maintenance and Stormwater Maintenance 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. The Three Rivers Filtration plant is made up of 3 individual treatment plants that can be run independently of each other as needed. Each plant is capable of producing 24 million gallons of drinking water a day. An average of 25 million gallons a day is treated and purified through a series of chemical and physical treatment processes from these plants.

Water Maintenance and Service Department:

The Water Maintenance and Service Department (WM&S) is responsible for maintaining 1100 miles of water distribution piping and its various elements 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 turn-offs and turn-offs and investigates customer complaints. Personnel also perform the meter reading function for the Utility.

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 treating the City's Sanitary Sewer system to meet the treatment requirements of the City's National Pollution Discharge Elimination System (NPDES) Permit before the effluent is discharged into the Maumee River. The facility also maintains and operates 41 lift stations, 7 CSO Stations, 4 Storm Stations, 12 Toe Drains, and 1 Sludge station.

Water Pollution Control Maintenance/Stormwater Maintenance Departments:

The Water Pollution Control Maintenance/Stormwater Maintenance departments are responsible for the maintenance of the City's sanitary sewers, of storm sewers, and combination sewer systems totaling over 1900 miles. These departments install, inspect, repair, maintain and clean manholes, inlets, catch-basins, and sewer/storm lines. Improvements are also made to open drains and ditches to improve high water flows.

Policy and Planning SBU (includes Policy and Planning Department, Process Improvement and the Development Services Department:

Policy and Planning Department:

The Policy and Planning SBU ensures the work of all SBU's within the Utility is coordinated. Additionally, the Policy & Planning SBU identifies and coordinates work with Civil City and Public Works officials. Functions include setting and administering public policy as it relates to the Utility, including strategic and operational planning, liaison for human resources and training, union relationships, developer and business relationships and other key stakeholder groups. Policy and Planning engages all SBU's in performance management programs including, but not limited to, Lean/Six Sigma/TQM/ISO et al.

Development Services Department:

The Development Services Department facilitates the expansion or modification of the City's water, wastewater and stormwater systems through the new development process, via the property owner petition process and other means. Staff also oversees service connections to these facilities. 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. Additionally, staff calculates and collects utility assessments and fees associated with utility systems expansion and connection and initiate new customer accounts. Development Services is also involved in managing citizen inquiries and concerns about Utility systems, offering and reviewing options for service and coordinating financing for projects.

Note: New Water & Sewer Permits is not a separate department – it is part of Development Services.

Engineering Services SBU (includes the Planning & Design Services Department and the Engineering Support Services Department):

Planning Design Services Department:

The Planning & Design Services Department oversees all engineering planning and design programs for the water, wastewater and stormwater distribution/collection systems as well as the water filtration and sewage treatment facilities. It conducts utility master planning, asset management and sustainability programs and develops long term capital planning and budgets for City Utilities. Using engineering practices it analyzes the operation of City Utility systems to solve problems, recommend City Utility system improvements and to develop construction plans and specifications for City Utility improvement projects. This department also provides technical support and guidance for the Utility operations departments.

Engineering Support Services Department:

Engineering Support Services provides inspection field services and construction contract management of Utility capital projects. These projects include private development projects, utility capital improvement projects for the water, wastewater and stormwater systems as well as projects for the water filtration and sewage treatment plants. The department also assists Planning & Design Services with field investigations, surveying, testing and analysis of utility system problems.

Business Services SBU (includes Financial Services Department, Customer Relations Department, Data Control and Geographical Information Systems):

Financial Services Department:

The Financial Services Department 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.

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 increase customer clarity and user efficiency.

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 other City departments.

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.”

Director’s Office

The Director’s Office provides coordination and overall direction for the Division comprised of by the following departments: Planning & Policy, Housing and Neighborhoods, Re/Development, and Neighborhood Code Enforcement.

The division’s departments work collaboratively to coordinate and carry out activities based on the following operating principles:

Community-Based Planning - Ensure community based planning as the foundation for all projects, resource allocation and collaboration.

Aggressive Implementation - Create and sustain an aggressive implementation strategy for all planning efforts.

Support Businesses - Sustain strong and aggressive support for business investment and job creation.

Strategic Projects - Encourage and facilitate strategic projects that will develop, revitalize, and strengthen the Fort Wayne community.

Community Collaboration – Continually pursue strong partnerships with citizens, neighborhoods, businesses and organizations in order to achieve community development goals.

High Performance Organization - Foster a work environment that encourages and provides for sustained personal and professional development and a commitment to innovation and excellence.

Deputy Director of Community Planning Policy

Working under the Division Director, this Director oversees the development and implementation of community plans and initiatives that enhance development opportunities and quality of life for the City of Fort Wayne. The Deputy Director provides oversight for the following areas within the department.

Special Projects/GIS staff provide strategic research to assist in the direction of Division resources, management of special projects and development of the Division technology strategy. GIS staff provide data, analysis, and GIS support to the Division.

Strategic Planning staff work 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 staff manage the historic and aesthetic resources of the community through implementation of the City Code that relates to Historic Preservation and Protection Districts. The staff work act as liaisons to the Historic Preservation Commission and work 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. As part of the department's economic development efforts, the Deputy Director and staff provide direct liaison/support to Greater Fort Wayne Inc. Metro Chamber Alliance, support international trade, and provide services that support and stimulate business growth, community investment and development. The Deputy Director also provides oversight for the following:

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 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.

Urban Enterprise Association (UEA) works to revitalize Fort Wayne's industrial core. The UEA works to foster growth of new and established businesses, create and retain jobs, make physical improvements, and enhance the well-being of area residents.

Deputy Director of the Office Housing and Neighborhood Services (OHNS)

Working under the Division Director, this Director oversees the implementation of initiatives to attract and support housing investment and reinvestment in the City and expand access to safe, decent, affordable housing. The Deputy Director oversees administration of the City's entitlement programs, including Community Development Block Grant (CDBG). HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant Program (ESG); each is funded through the U.S. Department of Housing and Urban Development. OHNS administers three non-entitlement grants: Neighborhood Stabilization Program, Neighborhood Stabilization Program 3 and Lead Hazard Reduction Program. OHNS also operates several housing and neighborhood development programs: Homeowner Repair, Homebuyer Education, Down Payment Assistance, Rental Rehab and Ready to Rent.

Director of Neighborhood Code Enforcement

Working under the Division Director, this Director oversees the daily operations of Neighborhood Code Enforcement. NCE works to ensure safe housing and stable property values for the citizens of the community by eliminating unsafe structures, securing vacant structures and cleaning-up blighted areas.

METROPOLITAN HUMAN RELATIONS

Metropolitan Human Relations Commission is the local civil rights law enforcement agency, responsible for enforcement of the civil rights laws, including Federal, State and local statutes which prohibit discrimination in the areas of employment, housing, public accommodation and education on the basis of race, color, sexual orientation, age religion, national origin, ancestry, or disability. The Commission is also committed to serving as a resource through provision of education, training and outreach on issues of diversity and the anti-discrimination provisions of the law, to groups, businesses, organizations, members of the community and other local government departments.

In Fort Wayne you have the right to live, work, learn and play free from illegal discrimination. The Metropolitan Human Relations Commission is focused and committed to creating an environment in the City of Fort Wayne that will produce an inclusive community where trust, acceptance, fairness and equality are the City's norms. The Commission is committed to accomplishing this mission by empowering the citizens of Fort Wayne through education on diversity and discrimination issues and, when necessary, enforcing anti-discrimination laws in order to protect our community from unlawful discrimination and also unfounded allegations of discrimination.

PUBLIC WORKS

The Division of Public Works provides essential services and support to our citizens, neighborhoods, businesses, and economic development projects.

The Public Works Division maintains and improves the city's transportation systems; street and traffic lighting; leaf collection, street sweeping, snow and ice control; flood fighting and control; trails and greenways, solid waste and recycling; and the city's fleet. Responsibility for managing the various departments listed below resides with the Director of Public Works.

Public Works Administration

This Department 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.

Solid Waste Recycling Management

The Solid Waste / Recycling Department is responsible for administering and monitoring the City's residential garbage and recycling collection, garbage/recycle cart purchasing, disposal/processing contracts and maintenance contracts. Solid Waste also administers/oversees the Garbage/Recycling User Fee billing and appeals process. Additionally, the department is involved in other waste issues such as waste collection contracts for City facilities, illegal dumping, enforcement of the City's garbage ordinance, litter prevention programs, waste reduction and recycling education, and citywide clean-up programs.

Transportation Administration Support

The functions of this group are varied, and generally fall within three department subsets: a surveying-drafting-inspection group; a permit and plan review group; and an administrative-clerical group.

Department staff provides surveying, drafting, and inspection services necessary for the successful completion of street, curb, and sidewalk projects. Employees in this group also assess and report on pavement condition in order to maintain and update our pavement management system.

Other employees in this department are responsible for fielding a variety of other customer service requests, responses, and interactions. These responsibilities include permit functions; plan review of developer projects; investigation and reporting functions; data base maintenance activities; blueprint reproduction services; right of way acquisition functions; and general customer service activities.

Department personnel also provide financial management, budgeting, purchasing, payroll, and clerical support services needed within the Transportation division.

Flood Control

The Flood Control Department is responsible for ensuring that property damage is minimal due to flooding. The Department continuously monitors and maintains the early flood warning system and its 34 sites and maintains approximately 15 miles of flood protection structures. Flood Control is responsible for the repair and rehabilitation of all levees and floodwalls ensuring that they are in flood ready condition. The Department writes federal grants and/or oversees the administration of approved federal grants, acquiring and demolishing residential and commercial properties in the floodplain and returning the land to green space. The Department is also responsible for the National Flood Insurance Program's **(CRS)** Community Rating System involving community floodplain management activities. Because the city participates in this federal program residents are given a 10% discount on their flood insurance premiums.

Transportation Engineering Services/Street Project Management

Street Project Management is responsible for the design, preparation of plans, specifications, construction management, and inspection for all new construction and repairs for streets, alleys, sidewalks, curbs, and curb ramps in the City of Fort Wayne. Many construction projects are the result of request from citizen's 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.

Traffic Engineering

The Traffic Engineering Department provides the following services to the public: design, install, and maintain traffic signals and other traffic control devices, including but not limited to pedestrian signals, school zone flashers; design, install and maintain the central traffic control system for the City; design, install and maintain signs and pavement markings; perform traffic studies related to vehicular and pedestrian safety, vehicular speeds, roadway and pedestrian capacity, parking, neighborhood traffic calming, special signage, and roadway design deficiencies; evaluate areas with high crash histories for safety improvements; perform and evaluate traffic impact studies where new land use developments are proposed; address citizen complaints regarding traffic issues.

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 33,925 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 1,200 miles of City streets. The Street Department also maintains the alleys. The Street Departments work is divided into three separate Seasons: Summer Construction, Leaf Season and Snow Season. During spring and summer months, crews mow roadside right-of-ways; sweep up approximately 3,500 tons of debris, repair potholes, and resurfacing of the streets & alleys. During the fall the department completes a citywide leaf collection, and during the winter the focus is on snow and ice removal on all city streets.

Fleet Management

The Fleet Management Department is responsible for approximately 1,835 city owned vehicles and ancillary equipment. The Fleet Director 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. Maintaining compliance with environmental regulations and making environmental improvements also fall under the Directors responsibilities.

Greenways Department

The Greenways Department is responsible for the planning, design and construction of the Fort Wayne Trails Network. The Greenways Department also oversees the maintenance of the trail system by working with the Fort Wayne Parks and Recreation Department, the Street Department, Traffic Operations, Volunteer Greenway Rangers and Adopt-A-Greenway Groups. The Department works with Fort Wayne Trails, Incorporated to plan, fund, promote and advocate for existing and future trails. Staff coordinates volunteer activities and events, including Trek the Trails and Bike Month. The Department works with neighborhoods, businesses, community organizations, other City Departments, Allen County, the State of Indiana and Federal Agencies to develop and maintain the Fort Wayne Trails network. Furthermore, the Department works with other jurisdictions to integrate the Fort Wayne Trails Network into a regional network of trails.

PARKS AND RECREATION

The Parks and Recreation Department maintains over 2,800 acres of public park land and provides a variety of 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. The Parks and Recreation Department is nationally recognized being a CAPRA accredited agency.

Administration/Marketing

The Administration Division is responsible for the financial accounting, personnel, budgeting, purchasing, MIS, and administration 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 and the Foellinger Theatre are part of this Division.

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/Forestry

This Division is responsible for operation and maintenance of the park land, facilities, building repairs, and maintenance. The Forestry and Horticulture Division is responsible for park and street trees, public gardens, flower beds, park landscaping and operates three (3) greenhouses. Engineering, Park Planning and Design is administered here.

Leisure Services

The Leisure Services Division is responsible for the recreational programs managed by the Department. Facilities include: three public golf courses, two tennis centers, 50 public tennis courts, four community recreation centers, three swimming pools, six splash pad/spray grounds, three day camps, a nature preserve, 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, and manages a travel department for families and adventure travelers. Classes covering a variety of special interests for pre-school through older adult are offered. Concerts, arts programs, and cultural events are also provided by the division. The signature programs, like The Lifetime Sports Academy and the Salomon Farm Park are part of Leisure Services.

Fort Wayne Children's Zoo

The award winning Fort Wayne Children's Zoo is 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, and Weights and Measures. 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 has three (3) members who are appointed by the Mayor, who has authority over the hiring, promotion and discipline of the Fort Wayne police officers. The Board of Public Safety also oversees the licensing and policies regarding taxis. The Fire Merit Board has three (3) members appointed by the Mayor and two (2) members elected by the firefighters. The Board is the authority responsible for hiring, promotion, evaluation and discipline of the Fort Wayne firefighters.

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. The mission will be accomplished through the services provided by the Operations, Fire Prevention Bureau, Investigation, Safety Education, Training and Development and Administrative Divisions. 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.

Radio Shop

The Radio Shop 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 and the Combined Communications Partnership (CCP). The Radio Shop is also responsible for the installation and maintenance of electronic equipment utilized in Police and Fire vehicles.

Records

The Records Division is responsible for maintaining all electronic and printed documents produced by the Fort Wayne Police Department. Additional responsibilities include Tele-Service, processing personal protection permit applications, taking all walk-in reports and requests for documents, and for fingerprinting all prisoners processed into the Allen County Jail.

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.

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, 2012**

| | |
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| Date Founded | October 22, 1794 |
| Date of Incorporation | February 22, 1840 |
| Population | 254,397 |
| Area in Square Miles | 110.6 |
| Miles of Streets | 1,294 |
| Number of Street Lights | 33,922 |
| Miles of Water Lines | 1,164 |
| Miles of Sewer/Stormwater Mains | 1,879 |
| Number of City Employees | 1,861 |
| Labor Statistics: (December 12) | |
| Fort Wayne Metropolitan Service Area - Alien | |
| Labo Force | 204,316 |
| Employed | 187,655 |
| Unemployed | 16,689 |
| Unemployment Rate | 8.2 |
| Buildin Permits - Ft. Wayne & Allen County - December 31, 2012 | |
| Total New Construction - Number of Permits | 732 |
| Total New Construction - Estimated Assessed Value | \$ 90,695,206 |
| Total Construction Permits - Number of Permits | 2,637 |
| Total Construction Permits - Estimated Assessed Value | \$ 53,581,586 |
| Relative Size | 2nd largest city in Indiana |
| Form of Government | Elect Mayor, Clerk, Councilperson (9) |
| Airports | Fort Wayne International, Smith Field |
| Rail Service | Chicago Fort Wayne and Eastern Railroad |
| Motor Carriers | 33 |
| Public Transportation Routes | 13 |
| Taxi Service | 12 cab companies, 13 limousine companies |
| Bank Holding Companies | 9 |
| Bank/Finance Companies | 30 |
| Credit Unions | 21 |
| Museums | 15 |
| Media | 3 monthly, 3 weekly, 2 daily newspapers; 8 TV stations; 11 cable & satellite systems, 17 radio stations |
| Market Location | Area within 250 miles of Fort Wayne includes a population of 43.9 million, or 14.5% of the total U.S. population; 70th Largest City in United States |

| | |
|---|--|
| Parks & Recreation | 86 parks & playgrounds covering 2,805 acres, including: 1 campground, 20 rental pavilions, 13 open shelters (not reserved), 62 tennis courts, 20 soccer fields, 3 public golf, 18-hole golf courses and 1 public nine-hole golf course, 2 driving ranges, 1 skatepark rink, 1 seasonal ice skating rink, 39 baseball/softball diamonds, 2 Frisbee golf courses, 4 swimming pools, 7 Spray parks, 26 basketball courts, 1 outdoor theater, 1 community center, 3 youth centers, Children's Zoo, The Old Fort, Salomon Farm Learning Center, Botanical Gardens, 1 Little Tikes Sports Center |
| Water System | Municipally owned, treatment capacity of 72 million gallons/day |
| Sewerage System | Municipality owned, treatment capacity of 60 million gallons/day |
| Electric Utility | 3 - American Electric Power, Northwestern REMC, United REMC |
| Natural Gas | Northern Indiana Public Service Co., Vectron Energy, Northern Indiana Fuel & Light |
| Telephone | Frontier, Comcast, KMC, Breez, Indigital Telecom, MenaCom, Vonage, Earthlink |
| Garbage Service | City residents charge: \$9.95/mo. user fee for single family dwelling, \$19.90/mo. user fee for duplex, 3- or 4-plex. Services presently contracted with Republic Services |
| Curbside Recycling | 3.4% |
| Fat/Laer Collection | 0.6% |
| Gross Income Tax | 0.4% |
| County Option Income Tax | 7.0% |
| County Economic Development Income Tax | 1.0% |
| State Sales and Use Tax | \$3,1537 per \$100 assessed value - 2011 pay 2012; City's portion is \$1,3274 |
| Allen County Food & Beverage Tax | Rate by vehicle class: \$7.50 to \$25.00 |
| Property Tax Rate (Fort Wayne - Wayne Township) | Cigarettes - 99.5 cents/pkg or 20; 124.375 cents/pkg or 25 |
| Annual Wages Tax | Gasoline - 18 cents/gallon |
| State Excise Tax | Auto - various class rates |
| Hospitals | 7 |
| Churches | 380 |
| Number of Schools | Fort Wayne Community Schools 51 Northwest Allen County Schools 11 East Allen County Schools 17 Southwest Allen County Schools 10 Perichai & Other Higher Education 27 15 |

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, 2011

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



Christopher P. Mainell

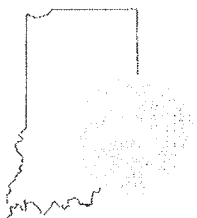
President

Jeffrey R. Egan

Executive Director

FINANCIAL SECTION





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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF FORT WAYNE, ALLEN COUNTY, INDIANA

Report on the Financial Statements

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, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of three of the eight discretely presented component units, Fort Wayne Urban Enterprise Association Inc., Fort Wayne Public Transportation Corporation, and Community Development Corporation of Fort Wayne, which represent 21.61 percent and 55.72 percent, respectively, of the assets and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for those three discretely presented component units, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained and the reports of other auditors are sufficient and appropriate to provide a basis for our audit opinions.

INDEPENDENT AUDITOR'S REPORT (Continued)

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective 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, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that 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 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The Budgetary Comparison Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedules (General and Major Special Revenue funds) are fairly stated in all material respects in relation to the basic financial statements as a whole.

We have applied certain limited procedures to the other required supplementary information listed above in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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, combining and individual nonmajor fund financial statements, other budgetary comparison schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and

INDEPENDENT AUDITOR'S REPORT
(Continued)

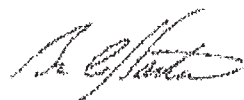
other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, combining and individual nonmajor fund financial statements and other budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Included in the financial statements are the revenues and expenses from emergency telephone system fees (IC 36-8-16) and enhanced wireless emergency telephone fees (IC 36-8-16.5). In accordance with IC 36-8-16-14 and IC 36-8-16.5-41 these fees have been subject to an annual audit performed by the State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.



Bruce Hartman – State Examiner
State Board of Accounts

June 27, 2013

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, 2012. 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 2012 by \$1,134.7 million. Of this amount, \$70.8 million is considered unrestricted. The unrestricted net position of the City's governmental activities is \$46.4 million. The unrestricted net position of the City's business-type activities is \$24.5 million.
- The net position of the City's governmental activities increased \$33.9 million (or 5.53 percent from 2011) in 2012. The net position of the City's business-type activities decreased \$25.7 million (or 5.0 percent from 2011).
- At the end of 2012, the City's governmental funds reported a combined ending fund balance of \$168.4 million. The combined governmental funds' fund balance increased by \$56.4 million (or 50.34 percent from 2011). City's total fund balance includes \$16.6 million as nonspendable, \$8.3 million as restricted, \$6.0 million as committed, \$131.6 million as assigned and \$5.8 million as unassigned fund balance. The above mentioned fund balances have been classified per GASB 54. (See Note 1)
- At the end of 2012, unassigned fund balance for the general fund was \$7.5 million or 8.56 percent of the 2012 general fund expenditures.
- The City's total debt increased by \$51.8 million (or 8.98 percent) during 2012 due to business-type activities.

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 position and the statement of activities.

The statement of net position presents information on all of the City's assets and liabilities, and deferred outflows and deferred inflows of resources, with the difference between them reported as net position. Net position is then broken down between governmental and business-type activities. Over time, increases or decreases in net position 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 position. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid. Thus, revenues 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, and interest on long-term debt. The business-type activities of the City include a water system, wastewater system, storm water 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), Allen County Fort Wayne Capital Improvement Board of Managers (CIB), Fort Wayne Redevelopment Authority (RA), Fort Wayne Public Transportation Corporation (PTC), Downtown Fort Wayne Economic Improvement District (DID) and Community Development Corporation (CDC) 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 200 E. Berry Street, Suite 470, Fort Wayne, Indiana 46802. The Fort Wayne Municipal Building Corporation and the Consolidated Communications Partnership (CCP) are legally separate from the City, but since their nature and relationship with the City is significant, they are 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 51-54 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, storm water, 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

self insurance 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 55-57 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 an agency fund to report the Fort Wayne Neighborhood Housing Partnership (FWNP). The basic fiduciary fund financial statements can be found on pages 58-59 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 63-113 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, Comparison of Needed-to-Actual Maintenance/Preservation including the condition rating of the City's street system, Schedule of Funding Progress, and the Schedule of Contributions from the Employer and other Contributing Entities. 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 115-120 of this report.

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

| | Governmental activities | | Business-type activities | | Total | | Component Units | |
|----------------------------------|-------------------------|-------------------|--------------------------|-------------------|--------------------|---------------------|------------------|------------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Assets | \$ 197,396 | \$ 141,357 | \$ 150,509 | \$ 215,335 | \$ 347,905 | \$ 356,692 | \$ 101,596 | \$ 99,875 |
| Capital assets | 737,506 | 766,703 | 708,770 | 652,292 | 1,446,276 | 1,418,995 | 57,688 | 55,269 |
| Total assets | 934,902 | 908,060 | 859,279 | 867,627 | 1,794,181 | 1,775,687 | 159,284 | 155,144 |
| Current liabilities | 19,811 | 17,025 | 20,211 | 47,484 | 40,022 | 64,509 | 2,667 | 4,640 |
| Noncurrent liabilities | 269,066 | 278,881 | 350,434 | 305,767 | 619,500 | 584,648 | 96,576 | 99,950 |
| Total liabilities | 288,877 | 295,906 | 370,645 | 353,251 | 659,522 | 649,157 | 99,243 | 104,590 |
| Net position | \$ 646,025 | \$ 612,154 | \$ 488,634 | \$ 514,376 | \$1,134,659 | \$ 1,126,530 | \$ 60,041 | \$ 50,554 |
| Net Investment in Capital Assets | \$ 599,664 | \$ 621,722 | \$ 428,454 | \$ 417,439 | \$1,028,118 | \$ 1,039,161 | \$ 36,108 | \$ 29,958 |
| Restricted | - | - | 35,726 | 68,707 | 35,726 | 68,707 | 16,599 | 13,030 |
| Unrestricted | 46,361 | (9,568) | 24,454 | 28,230 | 70,815 | 18,662 | 7,334 | 7,566 |
| Total net position | \$ 646,025 | \$ 612,154 | \$ 488,634 | \$ 514,376 | \$1,134,659 | \$ 1,126,530 | \$ 60,041 | \$ 50,554 |

Government-wide Financial Analysis

The City's (primary government) assets exceeded liabilities by \$1,134.7 million at the close of 2012. The largest portion of the City's net position (total assets less total liabilities), which amounts to \$1,028.1 million (or 90.61 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 net investment 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 position is designated as either restricted or unrestricted. The restricted portion, which totals \$35.7 million (or 3.15 percent), are dollars that are subject to an external restriction and cannot be spent on everyday operations. The unrestricted portion of the net position is \$70.8 million (or 6.24 percent).

At the end of 2012, the City shows a positive net position 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.

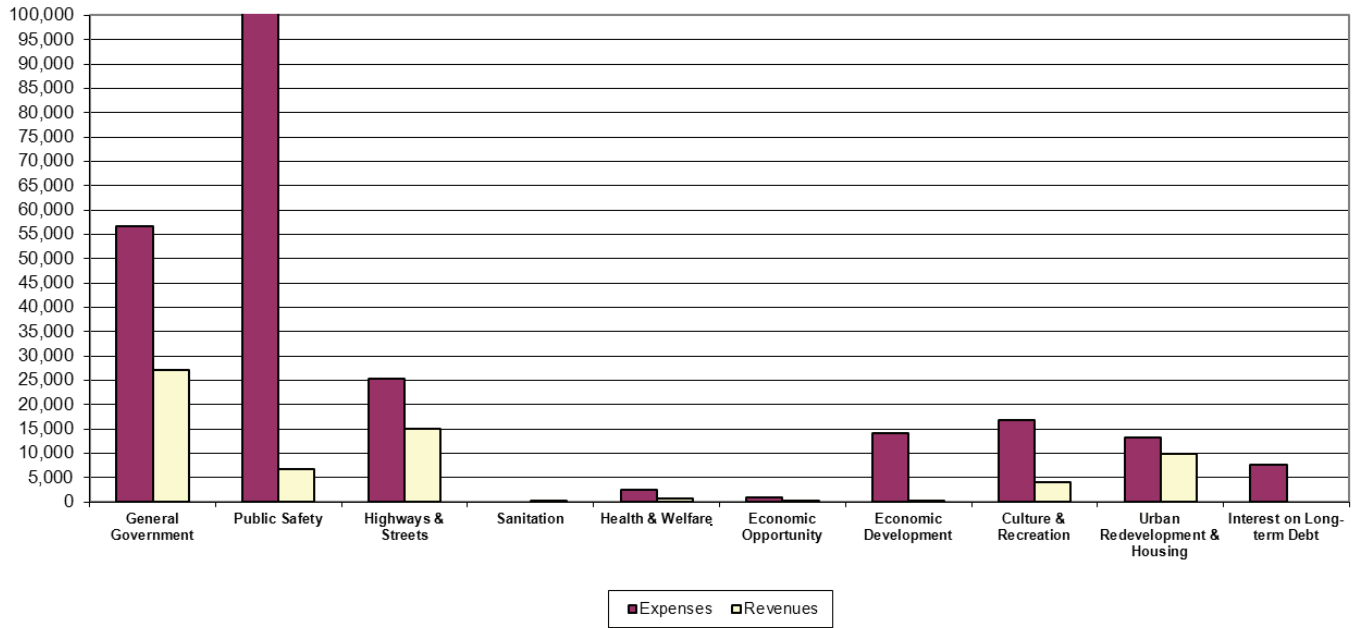
The City's component units showed assets exceeding liabilities by \$60.0 million at the end of 2012. Of the net position (total assets less total liabilities), \$36.1 million reflects its investment in capital assets less any debt used to acquire these assets that is still outstanding. These assets are 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. Unrestricted net assets equal \$7.3 million at the end of 2012. These assets may be used by the City's component units for normal operations.

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

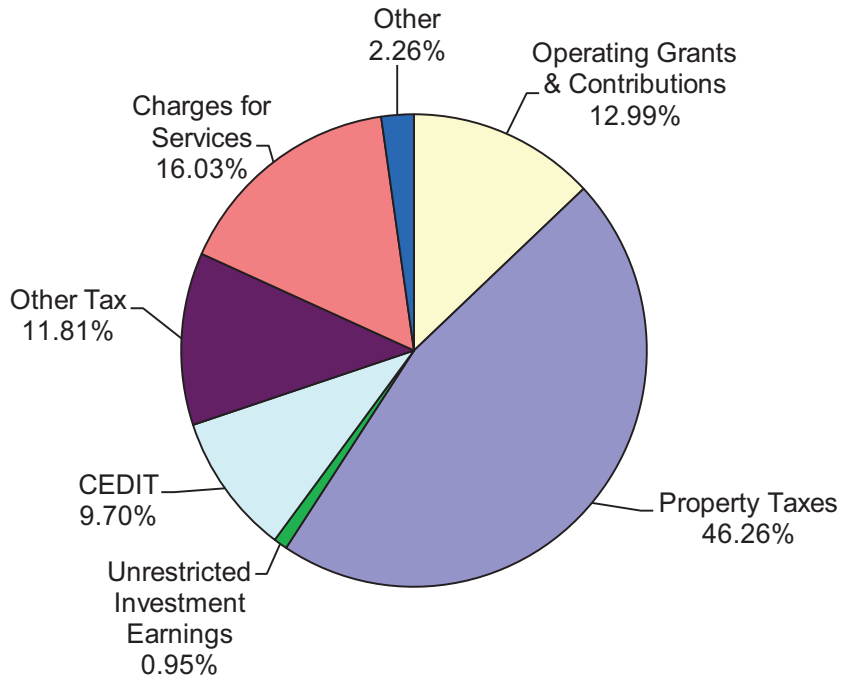
| | Governmental Activities | | Business-type Activities | | Total | | Component Units | |
|---|-------------------------|-------------------|--------------------------|-------------------|---------------------|---------------------|------------------|------------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Revenues- | | | | | | | | |
| Program revenues: | | | | | | | | |
| Charges for services | \$ 35,254 | \$ 29,602 | \$ 107,450 | \$ 107,167 | \$ 142,704 | \$ 136,769 | \$ 11,962 | \$ 11,073 |
| Operating grants and contributions | 28,575 | 24,575 | - | - | 28,575 | 24,575 | 5,212 | 4,715 |
| Capital grants and contributions | - | - | 2,554 | 8,808 | 2,554 | 8,808 | 8,634 | 2,317 |
| General revenues: | | | | | | | | |
| Property taxes | 101,741 | 102,373 | - | - | 101,741 | 102,373 | - | - |
| CEDIT | 21,325 | 30,610 | - | - | 21,325 | 30,610 | - | - |
| Local assessments and taxes | - | - | - | - | - | - | 5,376 | 5,261 |
| Indiana room tax | - | - | - | - | - | - | 2,939 | 2,690 |
| Other taxes | 25,974 | 31,563 | - | - | 25,974 | 31,563 | - | - |
| Investment earnings | 2,087 | 135 | 186 | 289 | 2,273 | 424 | 42 | 67 |
| Refunds and reimbursements | - | - | - | - | - | - | - | - |
| Other | 4,964 | 5,643 | - | - | 4,964 | 5,643 | 140 | 79 |
| Total revenues | 219,920 | 224,501 | 110,190 | 116,264 | 330,110 | 340,765 | 34,305 | 26,202 |
| Expenses: | | | | | | | | |
| General government | 56,625 | 37,750 | - | - | 56,625 | 37,750 | - | - |
| Public safety | 117,074 | 99,720 | - | - | 117,074 | 99,720 | - | - |
| Highways and streets | 25,361 | 20,364 | - | - | 25,361 | 20,364 | - | - |
| Health and welfare | 2,428 | 2,360 | - | - | 2,428 | 2,360 | - | - |
| Economic opportunity | 859 | 853 | - | - | 859 | 853 | - | - |
| Economic development | 14,170 | 21,446 | - | - | 14,170 | 21,446 | - | - |
| Culture and recreation | 16,912 | 16,311 | - | - | 16,912 | 16,311 | - | - |
| Urban redevelopment and housing | 13,262 | 15,350 | - | - | 13,262 | 15,350 | - | - |
| Interest on long-term debt | 7,570 | 8,003 | - | - | 7,570 | 8,003 | - | - |
| Water | - | - | 30,862 | 30,173 | 30,862 | 30,173 | - | - |
| Wastewater | - | - | 36,862 | 35,442 | 36,862 | 35,442 | - | - |
| Stormwater | - | - | 6,341 | 6,645 | 6,341 | 6,645 | - | - |
| Parking garages | - | - | 840 | 1,031 | 840 | 1,031 | - | - |
| Solid waste | - | - | 10,303 | 9,538 | 10,303 | 9,538 | - | - |
| Other | - | - | 135 | 343 | 135 | 343 | - | - |
| Hands | - | - | - | - | - | - | 63 | 1 |
| Summit | - | - | - | - | - | - | 53 | 8 |
| UEA | - | - | - | - | - | - | 486 | 431 |
| CIB | - | - | - | - | - | - | 6,481 | 6,246 |
| RA | - | - | - | - | - | - | 2,947 | 3,550 |
| PTC | - | - | - | - | - | - | 13,265 | 13,116 |
| DID | - | - | - | - | - | - | 737 | 642 |
| CDC | - | - | - | - | - | - | 786 | 608 |
| Total expenses | 254,261 | 222,157 | 85,343 | 83,172 | 339,604 | 305,329 | 24,818 | 24,602 |
| Inc(Dec) in net position before transfers | (34,341) | 2,344 | 24,847 | 33,092 | (9,494) | 35,436 | 9,487 | 1,600 |
| Transfers | 69,181 | 7,575 | (69,181) | (7,575) | - | - | - | - |
| Inc(Dec) in net position | 34,840 | 9,919 | (44,334) | 25,517 | (9,494) | 35,436 | 9,487 | 1,600 |
| Net position -- January 1st | 612,154 | 602,235 | 514,376 | 488,859 | 1,126,530 | 1,091,094 | 50,554 | 48,954 |
| Prior period adjustment - See Note 14 | (969) | - | 18,592 | - | 17,623 | - | - | - |
| Net position -- January 1st (Restated) | 611,185 | 602,235 | 532,968 | 488,859 | 1,144,153 | 1,091,094 | 50,554 | 48,954 |
| Net position -- December 31st | \$ 646,025 | \$ 612,154 | \$ 488,634 | \$ 514,376 | \$ 1,134,659 | \$ 1,126,530 | \$ 60,041 | \$ 50,554 |

Governmental Activities. The governmental activities accounted for a \$34.9 million increase in the City's total net position in 2012. The City was able to remain within or below its expense budget while still providing all of the necessary government services. The governmental activities represent 66.62 percent of the primary government's revenue and 74.87 percent of the primary government's expenses.

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

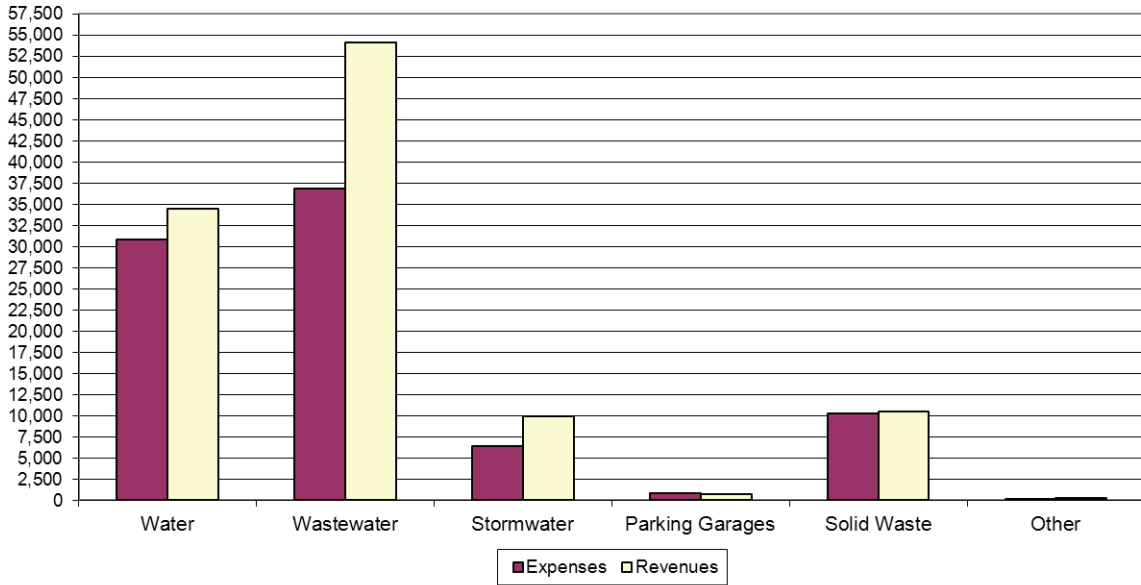


Revenues by Source - Governmental Activities

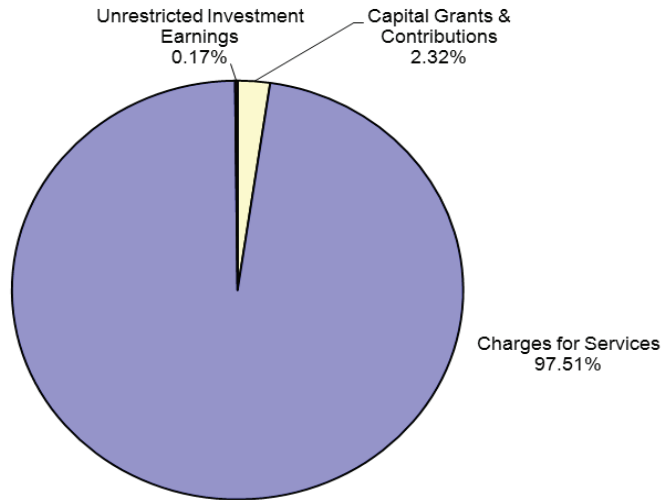


Business-type Activities. The business-type activities of the City decreased net position by \$44.3 million. Business-type activities represent 33.32 percent of the primary government's revenues and 25.13 percent of the expenses. The City's Water and Wastewater utilities account for 80.56 percent of the business-type activities' program revenues and 79.36 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 assigned/unassigned fund balances 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 2012, the City's governmental funds reported combined ending fund balances of \$168.4 million, an increase of \$56.4 million due to the addition of \$66.9 million from the Community Legacy Fund. Beginning with the 2011 reporting year, the City has adopted GASB 54 and has classified fund balances per the guidelines specified under GASB 54. The City's total fund balance includes \$16.6 million as nonspendable, \$8.3 million as restricted, \$6.0 as committed, \$131.6 million as assigned, and \$5.7 million as unassigned fund balance.

A 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 2012, the General fund had an unassigned fund balance of \$7.5 million and a total fund balance of \$8.2 million. As a measure of the General fund's liquidity, you can compare the total fund balance and unassigned fund balance to the total fund expenditures. The General fund expenditures for fiscal year ended 2012 were \$87.8 million. The total fund balance represents 9.39 percent of General fund expenditures, while the unassigned fund balance is 8.56 percent of that same amount.

The fund balance of the City's General fund decreased by \$10.6 million during the fiscal year ended 2012. During 2012, the General fund expenditures were not in line with revenues received due to the decision to leave the levy at the same level as 2011 as well as using the fund balance to cover additional appropriations needed in 2012.

The City has six other funds that meet the major fund criteria: the Highways and Streets, CEDIT, Parks, Fire, Redevelopment and Community Legacy. The combined fund balance at the end of 2012 for the other six major funds is \$133.4 million. This results in a net increase in fund balances for the other major funds of \$70.23 million from the prior year. The major reasons for this increase are:

- The Community Legacy fund balance increased by \$66.9 million at the end of 2012 mainly due to the transfer of the Community Trust from the Electric Utility to the City's Community Legacy fund (see Note 15).
- The Redevelopment fund balance increased by \$1.1 million to \$43.3 million at the end of 2012. This increase was due to an overall decrease in spending for infrastructure and improvement projects in 2012, which included various TIF projects and Redevelopment District Capital among others.
- The Parks fund balance increased by \$1.7 million to \$6.7 million at the end of 2012. This was due to a transfer from the CEDIT fund for future expenses relating to the Emerald Ash Borer.

The non-major governmental funds have a combined decrease of \$3.2 million to a fund balance of \$26.7 million at the end of 2012.

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.

The total net position of the City's enterprise funds at the end of 2012 were \$488.6 million. Of that total, the restricted net position was \$35.7 million, net investment in capital assets was \$428.4 million, and the unrestricted net position was \$24.5 million. This is a total decrease of about \$25.7 million of which \$11.0 million increased the net investment in capital assets, \$33.0 million decreased the restricted assets and the remaining \$3.7 million decreased the available unrestricted funds.

General Fund Budgetary Highlights

The difference between the original adopted budget and the final amended budget was \$5.4 million. The difference is summarized as follows:

- \$109 thousand decrease in general government's appropriation
- \$1.9 million increase in public safety's appropriation
- \$3.6 million increase in highway and streets appropriation
- \$10 thousand decrease in health and welfare appropriation
- \$27 thousand decrease in economic development's appropriation

The actual expenditures were \$.6 million lower than budgeted, while the actual revenues of the general fund were \$3.6 million less than budgeted. For the year, the general fund balance decreased by \$10.6 million.

The 2012 final approved budget was \$88.415 million; actual expenditures amounted to \$87.798 million, leaving a \$617 thousand positive variance. The variance is summarized as follows:

- \$154 thousand for general government
- \$118 thousand for public safety
- \$187 thousand for highway and streets
- (\$21) thousand for health and welfare
- \$25 thousand for economic opportunity
- \$154 thousand for economic development

Of the \$617 thousand positive variance, \$313 thousand was in personal services. This variance was primarily due to unfilled positions as a result of resignations, retirements, and/or terminations. The remaining variance consisted of \$140 thousand for supplies expense, \$108 thousand for other services and charges, and \$56 thousand for capital outlays. These variances were incurred due to the City departments meeting the challenges of monitoring and controlling expenses while still maintaining adequate services to the City.

Capital Asset and Debt Administration

Capital assets. The City's Primary Government's capital assets as of December 31, 2012, are equal to \$1,446.3 million (net of accumulated depreciation). Capital assets include land, distribution and collection, roads, buildings and improvements, machinery and equipment, and construction in progress. The total increase in the City's capital assets for the current fiscal year was \$27.3 million or 1.92 percent (a 3.81 percent decrease for governmental activities and an 8.66 percent increase for business-type activities).

Governmental activities. Capital assets for the governmental activities total \$857.6 million with an accumulated depreciation figure of \$120.1 million for a net book value of \$737.5 million. This amount includes \$9.2 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 2011, the City had a pavement condition index rating of "Good" (67). The City has maintained a "Good"

(65) rating in 2012. The City maintains there are no material variances between the budgeted expenditures and the actual expenditures for the maintenance of infrastructure for 2012.

More information regarding the modified approach can be found on pages 118 and 121-123 in the Required Supplementary Information (RSI) section of this report.

Business-type activities. Capital assets for the business-type activities total \$1,001.2 million with an accumulated depreciation figure of \$292.4 million for a net book value of \$708.8 million. The amount also includes \$89.7 million in construction in progress reflecting capital projects in various stages of completion.

Major projects include: Enhanced disinfection solution as required by the federal environment protection agency (UV disinfection) for drinking water treatment and improvements to storage at the treatment plant, continued work on projects to reduce the number of Combined Sewer Overflow (CSO's) and the volume of discharge directly to the rivers, improvements to increase the reliability and capacity of the wastewater treatment plant and the wet weather storage facilities, construction of a large equalization basin facility in the northern area of the sewer system to improve wet weather performance of collection system in that area, combined sewer capacity improvements to reduce the risk of basement backups, replacement of six miles of water main per year.

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

| | Governmental activities | | Business-type activities | | Total | |
|--------------------------------|-------------------------|-------------------|--------------------------|-------------------|---------------------|---------------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Land | \$ 38,619 | \$ 38,455 | \$ 9,701 | \$ 9,511 | \$ 48,320 | \$ 47,966 |
| Distribution and collection | - | - | 532,365 | 509,348 | 532,365 | 509,348 |
| Roads | 522,348 | 522,302 | - | - | 522,348 | 522,302 |
| Buildings and improvements | 217,193 | 243,488 | 192,876 | 189,720 | 410,069 | 433,208 |
| Machinery and equipment | 70,309 | 68,223 | 176,575 | 171,740 | 246,884 | 239,963 |
| Construction in progress | 9,170 | 6,288 | 89,711 | 44,672 | 98,881 | 50,960 |
| Less: Accumulated depreciation | (120,133) | (112,052) | (292,458) | (272,699) | (412,591) | (384,751) |
| Total | \$ 737,506 | \$ 766,704 | \$ 708,770 | \$ 652,292 | \$ 1,446,276 | \$ 1,418,996 |

Additional information regarding the City's capital assets can be found in Note 3 on pages 77-79 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 \$299.6 million. Of this amount \$90.3 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 \$209.3 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 | |
|------------------------------|-------------------------|-------------------|--------------------------|-------------------|-------------------|-------------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| General obligation bonds | \$ 2,245 | \$ 2,530 | \$ - | \$ - | \$ 2,245 | \$ 2,530 |
| Special obligation bonds | 54,045 | 61,450 | - | - | 54,045 | 61,450 |
| First mortgage bonds | 34,015 | 36,260 | - | - | 34,015 | 36,260 |
| Capital leases | 56,432 | 57,386 | 2,164 | 2,522 | 58,596 | 59,908 |
| Notes & loans payable | 7,862 | 9,621 | 134,951 | 134,356 | 142,813 | 143,977 |
| Net pension obligation | 94,171 | 94,406 | 618 | 198 | 94,789 | 94,604 |
| Compensated absences | 9,423 | 9,696 | 2,549 | 2,508 | 11,972 | 12,204 |
| Other post-employnt ben liab | 11,133 | 7,785 | - | - | 11,133 | 7,785 |
| Other long-term liabilities | - | - | - | 15 | - | 15 |
| Revenue bonds | - | - | 209,290 | 148,400 | 209,290 | 148,400 |
| Total | \$ 269,326 | \$ 279,134 | \$ 349,572 | \$ 287,999 | \$ 618,898 | \$ 567,133 |

The City's total debt increased \$51.8 million during the current fiscal year, including additions of \$118.5 million and reductions of \$66.7 million. This increase was due mainly to the addition of notes and loans payable of \$23.8 million and \$75.2 million in revenue bonds to invest in improvements in the Water and Wastewater Utility's infrastructure.

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 5 on pages 80-89 of this report.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the City is currently 8.8 percent, which increased from a rate of 7.3 percent a year ago. The state average unemployment rate is 8.7 percent and the national average is 7.6 percent. The increase in the unemployment rate and the resultant lower individual earnings could manifest itself in future years as lower income tax revenues.

Due to the passage of House Bill 1001, starting in 2008 the amount of property taxes collected has been substantially reduced, causing a shortfall in City revenues. The new law also places permanent property tax caps on real estate values, which limits future property tax revenues. The City is continually reviewing its options as to where it can curtail expenditures and seeking solutions for replacing the current and future lost revenues.

These factors along with others were considered when preparing the City's budget for the 2013 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 Controller, City of Fort Wayne, Room 470 Citizens Square, 200 E. Berry Street, Fort Wayne, Indiana, 46802.

BASIC FINANCIAL STATEMENTS



CITY OF FORT WAYNE
STATEMENT OF NET POSITION
December 31, 2012

| | Primary Government | | | Component Units |
|---|----------------------------|-----------------------------|----------------------|--------------------|
| | Governmental Activities | Business-type Activities | Total | |
| <u>Assets</u> | | | | |
| Cash and cash equivalents-unrestricted | \$ 76,841,165 | \$ 16,244,373 | \$ 93,085,538 | \$ 8,816,110 |
| Investments-unrestricted | 47,010,099 | 10,000,000 | 57,010,099 | 3,433,247 |
| Receivables (net of allowances for uncollectibles): | | | | |
| Accounts | - | 10,232,612 | 10,232,612 | 312,176 |
| Taxes | 5,788,725 | - | 5,788,725 | - |
| Intergovernmental | 3,694,268 | - | 3,694,268 | 4,291,276 |
| Loans | 6,289,213 | - | 6,289,213 | 5,392,887 |
| Miscellaneous | 4,873,352 | 241,292 | 5,114,644 | 253,623 |
| Installments receivable | 29,145,000 | - | 29,145,000 | - |
| Assessments receivable | 562,825 | 1,140,538 | 1,703,363 | - |
| Internal balances | 1,561,086 | (1,561,086) | - | - |
| Inventories | 982,481 | 1,095,192 | 2,077,673 | 355,012 |
| Prepaid expense | 478,252 | 1,435,149 | 1,913,401 | 109,118 |
| Assets held for resale | 16,351,393 | - | 16,351,393 | 173,621 |
| Deferred debits | 1,506,868 | 3,797,569 | 5,304,437 | 889,132 |
| Net investment in direct financing lease | 229,041 | - | 229,041 | 66,628,203 |
| Restricted assets: | | | | |
| Cash and cash equivalents-restricted | 2,082,484 | 97,797,655 | 99,880,139 | 7,213,524 |
| Investments-restricted | - | 10,085,500 | 10,085,500 | - |
| Accounts receivable | - | - | - | 3,728,077 |
| Capital assets: | | | | |
| Land, roads and construction in progress | 570,137,487 | 99,412,030 | 669,549,517 | 1,432,770 |
| Other capital assets, net of depreciation | 167,368,197 | 609,358,444 | 776,726,641 | 56,254,996 |
| | | | | |
| Total assets | <u>934,901,936</u> | <u>859,279,268</u> | <u>1,794,181,204</u> | <u>159,283,772</u> |
| | | | | |
| <u>Liabilities</u> | | | | |
| Accounts payable | 3,526,576 | 10,801,225 | 14,327,801 | 620,247 |
| Wages and withholdings payable | 763,101 | 1,639 | 764,740 | - |
| Accrued group insurance benefits | 1,453,447 | - | 1,453,447 | - |
| Contracts payable | 585,709 | 639,678 | 1,225,387 | - |
| Retainage payable | 99,946 | - | 99,946 | - |
| Accrued interest payable | 1,604,856 | 3,896,685 | 5,501,541 | 1,857,414 |
| Customer deposits | - | 1,371,631 | 1,371,631 | 38,656 |
| Unearned revenue | 11,233,845 | - | 11,233,845 | - |
| Other current liabilities | 543,433 | 3,500,576 | 4,044,009 | 150,323 |
| Noncurrent liabilities: | | | | |
| Due within one year: | | | | |
| Compensated absences payable | 9,311,413 | 1,083,404 | 10,394,817 | - |
| Capital leases payable | 6,267,253 | 368,788 | 6,636,041 | 1,099,532 |
| Notes and loans payable | 2,120,978 | 8,622,875 | 10,743,853 | - |
| General obligation bonds payable | 295,000 | - | 295,000 | - |
| Special obligation bonds payable | 6,460,000 | - | 6,460,000 | - |
| First mortgage bonds payable | 2,210,000 | - | 2,210,000 | - |
| Revenue bonds payable | - | 9,060,000 | 9,060,000 | - |
| Lease rental revenue bonds payable | - | - | - | 3,215,000 |

CITY OF FORT WAYNE
STATEMENT OF NET POSITION
December 31, 2012

| | Primary Government | | | Component Units |
|--|----------------------------|-----------------------------|-------------------------|----------------------|
| | Governmental Activities | Business-type Activities | Total | |
| Due in more than one year: | | | | |
| Compensated absences payable | 112,146 | 1,466,128 | 1,578,274 | - |
| Capital leases payable | 50,164,478 | 1,794,994 | 51,959,472 | 23,903,462 |
| Notes and loans payable | 5,740,482 | 126,327,879 | 132,068,361 | - |
| Mortgage payable | - | - | - | 131,218 |
| General obligation bonds payable (net) | 1,844,021 | - | 1,844,021 | - |
| Special obligation bonds payable (net) | 47,305,394 | - | 47,305,394 | - |
| First mortgage bonds payable (net) | 31,930,940 | - | 31,930,940 | - |
| Revenue bonds payable (net) | - | 201,091,059 | 201,091,059 | - |
| Lease rental revenue bonds payable (net) | - | - | - | 64,434,663 |
| Net pension obligation | 94,171,299 | 618,321 | 94,789,620 | - |
| Other postemployment benefits liability | 11,132,749 | - | 11,132,749 | 2,630,632 |
| Other noncurrent liabilities | - | - | - | 1,161,280 |
| Total liabilities | 288,877,066 | 370,644,882 | 659,521,948 | 99,242,427 |
| <u>Net position</u> | | | | |
| Net investment in capital assets | 599,663,536 | 428,453,754 | 1,028,117,290 | 36,107,688 |
| Restricted for: | | | | |
| Debt service | - | 34,201,079 | 34,201,079 | - |
| Capital projects | - | 1,525,235 | 1,525,235 | - |
| Component unit | - | - | - | 16,599,331 |
| Unrestricted | 46,361,334 | 24,454,318 | 70,815,652 | 7,334,326 |
| Total net position | \$ 646,024,870 | \$ 488,634,386 | \$ 1,134,659,256 | \$ 60,041,345 |

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, 2012

| Functions/Programs | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position | | | 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 | \$ 56,624,948 | \$ 20,022,851 | \$ 7,133,650 | \$ - | \$ (29,468,447) | \$ - | \$ (29,468,447) | \$ - |
| Public safety | 117,073,744 | 4,556,089 | 2,262,812 | - | (110,254,843) | - | (110,254,843) | - |
| Highways and streets | 25,361,212 | 4,989,382 | 9,943,124 | - | (10,428,706) | - | (10,428,706) | - |
| Sanitation | - | - | 8,575 | - | 8,575 | - | 8,575 | - |
| Health and welfare | 2,427,916 | 351,282 | 343,678 | - | (1,732,956) | - | (1,732,956) | - |
| Economic opportunity | 859,447 | - | 223,036 | - | (636,411) | - | (636,411) | - |
| Economic development | 14,169,803 | 4,556 | - | - | (14,165,247) | - | (14,165,247) | - |
| Culture and recreation | 16,911,849 | 3,390,634 | 719,125 | - | (12,802,090) | - | (12,802,090) | - |
| Urban redevelopment and housing | 13,261,916 | 1,938,820 | 7,940,586 | - | (3,382,510) | - | (3,382,510) | - |
| Interest on long-term debt | 7,570,378 | - | - | - | (7,570,378) | - | (7,570,378) | - |
| Total governmental activities | 254,261,213 | 35,253,614 | 28,574,586 | - | (190,433,013) | - | (190,433,013) | - |
| Business-type activities: | | | | | | | | |
| Water | 30,861,585 | 33,483,078 | - | 1,014,237 | - | 3,635,730 | 3,635,730 | - |
| Wastewater | 36,861,668 | 52,708,121 | - | 1,416,323 | - | 17,262,776 | 17,262,776 | - |
| Stormwater | 6,340,243 | 9,765,631 | - | 123,236 | - | 3,548,624 | 3,548,624 | - |
| Parking garages | 840,032 | 750,755 | - | - | - | (89,277) | (89,277) | - |
| Solid waste | 10,302,317 | 10,533,360 | - | - | - | 231,043 | 231,043 | - |
| Electric | 821 | - | - | - | - | (821) | (821) | - |
| Yardwaste | 134,196 | 208,686 | - | - | - | 74,490 | 74,490 | - |
| Total business-type activities | 85,340,862 | 107,449,631 | - | 2,553,796 | - | 24,662,565 | 24,662,565 | - |
| Total primary government | \$ 339,602,075 | \$ 142,703,245 | \$ 28,574,586 | \$ 2,553,796 | (190,433,013) | 24,662,565 | (165,770,448) | - |
| Component units: | | | | | | | | |
| HANDS | \$ 62,883 | \$ 71,384 | \$ - | \$ - | - | - | - | \$ 8,501 |
| Summit | 53,030 | 5,000 | - | - | - | - | - | (48,030) |
| UEA | 485,890 | 484,798 | - | - | - | - | - | (1,092) |
| CIB | 6,480,914 | 4,937,958 | - | 3,068,665 | - | - | - | 1,525,709 |
| RA | 2,947,393 | 3,477,000 | - | - | - | - | - | 529,607 |
| PTC | 13,265,226 | 1,649,318 | 5,011,175 | 5,565,748 | - | - | - | (1,038,985) |
| DID | 737,149 | 448,618 | 200,500 | - | - | - | - | (88,031) |
| CDC | 786,053 | 888,248 | - | - | - | - | - | 102,195 |
| Total component units | \$ 24,818,538 | \$ 11,962,324 | \$ 5,211,675 | \$ 8,634,413 | - | - | - | \$ 989,874 |
| General revenues: | | | | | | | | |
| Property Taxes | | | | | 101,741,414 | - | 101,741,414 | - |
| County Economic Development Income Tax (CEDIT) | | | | | 21,325,013 | - | 21,325,013 | - |
| County Option Income Tax (COIT) | | | | | 13,602,411 | - | 13,602,411 | - |
| Excise Taxes | | | | | 7,117,203 | - | 7,117,203 | - |
| Sur/Wheel Taxes | | | | | 4,566,893 | - | 4,566,893 | - |
| Financial Institutions Taxes (FIT) | | | | | 687,051 | - | 687,051 | - |
| Local assessments and taxes | | | | | - | - | - | 5,375,733 |
| Indiana room tax income | | | | | - | - | - | 2,939,218 |
| Unrestricted investment earnings | | | | | 2,087,098 | 185,718 | 2,272,816 | 42,012 |
| Other | | | | | 4,964,340 | - | 4,964,340 | 140,001 |
| Transfers | | | | | 69,181,442 | (69,181,442) | - | - |
| Total general revenues and transfers | | | | | 225,272,865 | (68,995,724) | 156,277,141 | 8,496,964 |
| Change in net position | | | | | 34,839,852 | (44,333,159) | (9,493,307) | 9,486,838 |
| Net position - beginning | | | | | 612,154,063 | 514,375,475 | 1,126,529,538 | 50,554,507 |
| Prior period adjustment - See Note 14 | | | | | (969,045) | 18,592,070 | 17,623,025 | - |
| Net position - beginning - restated | | | | | 611,185,018 | 532,967,545 | 1,144,152,563 | 50,554,507 |
| Net position - ending | | | | | \$ 646,024,870 | \$ 488,634,386 | \$ 1,134,659,256 | \$ 60,041,345 |

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

CITY OF FORT WAYNE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2012

| | General | Highways and Streets | CEDIT | Parks | Fire | Redevelopment | Community Legacy | Non-major Governmental Funds | Totals |
|---|---------------|----------------------|---------------|--------------|--------------|---------------|------------------|------------------------------|----------------|
| Assets | | | | | | | | | |
| Cash and cash equivalents | \$ 6,906,226 | \$ 3,120,726 | \$ 9,525,002 | \$ 6,946,320 | \$ 1,403,494 | \$ 3,190,594 | \$ 1,758,922 | \$ 11,428,944 | \$ 72,997,228 |
| Investments | - | - | - | - | - | - | 47,010,099 | - | 47,010,099 |
| Receivables (net of allowances for uncollectibles): | | | | | | | | | |
| Taxes | 2,944,125 | - | 626,310 | 526,988 | 1,667,610 | 23,354 | - | 338 | 5,788,725 |
| Assessments | - | - | - | - | - | - | - | 562,825 | 562,825 |
| Intergovernmental | 256,632 | 808,131 | 500 | - | - | - | - | 2,629,005 | 3,694,268 |
| Loans | - | - | 131,076 | - | - | - | - | 6,158,137 | 6,289,213 |
| Miscellaneous | 1,451,414 | 242,120 | - | 211,495 | 18,553 | 108,052 | - | 2,424,348 | 4,455,982 |
| Installments | - | - | - | - | - | - | 29,145,000 | - | 29,145,000 |
| Interfund receivable - pooled cash | - | - | - | - | - | - | - | 2,969,543 | 2,969,543 |
| Interfund receivable | - | - | - | - | - | - | - | 915,532 | 915,532 |
| Due from other funds | 1,315,093 | - | 3,046 | 598 | - | - | - | 35,644 | 1,354,381 |
| Net investment in direct financing lease | 229,041 | - | - | - | - | - | - | - | 229,041 |
| Assets held for resale | - | - | - | - | - | 11,615,418 | - | 4,735,975 | 16,351,393 |
| Restricted assets: | | | | | | | | | |
| Cash and cash equivalents - restricted | - | - | 2,082,484 | - | - | - | - | - | 2,082,484 |
| Total assets | \$ 13,102,531 | \$ 4,170,977 | \$ 12,368,418 | \$ 7,685,401 | \$ 3,089,657 | \$ 43,654,418 | \$ 77,914,021 | \$ 31,860,291 | \$ 193,845,714 |
| Liabilities, deferred inflows of resources and fund balances | | | | | | | | | |
| Liabilities: | | | | | | | | | |
| Accounts payable | \$ 785,960 | \$ 188,918 | \$ 187,163 | \$ 398,720 | \$ 101,423 | \$ 146,061 | \$ 44,611 | \$ 377,040 | \$ 2,229,896 |
| Wages and withholdings payable | 291,358 | 71,793 | - | 44,165 | 303,296 | 4,008 | - | 40,949 | 755,569 |
| Contracts payable | 239,845 | - | - | - | - | - | - | 12,697 | 252,542 |
| Retainage payable | 69,820 | - | 30,126 | - | - | - | - | - | 99,946 |
| Interfund payable - pooled cash | - | - | - | - | - | - | - | 2,969,543 | 2,969,543 |
| Due to other funds | 271,018 | - | - | - | - | 165,000 | 2,854 | 409,910 | 848,782 |
| Unearned revenue | - | - | - | 22,146 | - | - | 10,947,341 | 264,358 | 11,233,845 |
| Total liabilities | 1,658,001 | 260,711 | 217,289 | 465,031 | 404,719 | 315,069 | 10,994,806 | 4,074,497 | 18,390,123 |
| Deferred inflows of resources | 3,201,863 | - | 626,810 | 526,988 | 1,667,610 | 23,354 | - | 1,039,473 | 7,086,098 |
| Fund balances: | | | | | | | | | |
| Nonspendable fund balance | - | - | - | - | - | 11,615,418 | - | 4,960,007 | 16,575,425 |
| Restricted fund balance | - | - | - | - | - | - | - | 8,340,046 | 8,340,046 |
| Committed fund balance | 273,261 | - | 3,276,478 | 1,250,399 | - | 1,128,568 | - | 113,594 | 6,042,300 |
| Assigned fund balance | 455,799 | 3,910,266 | 8,247,841 | 5,442,983 | 1,017,328 | 30,572,009 | 66,919,215 | 15,071,726 | 131,637,167 |
| Unassigned fund balance | 7,513,607 | - | - | - | - | - | - | (1,739,052) | 5,774,555 |
| Total fund balances | 8,242,667 | 3,910,266 | 11,524,319 | 6,693,382 | 1,017,328 | 43,315,995 | 66,919,215 | 26,746,321 | 168,369,493 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 13,102,531 | \$ 4,170,977 | \$ 12,368,418 | \$ 7,685,401 | \$ 3,089,657 | \$ 43,654,418 | \$ 77,914,021 | \$ 31,860,291 | \$ 193,845,714 |

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 Position
Governmental Funds
December 31, 2012

Total **fund balances** for governmental funds \$ 168,369,493

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

Capital assets used in governmental activities (excluding internal service fund capital assets of \$420,294) are not financial resources and therefore, are not reported in the funds.

Those assets consist of:

| | | |
|---|-------------------|-------------|
| Land | 38,591,585 | |
| Roads accounted for using the modified approach | 522,348,296 | |
| Construction in progress | 9,170,329 | |
| Buildings, net of \$37,798,273 accumulated depreciation | 88,322,460 | |
| Improvements other than buildings, net of \$28,120,152 accumulated depreciation | 62,434,259 | |
| Machinery and equipment, net of \$53,514,333 accumulated depreciation | <u>16,218,461</u> | |
| Total capital assets (See Note 3) | | 737,085,390 |

Bond issuance costs associated with new debt issued by the City in 2012 were reported as expenditures in the governmental funds when the debt was issued, whereas bond issuance costs are deferred in the statement of net position. Deferred bond issuance costs are amortized, over the life of the debt issued, as an adjustment to interest expense in the statement of activities.

1,506,868

Inventory of assets purchased from governmental funds.

912,323

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

477,291

Internal service 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 position. Internal service fund net position is:

1,228,906

City tax collections related to 2012 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.

5,788,725

State shared revenue appropriated during the State of Indiana's fiscal year ended June 30, 2012 will be collected by the City in calendar year 2013. Revenue and a corresponding receivable for the amount appropriated but not received by December 31, 2012 are included in the government-wide statements.

511,662

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.

785,711

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 position. 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, 2012 are:

| | | |
|---|---------------------|---------------|
| Bonds payable | (90,045,355) | |
| Bond interest payable | (375,442) | |
| Leases payable | (56,431,731) | |
| Lease interest payable | (1,065,866) | |
| Loans payable | (7,861,460) | |
| Loan interest payable | (163,548) | |
| Compensated absences payable | (9,394,049) | |
| Other postemployment benefits liability | <u>(11,132,749)</u> | |
| Total long-term liabilities | | (176,470,200) |

Net pension obligations, including the 1925 Police Officers' Pension Plan, the 1937 Firefighters' Pension Plan, the Sanitary Officers' Pension Plan and PERF 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.

(94,171,299)

Total **net position** of governmental activities \$ 646,024,870

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

CITY OF FORT WAYNE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2012

| | General | Highways and Streets | CEDIT | Parks | Fire | Redevelopment | Community Legacy | Non-major Governmental Funds | Total Governmental Funds |
|--|---------------------|----------------------|--------------------|-------------------|-------------------|-------------------|-------------------|------------------------------|--------------------------|
| Revenues: | | | | | | | | | |
| Taxes | \$ 65,142,116 | \$ 4,566,893 | \$ 22,945,685 | \$ 12,217,081 | \$ 36,749,800 | \$ 11,385,479 | \$ - | \$ 1,007,634 | \$ 154,014,688 |
| Special assessments | - | - | - | - | - | - | - | 616,344 | 616,344 |
| Licenses and permits | 2,140,196 | - | - | 50,286 | - | - | - | 1,183,482 | 3,373,964 |
| Intergovernmental | 2,332,692 | 9,412,931 | 1,000 | - | - | - | - | 10,823,122 | 22,569,745 |
| Charges for services | 2,512,974 | 1,022,704 | 27,291 | 3,288,170 | 18,104 | 513,096 | - | 5,514,526 | 12,896,865 |
| Fines and forfeits | 546,528 | - | - | - | 11,882 | - | - | 1,595,872 | 2,154,282 |
| Other | 687,792 | 110,535 | 17,101 | 924,342 | 46,651 | 1,607,775 | 5,740,743 | 3,741,308 | 12,876,247 |
| Total revenues | 73,362,298 | 15,113,063 | 22,991,077 | 16,479,879 | 36,826,437 | 13,506,350 | 5,740,743 | 24,482,288 | 208,502,135 |
| Expenditures: | | | | | | | | | |
| Current: | | | | | | | | | |
| General government | 16,391,673 | - | - | - | - | - | 190,228 | 1,959,985 | 18,541,886 |
| Public safety | 54,905,499 | - | - | - | 35,345,624 | - | - | 10,548,415 | 100,799,538 |
| Highways and streets | 9,102,600 | 16,057,939 | - | - | - | - | - | 3,629,106 | 28,789,645 |
| Health and welfare | 2,614,229 | - | - | - | - | - | - | 300,686 | 2,914,915 |
| Economic opportunity | 636,462 | - | - | - | - | - | - | 222,985 | 859,447 |
| Economic development | 4,147,209 | - | - | - | - | - | - | 398,204 | 4,545,413 |
| Culture and recreation | - | - | - | 16,616,587 | - | - | - | - | 16,616,587 |
| Urban redevelopment and housing | - | - | - | - | - | 7,547,243 | - | 5,965,486 | 13,512,729 |
| Debt service: | | | | | | | | | |
| Principal | - | - | 7,915,000 | - | - | 1,950,000 | - | 2,245,000 | 12,110,000 |
| Interest | - | - | 2,445,192 | - | - | 2,515,811 | - | 1,748,176 | 6,709,179 |
| Capital outlay | - | - | 9,086,146 | - | - | 1,000,000 | - | 9,022,691 | 19,108,837 |
| Total expenditures | 87,797,672 | 16,057,939 | 19,446,338 | 16,616,587 | 35,345,624 | 13,013,054 | 190,228 | 36,040,734 | 224,508,176 |
| Excess (deficiency) of revenues over (under) expenditures | (14,435,374) | (944,876) | 3,544,739 | (136,708) | 1,480,813 | 493,296 | 5,550,515 | (11,558,446) | (16,006,041) |
| Other financing sources (uses): | | | | | | | | | |
| Transfers in | 7,140,064 | 1,566,040 | 3,235,644 | 1,874,239 | - | 7,012,694 | 61,368,700 | 7,882,742 | 90,080,123 |
| Transfers out | (3,346,134) | - | (8,243,984) | - | (160,000) | (6,409,781) | - | (4,138,782) | (22,298,681) |
| Capital leases issued | - | - | - | - | - | - | - | 5,570,506 | 5,570,506 |
| Total other financing sources (uses) | 3,793,930 | 1,566,040 | (5,008,340) | 1,874,239 | (160,000) | 602,913 | 61,368,700 | 9,314,466 | 73,351,948 |
| Net change in fund balances | (10,641,444) | 621,164 | (1,463,601) | 1,737,531 | 1,320,813 | 1,096,209 | 66,919,215 | (2,243,980) | 57,345,907 |
| Fund balances - beginning | 18,884,111 | 3,289,102 | 12,987,920 | 4,955,851 | (303,485) | 42,219,786 | - | 29,959,346 | 111,992,631 |
| Prior period adjustment (Note 14) | - | - | - | - | - | - | - | (969,045) | (969,045) |
| Fund balances - beginning, as restated | 18,884,111 | 3,289,102 | 12,987,920 | 4,955,851 | (303,485) | 42,219,786 | - | 28,990,301 | 111,023,586 |
| Fund balances - ending | 8,242,667 | 3,910,266 | 11,524,319 | 6,693,382 | 1,017,328 | 43,315,995 | 66,919,215 | 26,746,321 | 168,369,493 |

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, 2012

Net change in **fund balances** - total governmental funds \$ 57,345,907

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. The cost of those assets, which meet capitalization requirements, is capitalized. (The internal service fund capital assets are not included in this section, but rather the net revenue (expense) of the internal revenue service funds as a separate line item.) (Note 3)

Capital assets not being depreciated:

| | |
|--|------------------|
| Land | 164,095 |
| Roads accounted for using the modified approach | 46,550 |
| Construction in progress | <u>2,882,131</u> |
| Total change in capital assets not being depreciated | 3,092,776 |

Capital assets being depreciated:

| | |
|--|--------------------|
| Buildings, net of \$3,209,921 depreciation expense | (26,869,233) |
| Improvements other than buildings, net of \$2,431,482 depreciation expense | (2,431,482) |
| Machinery and equipment, net of \$5,431,535 depreciation expense | <u>(3,005,143)</u> |
| Total change in capital assets being depreciated | (32,305,858) |

Total changes in capital assets (29,213,082)

The issuance of long-term debt provides current financial resources to governmental funds, but increases the long-term liabilities on the statement of net position. 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 position. This is the amount by which repayments exceed issuance proceeds.

12,649,103

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.

(198,229)

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

25,481

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

234,289

Other postemployment benefits liability is considered a long-term obligation of the general government, but is not a current expenditure.

(3,347,700)

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

(3,485,332)

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.

406,652

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.

422,763

Changes in **net position** of governmental activities \$ 34,839,852

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

CITY OF FORT WAYNE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2012

| | Business-type Activities - Enterprise Funds | | | | Totals | Governmental Activities - Internal Service Funds |
|--|---|-----------------------|-----------------------|-------------------------------------|-----------------------|---|
| | Water Utility | Wastewater Utility | Stormwater Utility | Other Non-major Enterprise Funds | | |
| Assets | | | | | | |
| Current assets: | | | | | | |
| Cash and cash equivalents | \$ 5,486,682 | \$ 4,920,027 | \$ 3,569,208 | \$ 2,268,456 | \$ 16,244,373 | \$ 3,843,937 |
| Investments | - | 10,000,000 | - | - | 10,000,000 | - |
| Receivables: | | | | | | |
| Accounts receivable (net of allowance for uncollectibles) | 2,891,689 | 5,817,508 | 1,455,301 | 68,114 | 10,232,612 | - |
| Miscellaneous receivable | - | - | - | 238,979 | 238,979 | 417,370 |
| Interest receivable | 497 | 1,816 | - | - | 2,313 | - |
| Due from other funds | 562,395 | 273,785 | 16,229 | 1,293,916 | 2,146,325 | 142,034 |
| Inventories | 1,019,552 | 75,640 | - | - | 1,095,192 | 70,158 |
| Prepaid expenses | 88,408 | 1,340,947 | 2,095 | 3,699 | 1,435,149 | 961 |
| Total current assets | 10,049,223 | 22,429,723 | 5,042,833 | 3,873,164 | 41,394,943 | 4,474,460 |
| Noncurrent assets: | | | | | | |
| Restricted cash and cash equivalents | 35,150,320 | 62,009,234 | 634,083 | 4,018 | 97,797,655 | - |
| Restricted investments | 5,042,750 | 5,042,750 | - | - | 10,085,500 | - |
| Assessments receivable | - | 1,140,538 | - | - | 1,140,538 | - |
| Unamortized issuance cost | 2,441,032 | 1,170,662 | 153,901 | 31,974 | 3,797,569 | - |
| Capital assets: | | | | | | |
| Land, improvements to land and construction in progress | 24,163,301 | 64,651,524 | 9,521,733 | 1,075,472 | 99,412,030 | 27,277 |
| Other capital assets (net of accumulated depreciation) | 193,114,163 | 320,722,424 | 88,706,914 | 6,814,943 | 609,358,444 | 393,017 |
| Total noncurrent assets | 259,911,566 | 454,737,132 | 99,016,631 | 7,926,407 | 821,591,736 | 420,294 |
| Total assets | 269,960,789 | 477,166,855 | 104,059,464 | 11,799,571 | 862,986,679 | 4,894,754 |
| Liabilities | | | | | | |
| Current liabilities: | | | | | | |
| Accounts payable | 3,443,080 | 7,096,835 | 129,519 | 131,791 | 10,801,225 | 1,296,680 |
| Wages and withholdings payable | - | - | - | 1,639 | 1,639 | 7,532 |
| Contracts payable | - | - | - | 639,678 | 639,678 | 333,167 |
| Due to other funds | 1,701,494 | 822,221 | 262,380 | 5,784 | 2,791,879 | 2,079 |
| Interfund payable | 119,527 | 87,874 | 54,007 | 62 | 261,470 | - |
| Compensated absences payable - current portion | 546,364 | 428,296 | 103,784 | 4,960 | 1,083,404 | 29,510 |
| Accrued group insurance benefits payable | - | - | - | - | - | 1,453,447 |
| Capital lease payable - current portion | - | - | - | 368,788 | 368,788 | - |
| Customer deposits payable | 1,371,631 | - | - | - | 1,371,631 | - |
| Loans payable - current portion | 3,293,000 | 5,056,304 | - | 273,571 | 8,622,875 | - |
| Revenue bonds payable - current portion | 2,435,000 | 5,465,000 | 1,065,000 | 95,000 | 9,060,000 | - |
| Accrued interest payable | 878,502 | 2,773,479 | 190,333 | 54,371 | 3,896,685 | - |
| Other current liabilities | 748,583 | 2,590,739 | 160,273 | 981 | 3,500,576 | 543,433 |
| Total current liabilities | 14,537,181 | 24,320,748 | 1,965,296 | 1,576,625 | 42,399,850 | 3,665,848 |
| Noncurrent liabilities: | | | | | | |
| Compensated absences payable | 885,879 | 498,696 | 80,651 | 902 | 1,466,128 | - |
| Capital lease payable | - | - | - | 1,794,994 | 1,794,994 | - |
| Loans payable | 47,550,000 | 78,777,879 | - | - | 126,327,879 | - |
| Revenue bonds payable, net | 52,733,440 | 137,029,894 | 10,387,725 | 940,000 | 201,091,059 | - |
| Interfund payable | 317,131 | 188,984 | 147,798 | 149 | 654,062 | - |
| Net pension obligation | 202,809 | 308,542 | 106,970 | - | 618,321 | - |
| Total noncurrent liabilities | 101,689,259 | 216,803,995 | 10,723,144 | 2,736,045 | 331,952,443 | - |
| Total liabilities | 116,226,440 | 241,124,743 | 12,688,440 | 4,312,670 | 374,352,293 | 3,665,848 |
| Net position | | | | | | |
| Net investment in capital assets | 139,518,218 | 197,741,552 | 86,775,922 | 4,418,062 | 428,453,754 | 420,294 |
| Restricted for: | | | | | | |
| Debt service | 9,377,496 | 24,369,837 | 443,750 | 9,996 | 34,201,079 | - |
| Capital projects | 313,247 | 1,211,988 | - | - | 1,525,235 | - |
| Unrestricted | 4,525,388 | 12,718,735 | 4,151,352 | 3,058,843 | 24,454,318 | 808,612 |
| Total net position | \$ 153,734,349 | \$ 236,042,112 | \$ 91,371,024 | \$ 7,486,901 | \$ 488,634,386 | \$ 1,228,906 |

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

CITY OF FORT WAYNE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For The Year Ended December 31, 2012

| | 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 | \$ 33,483,078 | \$ 52,708,121 | \$ 9,765,631 | \$ 11,492,801 | \$ 107,449,631 | \$ 7,335,573 |
| City contributions | - | - | - | - | - | 29,116,412 |
| Employee contributions | - | - | - | - | - | 2,021,904 |
| Insurance recoveries | - | - | - | - | - | 210,490 |
| Total operating revenues | 33,483,078 | 52,708,121 | 9,765,631 | 11,492,801 | 107,449,631 | 38,684,379 |
| Operating expenses: | | | | | | |
| Personnel services | 8,979,520 | 7,880,922 | 1,655,697 | 227,250 | 18,743,389 | 738,161 |
| Contractual services | 1,495,372 | 4,430,162 | 189,813 | 8,776,228 | 14,891,575 | 6,774,389 |
| Utilities | 1,333,092 | 1,424,113 | - | 52,432 | 2,809,637 | 35,689 |
| Chemicals | 2,236,755 | 790,530 | - | - | 3,027,285 | - |
| Administrative services | 3,563,046 | 5,426,290 | 1,874,140 | 32,689 | 10,896,165 | - |
| Other supplies and services | 3,851,304 | 3,362,336 | 276,819 | 777,498 | 8,267,957 | 3,367,636 |
| Insurance claims and premiums | - | - | - | 8,843 | 8,843 | 28,852,310 |
| Depreciation | 7,385,260 | 9,954,503 | 2,065,014 | 1,271,098 | 20,675,875 | 40,740 |
| Total operating expenses | 28,844,349 | 33,268,856 | 6,061,483 | 11,146,038 | 79,320,726 | 39,808,925 |
| Operating income (loss) | 4,638,729 | 19,439,265 | 3,704,148 | 346,763 | 28,128,905 | (1,124,546) |
| Nonoperating revenues (expenses): | | | | | | |
| Interest and investment revenue | 68,859 | 111,271 | 2,912 | 2,676 | 185,718 | 3,014 |
| Miscellaneous revenue | - | - | - | - | - | 144,295 |
| Interest expense | (1,683,199) | (3,316,300) | (245,608) | (127,775) | (5,372,882) | - |
| Amortization of debt issuance costs | (141,176) | (131,546) | (33,152) | (3,553) | (309,427) | - |
| Loss on disposal of assets | (192,861) | (144,966) | - | - | (337,827) | - |
| Total nonoperating revenue (expenses) | (1,948,377) | (3,481,541) | (275,848) | (128,652) | (5,834,418) | 147,309 |
| Income (loss) before contributions and transfers | 2,690,352 | 15,957,724 | 3,428,300 | 218,111 | 22,294,487 | (977,237) |
| Capital contributions | 1,014,237 | 1,416,323 | 123,236 | - | 2,553,796 | - |
| Transfers in | - | - | 2,992,637 | - | 2,992,637 | 1,400,000 |
| Transfers out | (2,307,685) | (6,614,280) | (1,117,374) | (62,134,740) | (72,174,079) | - |
| Change in net position | 1,396,904 | 10,759,767 | 5,426,799 | (61,916,629) | (44,333,159) | 422,763 |
| Total net position - beginning | 152,337,445 | 225,282,345 | 85,944,225 | 50,811,460 | 514,375,475 | 806,143 |
| Prior period adjustment (see note 14) | - | - | - | 18,592,070 | 18,592,070 | - |
| Total net position - beginning (restated) | 152,337,445 | 225,282,345 | 85,944,225 | 69,403,530 | 532,967,545 | 806,143 |
| Total net position - ending | \$ 153,734,349 | \$ 236,042,112 | \$ 91,371,024 | \$ 7,486,901 | \$ 488,634,386 | \$ 1,228,906 |

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, 2012

| | Business-type Activities - Enterprise Funds | | | | Total | Governmental |
|---|---|-----------------------|-----------------------|-------------------------------------|----------------|---|
| | Water Utility | Wastewater Utility | Stormwater Utility | Other Non-major Enterprise Funds | | Activities - Internal Service Funds |
| Cash flows from operating activities: | | | | | | |
| Receipts from customers and users | \$ 34,261,100 | \$ 53,671,318 | \$ 9,921,662 | \$ 11,322,122 | \$ 109,176,202 | \$ 38,476,168 |
| Payments to suppliers | (8,630,387) | (15,105,640) | (2,835,673) | (9,667,322) | (36,239,022) | (38,704,091) |
| Payments to employees | (8,553,963) | (7,479,614) | (1,646,782) | (228,682) | (17,909,041) | (742,217) |
| Other receipts (payments) | 160,235 | (124,256) | 73,416 | 5 | 109,400 | - |
| Net cash provided (used) by operating activities | 17,236,985 | 30,961,808 | 5,512,623 | 1,426,123 | 55,137,539 | (970,140) |
| Cash flows from noncapital financing activities: | | | | | | |
| Transfer from other funds | - | - | - | - | - | 1,400,000 |
| Transfer to other funds | (2,307,685) | (3,621,643) | (1,117,374) | (10,814,560) | (17,861,262) | - |
| Net cash provided (used) by noncapital financing activities | (2,307,685) | (3,621,643) | (1,117,374) | (10,814,560) | (17,861,262) | 1,400,000 |
| Cash flows from capital and related financing activities: | | | | | | |
| Acquisition and construction of capital assets | (20,913,727) | (46,659,409) | (1,778,317) | (42,300) | (69,393,753) | (56,000) |
| Proceeds from capital debt | 40,580,326 | 59,775,356 | - | - | 100,355,682 | - |
| Principal paid on capital debt | (22,061,999) | (11,082,920) | (1,020,000) | (722,105) | (34,887,024) | (13,734) |
| Capital lease payments | - | - | - | (6,455) | (6,455) | - |
| Interest paid on capital debt | (2,696,154) | (7,781,892) | (500,076) | (123,389) | (11,101,511) | - |
| Debt issuance costs | (1,267,003) | (275,841) | - | - | (1,542,844) | - |
| Purchase of debt refunding securities | - | (21,489,072) | - | - | (21,489,072) | - |
| Net cash used by capital and related financing activities | (6,358,557) | (27,513,778) | (3,298,393) | (894,249) | (38,064,977) | (69,734) |
| Cash flows from investing activities: | | | | | | |
| Purchase of investments | (5,042,750) | (15,042,750) | - | - | (20,085,500) | - |
| Proceeds from sales and maturities of investments | 5,000,000 | 35,000,000 | - | - | 40,000,000 | - |
| Investment income received | 70,433 | 153,172 | 2,912 | 2,676 | 229,193 | 3,014 |
| Net cash provided by investing activities | 27,683 | 20,110,422 | 2,912 | 2,676 | 20,143,693 | 3,014 |
| Net increase (decrease) in cash and cash equivalents | 8,598,426 | 19,936,809 | 1,099,768 | (10,280,010) | 19,354,993 | 363,140 |
| Cash and cash equivalents, January 1 | 32,038,576 | 46,992,452 | 3,103,523 | 12,552,484 | 94,687,035 | 3,480,797 |
| Cash and cash equivalents, December 31 | \$ 40,637,002 | \$ 66,929,261 | \$ 4,203,291 | \$ 2,272,474 | \$ 114,042,028 | \$ 3,843,937 |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | | | | |
| Operating income (loss) | \$ 4,638,729 | \$ 19,439,265 | \$ 3,704,148 | \$ 346,763 | \$ 28,128,905 | \$ (1,124,546) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | | | |
| Nonoperating revenue | - | - | - | - | - | 144,295 |
| Depreciation expense | 7,385,260 | 9,954,503 | 2,065,014 | 1,271,098 | 20,675,875 | 40,740 |
| Allowance for uncollectible accounts | (5,505) | (8,022) | - | - | (13,527) | - |
| (Increase) decrease in assets: | | | | | | |
| Accounts receivable | 778,022 | 963,197 | 156,031 | - | 1,897,250 | - |
| Miscellaneous receivable | - | - | - | (199,014) | (199,014) | (360,920) |
| Due from other funds | - | - | - | 29,604 | 29,604 | 8,416 |
| Inventories | - | - | - | - | - | 11,006 |
| Prepaid expenses | - | - | - | (1,334) | (1,334) | (236) |
| Other assets | 165,740 | (116,234) | 73,416 | 5 | 122,927 | - |
| Increase (decrease) in liabilities: | | | | | | |
| Accounts payable and other liabilities | 4,274,739 | 729,099 | (485,986) | (21,121) | 4,496,731 | 792,018 |
| Due to other funds | - | - | - | 1,553 | 1,553 | (6,334) |
| Wages and withholdings payable | - | - | - | (1,925) | (1,925) | (8,702) |
| Accrued group insurance benefits | - | - | - | - | - | (470,522) |
| Compensated absences payable | - | - | - | 494 | 494 | 4,645 |
| Total adjustments | 12,598,256 | 11,522,543 | 1,808,475 | 1,079,360 | 27,008,634 | 154,406 |
| Net cash provided (used) by operating activities | \$ 17,236,985 | \$ 30,961,808 | \$ 5,512,623 | \$ 1,426,123 | \$ 55,137,539 | \$ (970,140) |
| Noncash investing, capital and financing activities: | | | | | | |
| Capital assets included in accounts payable | \$ 1,720,126 | \$ 3,468,875 | \$ 46,615 | \$ - | \$ 5,235,616 | \$ - |
| Contributions of capital assets | 1,014,237 | 1,416,323 | 123,236 | - | 2,553,796 | - |
| Interfund capital asset contribution | - | (2,992,637) | 2,992,637 | - | - | - |
| Capitalized interest added to capital assets | 1,248,054 | 4,274,272 | 231,480 | - | 5,753,806 | - |
| Transfer out | - | - | - | (51,320,180) | (51,320,180) | - |

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

CITY OF FORT WAYNE
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
December 31, 2012

| | Pension Trust Funds | Agency Funds |
|---------------------------------|-----------------------------|-----------------------------|
| | <u> </u> | <u> </u> |
| <u>Assets</u> | | |
| Cash and cash equivalents | \$ 1,843,314 | \$ - |
| Receivables: | | |
| Taxes | 18,277 | - |
| Loans | <u>-</u> | <u>31,156</u> |
| Total assets | <u>\$ 1,861,591</u> | <u>\$ 31,156</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ 40,697</u> | <u>\$ 31,156</u> |
| <u>Net position</u> | | |
| Net position held in trust for: | | |
| Employees' pension benefits | <u>\$ 1,820,894</u> | |

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

CITY OF FORT WAYNE
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
For The Year Ended December 31, 2012

| | <u>Pension Trust Funds</u> |
|---|------------------------------------|
| <u>Additions</u> | |
| Contributions: | |
| Employer | \$ 15,288,736 |
| Plan members | 125 |
| Other | 10,986 |
| Investment income: | |
| Interest | <u>2,442</u> |
| Total additions | <u>15,302,289</u> |
| <u>Deductions</u> | |
| Benefits and refunds paid to plan members and beneficiaries | 16,332,447 |
| Administrative expenses | <u>42,185</u> |
| Total deductions | <u>16,374,632</u> |
| Changes in net position | (1,072,343) |
| Net position - beginning | <u>2,893,237</u> |
| Net position - ending | <u><u>\$ 1,820,894</u></u> |

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

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET POSITION
 DISCRETELY PRESENTED COMPONENT UNITS
 December 31, 2012

| | HANDS | Summit | UEA | CIB | RA | PTC | DID | CDC | Totals |
|---|------------------|------------------|---------------------|----------------------|---------------------|----------------------|-------------------|---------------------|----------------------|
| Assets | | | | | | | | | |
| Cash and cash equivalents | \$ (203) | \$ 31,980 | \$ 1,005,902 | \$ 507,148 | \$ - | \$ 3,992,439 | \$ 251,438 | \$ 3,027,406 | \$ 8,816,110 |
| Investments | - | - | - | 3,433,247 | - | - | - | - | 3,433,247 |
| Receivables (net of allowances for uncollectibles): | | | | | | | | | |
| Accounts | 8,501 | - | 1,551 | 275,368 | - | - | 26,756 | - | 312,176 |
| Intergovernmental | - | - | - | 3,508,416 | - | 782,860 | - | - | 4,291,276 |
| Loans | - | - | - | - | - | - | - | 5,392,887 | 5,392,887 |
| Miscellaneous | - | - | - | 64,249 | - | 143,482 | - | 45,892 | 253,623 |
| Inventories | - | - | - | - | - | 355,012 | - | - | 355,012 |
| Prepaid expense | - | - | - | 23,527 | - | 78,148 | 7,443 | - | 109,118 |
| Assets held for resale | 138,221 | - | 35,400 | - | - | - | - | - | 173,621 |
| Deferred debits | - | - | - | - | 889,132 | - | - | - | 889,132 |
| Net investment in direct financing lease (Note 21) | - | - | - | - | 66,628,203 | - | - | - | 66,628,203 |
| Restricted assets: | | | | | | | | | |
| Cash and cash equivalents | - | - | - | 4,156,549 | 1,036,356 | 1,568,211 | - | 452,408 | 7,213,524 |
| Accounts receivable | - | - | - | 3,706,889 | - | 21,188 | - | - | 3,728,077 |
| Capital assets: | | | | | | | | | |
| Land and construction in progress | - | - | 38,000 | 975,000 | - | 419,770 | - | - | 1,432,770 |
| Other capital assets, net of depreciation | - | - | 620,172 | 39,180,750 | - | 16,445,426 | 8,648 | - | 56,254,996 |
| Total assets | 146,519 | 31,980 | 1,701,025 | 55,831,143 | 68,553,691 | 23,806,536 | 294,285 | 8,918,593 | 159,283,772 |
| Liabilities | | | | | | | | | |
| Accounts payable | - | - | 27,732 | 229,731 | - | 282,001 | 19,068 | 61,715 | 620,247 |
| Accrued interest payable | - | - | - | - | 1,289,922 | 567,492 | - | - | 1,857,414 |
| Customer deposits | - | - | 2,805 | 35,851 | - | - | - | - | 38,656 |
| Other current liabilities | - | - | - | - | - | 140,000 | 10,323 | - | 150,323 |
| Noncurrent liabilities: | | | | | | | | | |
| Due within one year: | | | | | | | | | |
| Capital lease payable | - | - | - | 1,099,532 | - | - | - | - | 1,099,532 |
| Lease rental revenue bonds payable | - | - | - | - | 3,215,000 | - | - | - | 3,215,000 |
| Due in more than one year: | | | | | | | | | |
| Capital lease payable | - | - | - | 23,903,462 | - | - | - | - | 23,903,462 |
| Mortgages payable | 131,218 | - | - | - | - | - | - | - | 131,218 |
| Lease rental revenue bonds payable (net of premium) (Note 21) | - | - | - | - | 64,434,663 | - | - | - | 64,434,663 |
| Other postemployment benefits liability | - | - | - | - | - | 2,630,632 | - | - | 2,630,632 |
| Other noncurrent liabilities | - | - | - | - | - | 1,161,280 | - | - | 1,161,280 |
| Total liabilities | 131,218 | - | 30,537 | 25,268,576 | 68,939,585 | 4,781,405 | 29,391 | 61,715 | 99,242,427 |
| Net position | | | | | | | | | |
| Net investment in capital assets | - | - | 658,172 | 18,661,172 | - | 16,779,696 | 8,648 | - | 36,107,688 |
| Temporarily restricted | - | - | 735,822 | 7,863,946 | - | - | 14,045 | 7,985,518 | 16,599,331 |
| Unrestricted | 15,301 | 31,980 | 276,494 | 4,037,449 | (385,894) | 2,245,435 | 242,201 | 871,360 | 7,334,326 |
| Total net position | \$ 15,301 | \$ 31,980 | \$ 1,670,488 | \$ 30,562,567 | \$ (385,894) | \$ 19,025,131 | \$ 264,894 | \$ 8,856,878 | \$ 60,041,345 |

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, 2012

| Functions/Programs Component units: | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position | | | | | | | | |
|--|----------------------|-------------------------|--|--|---|------------------|---------------------|----------------------|---------------------|----------------------|-------------------|---------------------|----------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | HANDS | Summit | UEA | CIB | RA | PTC | DID | CDC | Totals |
| HANDS | \$ 62,883 | \$ 71,384 | \$ - | \$ - | \$ 8,501 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,501 |
| Summit | 53,030 | 5,000 | - | - | - | (48,030) | - | - | - | - | - | - | (48,030) |
| UEA | 485,890 | 484,798 | - | - | - | - | (1,092) | - | - | - | - | - | (1,092) |
| CIB | 6,480,914 | 4,937,958 | - | 3,068,665 | - | - | 1,525,709 | - | - | - | - | - | 1,525,709 |
| RA | 2,947,393 | 3,477,000 | - | - | - | - | - | 529,607 | - | - | - | - | 529,607 |
| PTC | 13,265,226 | 1,649,318 | 5,011,175 | 5,565,748 | - | - | - | - | (1,038,985) | - | - | - | (1,038,985) |
| DID | 737,149 | 448,618 | 200,500 | - | - | - | - | - | - | (88,031) | - | - | (88,031) |
| CDC | 786,053 | 888,248 | - | - | - | - | - | - | - | - | 102,195 | - | 102,195 |
| Total component units | \$ 24,818,538 | \$ 11,962,324 | \$ 5,211,675 | \$ 8,634,413 | 8,501 | (48,030) | (1,092) | 1,525,709 | 529,607 | (1,038,985) | (88,031) | 102,195 | 989,874 |
| General revenues: | | | | | | | | | | | | | |
| Local assessments and taxes | - | - | - | - | - | - | - | - | - | 5,375,733 | - | - | 5,375,733 |
| Indiana room tax income | - | - | - | - | - | - | 2,939,218 | - | - | - | - | - | 2,939,218 |
| Unrestricted investment earnings | - | - | 105 | - | 2 | 105 | 2,046 | 24,731 | 81 | 8,324 | 347 | 6,376 | 42,012 |
| Other | - | - | - | - | - | - | 361 | 16,368 | - | 123,272 | - | - | 140,001 |
| Total general revenues | | | | | 2 | 105 | 2,407 | 2,980,317 | 81 | 5,507,329 | 347 | 6,376 | 8,496,964 |
| Change in net position | | | | | 8,503 | (47,925) | 1,315 | 4,506,026 | 529,688 | 4,468,344 | (87,684) | 108,571 | 9,486,838 |
| Net position - beginning | | | | | 6,798 | 79,905 | 1,669,173 | 26,056,541 | (915,582) | 14,556,787 | 352,578 | 8,748,307 | 50,554,507 |
| Net position - ending | | | | | \$ 15,301 | \$ 31,980 | \$ 1,670,488 | \$ 30,562,567 | \$ (385,894) | \$ 19,025,131 | \$ 264,894 | \$ 8,856,878 | \$ 60,041,345 |

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, 2012

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Fort Wayne (primary 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, 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 Units

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. In 2009, the City entered into a sixth agreement with the Municipal Building Corporation for the purpose of the acquisition, renovation, and equipping of the Renaissance Square Building to be used as a City Hall. 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).

The Consolidated Communications Partnership (CCP) is a significant blended component unit of the primary government. The City of Fort Wayne and Allen County jointly created the CCP on February 19, 2010 to provide centralized communication service to City of Fort Wayne and Allen County. A joint Operation Board is established pursuant to I.C. § 36-1-7-3 (5) (b) to oversee and administer the CCP. The Operation Board is comprised of the Chief of Police for the City of Fort Wayne, Chief of Fire for the City of Fort Wayne, Allen County Sheriff and Chief Deputy of Allen

County Sheriff. The City Controller has the duty and responsibility to receive, disburse and account for all monies of the CCP, in accordance with procedures adopted by the City for the receipts and payments of vouchers or claims. The primary government appoints a voting majority of the CCP and a financial burden/benefit relationship exists between the primary government and the CCP. Although it is legally separate from the primary government, the CCP is reported as if it were a part of the primary government and is reported as the Consolidated Communications Partnership fund (non-major special revenue 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 affect the enterprise zone.

The *Allen County Fort Wayne Capital Improvement Board of Managers (CIB), formerly the Fort Wayne - Allen County Convention and Tourism Authority*, is a significant discretely presented component unit of the primary government. The Allen County Fort Wayne Capital Improvement Board of Managers (CIB) 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. CIB's budget is subject to approval by the City and County Councils. 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 CIB. It would be misleading to exclude CIB from the primary government's financial statements because of its relationship with the primary government. CIB operates the Grand Wayne Center (convention center) and promotes tourism.

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 Fort Wayne Public Transportation Corporation (PTC) is a significant discretely presented component unit of the primary government. The Fort Wayne Public Transportation Corporation does business as Citilink and operates a public transit system in a service area that includes the cities of Fort Wayne, New Haven and certain unincorporated areas of Allen County. The PTC is governed by a seven member board of which three are appointed by the Mayor and four are appointed by the City of Fort Wayne – Allen County Council (Council). The Citilink board adopts the budget and tax levy, and approves the issuance of debt. In addition, the Council may review and modify the budget and tax levy, although its approval is not required for the issuance of debt. A financial benefit/burden relationship exists between the primary government and the PTC. It would be misleading to exclude PTC from the primary government's financial statements because of its relationship with the primary government.

The Downtown Fort Wayne Economic Improvement District (DID) is a significant discretely presented component unit of the primary government. The DID is governed by a thirteen member Board of Directors. One Director is appointed by the Common Council of the City of Fort Wayne. The Mayor of the City of Fort Wayne and the Commissioners of Allen County, each nominate one director, both of which are subject to approval of the Common Council. The remaining ten Directors are elected and must either be property owners within the District or must have demonstrated a commitment to downtown improvement and revitalization within the District. The DID is an Economic Improvement District established under State of Indiana statute that allows owners of non-residential real property to assess themselves to provide services to improve the business climate of the district. The DID's budget is subject to approval by the City Council. A financial burden/benefit relationship exists between the primary government and the DID. It would be misleading to exclude the DID from the primary government's financial statements because of its relationship with the primary government.

The Community Development Corporation of Fort Wayne (CDC) is a significant discretely presented component unit of the primary government. The CDC is a City of Fort Wayne sponsored 501(c)(6) not for profit business development organization. The primary objective of CDC is to promote the growth and development of small commercial industrial for profit businesses in Indiana through creative loan programs. The CDC is also doing business under the name Community Development Corporation of Northeast Indiana. The CDC is governed by an eighteen member Board of Directors. The Mayor of the City of Fort Wayne and the Commissioners of Allen County each nominate one director. The primary government is able to impose its will and a financial benefit/burden relationship exists between the primary government and the CDC. The CDC is fiscally dependent on the primary government. It would be misleading to exclude the CDC 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 470 Citizens Square
200 E. Berry Street
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

The Consolidated Communications Partnership
Room B-24 Rousseau Centre
1 East Main Street
Fort Wayne, IN 46802

Neighborhood Care, Inc. (HANDS)
Room 320 Citizens Square
200 E. Berry Street
Fort Wayne, IN 46802

Summit Development Corporation
Room 320 Citizens Square
200 E. Berry Street
Fort Wayne, IN 46802

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

Allen County Fort Wayne Capital Improvement Board of Managers
c/o Grand Wayne Center
120 West Jefferson Boulevard
Fort Wayne, IN 46802

Fort Wayne Redevelopment Authority
Redevelopment Commission
Room 320 Citizens Square
200 E. Berry Street
Fort Wayne, IN 46802

Fort Wayne Public Transportation Corporation
801 Leesburg Road
Fort Wayne, IN 46808

Downtown Fort Wayne Economic Improvement District
111 East Wayne Street
Suite 500
Fort Wayne, IN 46802

Community Development Corporation of Fort Wayne
Room 320 Citizens Square
200 E Berry 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, 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 position 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 major revenue sources for these funds include

Wheel Tax/Surtax, Fuel Tax and reimbursements from other sources for services such as leaf collection and water cut restorations.

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, Economic Development Incentive, Economic Development Infrastructure, Community Development-Marketing, Community Development-Strategic Objective and the 2009 CEDIT Bond 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 the 2005 Park Bond funds have been combined to form the Parks fund. The major revenue sources for these funds include Property Tax, Auto Excise Tax, Commercial Vehicle Excise Tax, County Option Income Tax as well as fees from services and/or programs.

The Fire fund (special revenue) accounts for the financial resources and operations of the Fire District. The Fire Department and Fire Education funds have been combined to form the Fire Fund. The major revenue sources for these funds include Property Tax, Auto Excise Tax, Commercial Vehicle Excise Tax as well as any other miscellaneous revenues for services.

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 1998, Tax Incremental Financing-Fort Wayne International Airport, 2002 Infrastructure Bond, Grand Wayne Property and Miscellaneous Expenses, Grand Wayne Obligation Lease, Redevelopment Bond, Grand Wayne Bond Principal & Interest, Harrison Square Taxable Lease, Harrison Square Tax Exempt Lease, Lima Wells Fernhill Tax Incremental Financing Project, West Highway 30 Tax Incremental Financing Project, E Illinois Tax Incremental Financing Project, Lima Ley Tax Incremental Financing Project, Summit Park Tax Incremental Financing Project, Jefferson Point Tax Incremental Financing Project, Chapel Ridge Tax Incremental Financing Project, Brownfield Redevelopment, Southtown Mall Project, 2005 Southtown Tax-Exempt Bond, Centennial Industrial Park, Harrison Square Stadium Maintenance, Harrison Square Parking Garage, and the Redevelopment District Capital funds have been combined to form the Redevelopment fund.

The Community Legacy Fund (special revenue) accounts for the financial resources and expenses or projects that are in the public's interest and related to transformational investment in the community. The major revenue sources for this fund are the installment payments from the sale of the Electric Utility (see Note 15) and investment earnings.

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 insurance, general and auto liability insurance and worker's compensation insurance in a combined self-insurance fund and for 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 and 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 the Fort Wayne Neighborhood Housing Partnership (FWNP).

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 non-operating 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 non-operating 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 Position 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.

2. Interfund Transactions and Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year to cover deficit cash balances are referred to as “Interfund receivables/payables – pooled cash”. Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year to cover loans made to other funds, with the expectation of repayment, are referred to as “Interfund receivables”. 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.

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/Net Position

All restricted assets/net position, as presented in the accompanying financial statements, are restricted due to enabling legislation.

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 |
| 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 | 2,500 | Straight-line | 67 |
| Buildings and improvements | 2,500 | Straight-line | 20-44 |
| Equipment and other | 2,500 | Straight-line | 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 2012 net interest capitalized was \$1,248,054 for Water Utility, \$4,274,272 for Wastewater Utility, and \$231,480 for Stormwater Utility.

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 seven days per year after six months service to thirty-three 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 - six days after one year service to sixteen days after twenty 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 |

For union employees, 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.

For non-union employees, unused vacation shall automatically be carried over into the next year; however, amounts of more than one year's carryover shall be lost if not taken.

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 financial statement date.

11. Unearned Revenues

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 position. 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 position 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. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

14. Fund Balance

Fund balance in the governmental fund statements have been classified per *GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions*. City's governmental fund balances are reported under classifications of nonspendable, restricted, committed, assigned and unassigned fund balances. A brief description of each category is as follows:

Nonspendable – represents amounts that are not in spendable form, such as inventories, assets held for resale and loans receivable.

Restricted – represents amounts restricted to specific purposes because of constraints placed on their use that are either externally imposed such as by grantors or imposed by law through constitutional provisions or enabling legislation.

Committed – represents amounts that can only be used for a specific purpose pursuant to constraints imposed by the government's highest level of decision making authority. The City of Fort Wayne's highest level of decision making authority is the City Council. Fund balance commitments are established, modified, or rescinded by City Council action through passage of an ordinance.

Assigned – represents amounts that are constrained by the government's intent to be used for specific purposes as expressed by the governing body itself (Board of Public Works) or the official to which the governing body has delegated the authority (City Controller) to assign amounts to be used for specific purposes.

Unassigned – represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Only the general fund may report a positive unassigned fund balance; whereas, other governmental funds may need to report a negative unassigned fund balance if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

The City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City does not have a formal policy for its use of unrestricted fund balance amounts; therefore, it considers committed amounts used first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

For functionalized classification of fund balance, please refer to note 20.

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. The 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. The City does not have a formal policy for custodial credit risk.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. As of December 31, 2012, the City had the following investments:

| <u>Investment Type</u> | <u>Market Value</u> | <u>Investment Maturity</u> | |
|-------------------------|----------------------|----------------------------|-------------------|
| | | <u>Less Than 1 Year</u> | |
| Certificates of Deposit | \$ 20,085,500 | \$ | 20,085,500 |
| Mutual Funds | 47,010,099 | | 47,010,099 |
| Total | <u>\$ 67,095,599</u> | <u>\$</u> | <u>67,095,599</u> |

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 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.

The Community Legacy Fund, 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. The City does not have a formal investment policy for interest rate risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City does not have a formal investment policy in regards to credit risk for investments. The distribution of securities with credit ratings is summarized below.

| <u>Investment Type</u> | <u>Morningstar Rating</u> | <u>City of Fort Wayne Investments Amount</u> |
|-------------------------|---------------------------|--|
| Certificates of Deposit | NR | \$ 20,085,500 |
| Mutual Funds | Below Average | 10,655,207 |
| | Average | 33,802,034 |
| | High | <u>2,552,858</u> |
| | Total | \$ 67,095,599 |

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 effects 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 City's exposure to foreign currency risk derives from their investment at December 31, 2012 in foreign mutual funds with a fair value of \$9,348,069.

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, 2012, the City's discretely presented component units' deposits with financial institutions of \$19,462,881 were entirely insured by federal depository insurance, with the exception of UEA's deposits of \$711,027 and CDC's deposit of \$1,101,176.

Note 3. Capital Assets

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

Primary government

| | Beginning Balance | Additions | Reductions | Ending Balance |
|---|-----------------------|-----------------------|----------------------|-----------------------|
| Governmental activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 38,454,767 | \$ 164,864 | \$ 769 | \$ 38,618,862 |
| Roads accounted for using the modified approach | 522,301,746 | 46,550 | - | 522,348,296 |
| Construction in progress | 6,288,198 | 4,523,505 | 1,641,374 | 9,170,329 |
| Total capital assets not being depreciated | 567,044,711 | 4,734,919 | 1,642,143 | 570,137,487 |
| Capital assets being depreciated: | | | | |
| Buildings | 152,926,217 | - | 26,288,125 | 126,638,092 |
| Improvements other than buildings | 90,561,911 | - | 7,500 | 90,554,411 |
| Machinery and equipment | 68,223,088 | 2,482,392 | 396,648 | 70,308,832 |
| Total capital assets being depreciated | 311,711,216 | 2,482,392 | 26,692,273 | 287,501,335 |
| Less accumulated depreciation for: | | | | |
| Buildings | 37,396,200 | 3,226,337 | 2,628,813 | 37,993,724 |
| Improvements other than buildings | 25,696,170 | 2,431,482 | 7,500 | 28,120,152 |
| Machinery and equipment | 48,960,051 | 5,455,859 | 396,648 | 54,019,262 |
| Total accumulated depreciation | 112,052,421 | 11,113,678 | 3,032,961 | 120,133,138 |
| Total capital assets being depreciated, net | 199,658,795 | (8,631,286) | 23,659,312 | 167,368,197 |
| Total governmental activities capital assets, net | <u>\$ 766,703,506</u> | <u>\$ (3,896,367)</u> | <u>\$ 25,301,455</u> | <u>\$ 737,505,684</u> |

The above governmental activities capital assets include internal service funds capital assets as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance |
|---|----------------------|------------------|-------------|-------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 27,277 | \$ - | \$ - | \$ 27,277 |
| Capital assets being depreciated: | | | | |
| Buildings | 517,359 | - | - | 517,359 |
| Machinery and equipment | 520,038 | 56,000 | - | 576,038 |
| Total capital assets being depreciated | 1,037,397 | 56,000 | - | 1,093,397 |
| Less accumulated depreciation for: | | | | |
| Buildings | 179,035 | 16,416 | - | 195,451 |
| Machinery and equipment | 480,605 | 24,324 | - | 504,929 |
| Total accumulated depreciation | 659,640 | 40,740 | - | 700,380 |
| Total capital assets being depreciated, net | 377,757 | 15,260 | - | 393,017 |
| Total internal service capital assets, net | <u>\$ 405,034</u> | <u>\$ 15,260</u> | <u>\$ -</u> | <u>\$ 420,294</u> |

| | Beginning Balance | Additions | Reductions | Ending Balance |
|--|-----------------------|----------------------|---------------------|-----------------------|
| Business-type activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 9,510,764 | \$ 190,441 | \$ - | \$ 9,701,205 |
| Construction in progress | 44,671,487 | 45,039,338 | - | 89,710,825 |
| Total capital assets not being depreciated | 54,182,251 | 45,229,779 | - | 99,412,030 |
| Capital assets being depreciated: | | | | |
| Distribution and collection | 509,347,897 | 23,477,968 | 460,998 | 532,364,867 |
| Buildings and improvements | 189,720,326 | 3,192,572 | 37,120 | 192,875,778 |
| Equipment and machinery | 171,739,703 | 5,582,593 | 747,179 | 176,575,117 |
| Total capital assets being depreciated | 870,807,926 | 32,253,133 | 1,245,297 | 901,815,762 |
| Less accumulated depreciation for: | | | | |
| Distribution and collection | 125,673,891 | 7,751,097 | 417,972 | 133,007,016 |
| Buildings and improvements | 65,060,965 | 4,353,699 | 16,255 | 69,398,409 |
| Equipment and machinery | 81,963,812 | 8,571,079 | 482,998 | 90,051,893 |
| Total accumulated depreciation | 272,698,668 | 20,675,875 | 917,225 | 292,457,318 |
| Total capital assets being depreciated, net | 598,109,258 | 11,577,258 | 328,072 | 609,358,444 |
| Total business-type activities capital assets, net | <u>\$ 652,291,509</u> | <u>\$ 56,807,037</u> | <u>\$ 328,072</u> | <u>\$ 708,770,474</u> |
| Discretely presented component units: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 1,428,430 | \$ - | \$ - | \$ 1,428,430 |
| Construction in progress | 3,119,311 | 4,340 | 3,119,311 | 4,340 |
| Total capital assets not being depreciated | 4,547,741 | 4,340 | 3,119,311 | 1,432,770 |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 55,319,397 | 6,217,082 | 41,425 | 61,495,054 |
| Equipment and machinery | 18,936,398 | 2,187,542 | 765,381 | 20,358,559 |
| Total capital assets being depreciated | 74,255,795 | 8,404,624 | 806,806 | 81,853,613 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 13,205,832 | 1,565,276 | 41,425 | 14,729,683 |
| Equipment and machinery | 10,328,428 | 1,304,472 | 763,966 | 10,868,934 |
| Total accumulated depreciation | 23,534,260 | 2,869,748 | 805,391 | 25,598,617 |
| Total capital assets being depreciated, net | 50,721,535 | 5,534,876 | 1,415 | 56,254,996 |
| Total discretely presented component units capital assets, net | <u>\$ 55,269,276</u> | <u>\$ 5,539,216</u> | <u>\$ 3,120,726</u> | <u>\$ 57,687,766</u> |

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

| | |
|---|----------------------|
| Governmental activities: | |
| General government | \$ 1,019,417 |
| Public safety | 3,622,751 |
| Highways and streets | 2,156,143 |
| Health and welfare | 113,523 |
| Urban redevelopment and housing | 1,610,499 |
| Culture and recreation | <u>2,550,605</u> |
| Subtotal | 11,072,938 |
| Internal Service Funds* | <u>40,740</u> |
| Total depreciation expense - governmental activities | <u>\$ 11,113,678</u> |
| Business-type activities: | |
| Water | \$ 7,385,260 |
| Wastewater | 9,954,503 |
| Stormwater | 2,065,014 |
| Parking garages | 358,127 |
| Solid waste | 908,136 |
| Other | <u>4,835</u> |
| Total depreciation expense - business-type activities | <u>\$ 20,675,875</u> |

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

Note 4. Short-Term Liabilities

Bond Anticipation Notes

In 2008, the Water Utility financed the acquisition of Aqua Indiana assets with Waterworks Utility Revenue Bond Anticipation Notes, Series 2008 (BAN1) issued February 5, 2008 for \$17,840,000. The BAN1 had an interest rate of 1.81% and was payable on or before February 11, 2009. BAN1 was retired from the proceeds of the Waterworks Utility Revenue Bond Anticipation Notes, Series 2009 (BAN2). BAN2 was issued on February 11, 2009 in the amount of \$17,840,000. BAN2 had an interest rate of 4.25% and was payable on February 11, 2010. BAN2 was retired from the proceeds of the Waterworks Utility Revenue Bond Anticipation Notes, Series 2010 (BAN3). BAN3 was issued on February 11, 2010 in the amount of \$17,840,000. BAN3 had an interest rate of 0.60% and was payable on February 10, 2011. BAN3 was retired by the proceeds of the Waterworks Utility Revenue Bond Anticipation Notes, Series 2011 (BAN4). BAN4 was issued on February 9, 2011 in the amount of \$17,840,000 with an interest rate of 0.65 % and was payable on February 8, 2012. BAN4 was retired by the proceeds of the Waterworks Utility Revenue Bond Anticipation Notes, Series 2012 (BAN5). BAN5 was issued on February 7, 2012 in the amount of \$17,840,000 with an interest rate of 0.48% and was payable on February 5, 2013. On December 27, 2012 proceeds from the Waterworks Utility Revenue Bond Series A were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments for BAN5. As a result, the BAN5 liability has been removed from the Statement of Net Position.

Short-term debt activity for the year ended December 31, 2012, was as follows:

| | <u>Beginning Balance</u> | <u>Issued</u> | <u>Repayments</u> | <u>Ending Balance</u> |
|---------------------------|------------------------------|----------------------|----------------------|---------------------------|
| Business-type Activities: | | | | |
| Bond anticipation notes | <u>\$ 17,840,000</u> | <u>\$ 17,840,000</u> | <u>\$ 35,680,000</u> | <u>\$ -</u> |

Note 5. Long-term Debt

A. Changes in Long-term Debt

During the year ended December 31, 2012, the following changes occurred in liabilities reported on the Statement of Net Position:

Primary government:

| | Balance, 1/1/2012 | Additions | Reductions | Balance, 12/31/2012 | Due Within One Year |
|--|-----------------------|-----------------------|----------------------|------------------------|------------------------|
| <u>Governmental Activities:</u> | | | | | |
| General obligation bonds | \$ 2,530,000 | \$ - | \$ 285,000 | \$ 2,245,000 | \$ 295,000 |
| Special obligation bonds | 61,450,000 | - | 7,405,000 | 54,045,000 | 6,460,000 |
| Compensated absences | 9,695,929 | 3,233,530 | 3,505,900 | 9,423,559 | 9,311,413 |
| First mortgage bonds | 36,260,000 | - | 2,245,000 | 34,015,000 | 2,210,000 |
| Capital leases | 57,385,710 | 5,570,506 | 6,524,485 | 56,431,731 | 6,267,253 |
| Notes and loans payable | 9,621,584 | - | 1,760,124 | 7,861,460 | 2,120,978 |
| Other postemployment benefits liability | 7,785,049 | 8,141,086 | 4,793,386 | 11,132,749 | - |
| Net pension obligation | 94,405,588 | - | 234,289 | 94,171,299 | - |
| Totals | \$ 279,133,860 | \$ 16,945,122 | \$ 26,753,184 | \$ 269,325,798 | \$ 26,664,644 |
| <u>Business-type Activities:</u> | | | | | |
| Revenue bonds | \$ 148,400,000 | \$ 75,205,000 | \$ 14,315,000 | \$ 209,290,000 | \$ 9,060,000 |
| Compensated absences | 2,507,733 | 2,093,676 | 2,051,877 | 2,549,532 | 1,083,404 |
| Capital leases | 2,522,315 | - | 358,533 | 2,163,782 | 368,788 |
| Notes and loans payable | 134,356,392 | 23,822,570 | 23,228,208 | 134,950,754 | 8,622,875 |
| Other long-term liabilities | 15,341 | - | 15,341 | - | - |
| Net pension obligation | 197,674 | 420,647 | - | 618,321 | - |
| Totals | \$ 287,999,455 | \$ 101,541,893 | \$ 39,968,959 | \$ 349,572,389 | \$ 19,135,067 |
| <u>Discretely presented component units:</u> | | | | | |
| Lease rental revenue bonds payable | \$ 69,205,000 | \$ 25,135,000 | \$ 28,185,000 | \$ 66,155,000 | \$ 3,215,000 |
| Capital leases | 26,095,397 | - | 1,092,403 | 25,002,994 | 1,099,532 |
| Totals | \$ 95,300,397 | \$ 25,135,000 | \$ 29,277,403 | \$ 91,157,994 | \$ 4,314,532 |

The major governmental and proprietary funds are primarily used to liquidate the liability for compensated absences.

The major governmental and proprietary funds and the pension trust funds are primarily used to liquidate the liability for net pension obligation.

The major governmental funds are primarily used to liquidate the liability for other postemployment benefits.

B. Description of Bond Issues

Primary government:

| <u>Governmental Activities:</u> | <u>Balance,</u> <u>12/31/12</u> | <u>Due Within</u> <u>One Year</u> | <u>Premium</u> <u>(Deferral of</u> <u>Loss on</u> <u>Refunding)</u> | <u>Due In More</u> <u>Than One Year</u> |
|---|--------------------------------------|--------------------------------------|--|--|
| General Obligation Bonds: | | | | |
| \$3,100,000 2009 Park District Refunding Bonds due in installments of \$295,000 to \$355,000 plus interest through July 1, 2019; interest at 3 percent to 4 percent. | \$ 2,245,000 | \$ 295,000 | \$ (105,979) | \$ 1,844,021 |
| <u>Governmental Activities:</u> | <u>Balance,</u> <u>12/31/2012</u> | <u>Due Within</u> <u>One Year</u> | <u>Premium</u> <u>(Discount)</u> | <u>Due In More</u> <u>Than One Year</u> |
| Special Obligation Bonds: | | | | |
| \$25,000,000 2005 Economic Development Income Tax Revenue Bonds due in installments of \$1,305,000 to \$1,510,000 plus interest through December 1, 2016; interest at 4.25 percent. | \$ 11,230,000 | \$ 2,635,000 | \$ 129,980 | \$ 8,724,980 |
| \$3,310,000 Redevelopment District Revenue Bonds, Series 2005 A-1 due in installments of \$110,000 to \$155,000 through June 1, 2021; interest at 4.25 percent to 5.0 percent. | 2,235,000 | 220,000 | 29,253 | 2,044,253 |
| \$6,690,000 Redevelopment District Revenue Bonds, Series 2005 A-2 due in installments of \$220,000 to \$330,000 through June 1, 2021; interest at 4.85 percent to 5.24 percent. | 4,585,000 | 445,000 | - | 4,140,000 |
| \$10,000,000 Redevelopment District Revenue Bonds, Series 2005 B due in installments of \$515,000 to \$595,000 through December 1, 2016; interest at 4.00 percent to 4.125 percent. | 4,440,000 | 1,040,000 | 15,870 | 3,415,870 |
| \$10,000,000 2005 Park District Improvement Bonds due in installments of \$1,315,000 to \$1,415,000 plus interest through July 15, 2015; interest at 3.75 percent. | 4,090,000 | 1,315,000 | - | 2,775,000 |
| \$30,000,000 2009 Economic Development Income Tax Revenue Bonds due in installments of \$400,000 to \$1,015,000 plus interest through June 1, 2034; interest at 3.0 percent to 5.125 percent. | 27,465,000 | 805,000 | (454,709) | 26,205,291 |
| Total Special Obligation Bonds | \$ 54,045,000 | \$ 6,460,000 | \$ (279,606) | \$ 47,305,394 |

| First Mortgage Bonds: | Balance, 12/31/2012 | Due Within One Year | Premium (Discount) | Due In More Than One Year |
|--|------------------------|------------------------|-----------------------|------------------------------|
| \$4,215,000 2005 First Mortgage Bonds due in installments of \$135,000 to \$185,000 plus interest through December 1, 2020; interest at 4.00 percent to 4.50 percent. | \$ 2,555,000 | \$ 275,000 | \$ - | \$ 2,280,000 |
| \$20,825,000, 2006 First Mortgage Bonds due in installments of \$1,320,000 to \$1,895,000 plus interest through December 15, 2022; interest at 4.38 percent to 5.01 percent. | 16,130,000 | 1,320,000 | - | 14,810,000 |
| \$7,655,000, 2009 First Mortgage Bonds-Series 2009A due in installments of \$155,000 to \$815,000 plus interest through December 15, 2022; interest at 3.00 percent to 4.125 percent. | 6,490,000 | 615,000 | 125,940 | 6,000,940 |
| \$8,840,000, 2009 First Mortgage Bonds-Series 2009B due in installments of \$690,000 to \$2,465,000 plus interest through December 15, 2029; interest at 5.60 percent to 6.37 percent. | 8,840,000 | - | - | 8,840,000 |
| Total First Mortgage Bonds | \$ 34,015,000 | \$ 2,210,000 | \$ 125,940 | \$ 31,930,940 |

| <u>Business-type Activities:</u> Revenue Bonds: | Balance, 12/31/2012 | Due Within One Year | Premium (Discount/ Deferral of Loss on Refunding) | Due In More Than One Year |
|---|------------------------|------------------------|---|------------------------------|
| \$1,700,000 2001 Parking Garage Revenue Bonds due in installments of \$95,000 to \$140,000 plus interest through January 15, 2021; interest at 5.13 percent to 5.59 percent. | \$ 1,035,000 | \$ 95,000 | \$ - | \$ 940,000 |
| \$5,750,000 2002 Sewage Works Junior Revenue Bonds, Series C due in installments of \$420,000 to \$500,000 plus interest through 2017; interest at 1.3 percent to 4.55 percent. | 2,295,000 | 420,000 | - | 1,875,000 |

| <u>Business-type Activities:</u> | Balance, 12/31/2012 | Due Within One Year | Premium (Discount/ Deferral of Loss on Refunding) | Due In More Than One Year |
|--|------------------------|------------------------|---|------------------------------|
| Revenue Bonds: | | | | |
| \$5,800,000 2003 Water Works Revenue Bond due in installments of \$425,000 to \$505,000 plus interest through 2017; interest at 2.0 percent to 4.25 percent. | 2,310,000 | 425,000 | 5,782 | 1,890,782 |
| \$12,350,000 2003 Sewage Works Junior Revenue Bonds due in installments of \$860,000 to \$1,045,000 plus interest through 2018; interest at 2.0 percent to 3.8 percent. | 5,690,000 | 860,000 | 9,585 | 4,839,585 |
| \$16,700,000 2006 Water Works Revenue Bond due in installments of \$1,420,000 to \$2,345,000 plus interest through 2019; interest at 2.7 percent to 4.4 percent. | 12,260,000 | 1,420,000 | 28,015 | 10,868,015 |
| \$17,000,000 2006 Stormwater Management District Revenue Bond due in installments of \$1,065,000 to \$1,500,000 plus interest through 2021; interest at 3.75 percent to 4.0 percent. | 11,420,000 | 1,065,000 | 32,725 | 10,387,725 |
| \$24,155,000 2007 Sewage Works Revenue Bonds of 2007, due in installments of \$970,000 to \$1,775,000 plus interest through 2027; interest at 4.25 percent to 4.75 percent. | 19,930,000 | 970,000 | (18,522) | 18,941,478 |
| \$41,045,000 2010 Sewage Works Revenue Bonds of 2010, due in installments of \$1,715,000 to \$3,135,000 plus interest through 2030; interest at 4.25 percent to 4.50 percent. | 41,045,000 | 1,715,000 | (214,790) | 39,115,210 |
| \$38,100,000 2011 Sewage Works Revenue Bonds of 2011, due in installments of \$2,580,000 to \$3,490,000 plus interest through 2026; interest at 2.8 percent. | 38,100,000 | - | - | 38,100,000 |
| \$15,530,000 2012 Sewage Works Revenue Bonds of 2012, due in installments of \$1,000,000 to \$1,295,000 plus interest through 2027; interest at 2.0 percent to 3.0 percent. | 15,530,000 | - | 671,528 | 16,201,528 |
| \$19,675,000 2012 Sewage Works Refunding Revenue Bonds of 2012, due in installments of \$1,500,000 to \$2,140,000 plus interest through 2022; interest at 1.45 percent. | 19,675,000 | 1,500,000 | (217,907) | 17,957,093 |
| \$40,000,000 2012 Water Works Revenue Bonds of 2012, due in installments of \$590,000 to \$2,975,000 plus interest through 2032; interest at 2.0 percent to 3.0 percent. | 40,000,000 | 590,000 | 564,643 | 39,974,643 |
| Total Revenue Bonds | <u>\$ 209,290,000</u> | <u>\$ 9,060,000</u> | <u>\$ 861,059</u> | <u>\$ 201,091,059</u> |

Discretely presented component units:

| | Balance 12/31/2012 | Due Within One Year | Premium (Discount/ Deferral of Loss on Refunding) | Due In More Than One Year |
|--|-----------------------|------------------------|---|------------------------------|
| Lease Rental Revenue Bonds: | | | | |
| \$25,635,000 2007A Fort Wayne Redevelopment Authority Lease Rental Revenue Bonds due in installments of \$250,000 to \$1,405,000 plus interest through February 1, 2034; interest at 4.50 percent to 5.25 percent. | \$ 25,635,000 | \$ - | \$ 126,620 | \$ 25,761,620 |
| \$18,235,000 2007B Fort Wayne Redevelopment Authority Lease Rental Revenue Bonds due in installments of \$635,000 to \$1,450,000 plus interest through February 1, 2020; interest at 5.0 percent to 5.8 percent. | 15,385,000 | 1,495,000 | (40,984) | 13,849,016 |
| \$25,135,000 2012 Fort Wayne Redevelopment Authority Lease Rental Revenue Refunding Bonds due in installments of \$1,230,000 to \$1,980,000 plus interest through February 1, 2028; interest at 3.0 percent to 5.0 percent. | 25,135,000 | 1,720,000 | 1,409,027 | 24,824,027 |
| Total Lease Rental Revenue Bonds | <u>\$ 66,155,000</u> | <u>\$ 3,215,000</u> | <u>\$ 1,494,663</u> | <u>\$ 64,434,663</u> |

The general obligation bond is backed by the full faith and credit of the City of Fort Wayne.

The special obligation bonds and first mortgage bonds are not backed by the full faith and credit of the City of Fort Wayne. The 2005 Series B and 2005 Park District Bonds, and in addition, the 2005 and 2009 Economic Development Income Tax Revenue Bonds, special obligation bonds, are secured by a pledge of the City's Economic Development Income Tax revenues. 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 2005, 2006, 2009 Series A, and 2009 Series B First Mortgage Bonds are secured by the pledge of the mortgaged property.

The general obligation, special obligation, and first mortgage bonds are payable from governmental funds. The revenue bonds are payable from proprietary (enterprise) funds.

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

C. Debt Service Requirement to Maturity - Bonds

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

Primary government:

Governmental Activities:

| Year Ended December 31 | General Obligation | | | Special Obligation | | |
|---------------------------|---------------------|-------------------|---------------------|----------------------|----------------------|----------------------|
| | Principal | Interest | Totals | Principal | Interest | Totals |
| 2013 | \$ 295,000 | \$ 80,750 | \$ 375,750 | \$ 6,460,000 | \$ 2,375,969 | \$ 8,835,969 |
| 2014 | 300,000 | 71,900 | 371,900 | 6,720,000 | 2,115,820 | 8,835,820 |
| 2015 | 310,000 | 62,900 | 372,900 | 6,990,000 | 1,841,328 | 8,831,328 |
| 2016 | 315,000 | 53,600 | 368,600 | 5,830,000 | 1,547,862 | 7,377,862 |
| 2017 | 330,000 | 41,000 | 371,000 | 1,735,000 | 1,338,503 | 3,073,503 |
| 2018-2022 | 695,000 | 42,000 | 737,000 | 8,385,000 | 5,471,185 | 13,856,185 |
| 2023-2027 | - | - | - | 6,555,000 | 3,830,150 | 10,385,150 |
| 2028-2032 | - | - | - | 8,400,000 | 1,988,740 | 10,388,740 |
| 2033-2037 | - | - | - | 2,970,000 | 153,493 | 3,123,493 |
| Total | \$ 2,245,000 | \$ 352,150 | \$ 2,597,150 | \$ 54,045,000 | \$ 20,663,050 | \$ 74,708,050 |

Business-type Activities:

| Year Ended December 31 | First Mortgage | | | Revenue | | |
|---------------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|-----------------------|
| | Principal | Interest | Totals | Principal | Interest | Totals |
| 2013 | \$ 2,210,000 | \$ 1,653,709 | \$ 3,863,709 | \$ 9,060,000 | \$ 6,633,386 | \$ 15,693,386 |
| 2014 | 2,295,000 | 1,566,343 | 3,861,343 | 13,615,000 | 6,623,640 | 20,238,640 |
| 2015 | 2,390,000 | 1,474,550 | 3,864,550 | 14,150,000 | 6,193,653 | 20,343,653 |
| 2016 | 2,485,000 | 1,376,050 | 3,861,050 | 14,520,000 | 5,742,780 | 20,262,780 |
| 2017 | 2,590,000 | 1,269,743 | 3,859,743 | 14,915,000 | 5,276,220 | 20,191,220 |
| 2018-2022 | 13,895,000 | 4,503,422 | 18,398,422 | 67,735,000 | 19,487,528 | 87,222,528 |
| 2023-2027 | 4,655,000 | 2,001,241 | 6,656,241 | 52,265,000 | 9,684,597 | 61,949,597 |
| 2028-2029 | 3,495,000 | 379,652 | 3,874,652 | 23,030,000 | 2,109,678 | 25,139,678 |
| Total | \$ 34,015,000 | \$ 14,224,710 | \$ 48,239,710 | \$ 209,290,000 | \$ 61,751,482 | \$ 271,041,482 |

Discretely presented component units:

| Year Ended December 31 | Lease Rental Revenue | | |
|---------------------------|----------------------|----------------------|----------------------|
| | Principal | Interest | Totals |
| 2013 | \$ 3,215,000 | \$ 3,058,525 | \$ 6,273,525 |
| 2014 | 2,980,000 | 2,935,635 | 5,915,635 |
| 2015 | 3,190,000 | 2,804,138 | 5,994,138 |
| 2016 | 3,305,000 | 2,655,625 | 5,960,625 |
| 2017 | 3,585,000 | 2,489,296 | 6,074,296 |
| 2018-2022 | 19,825,000 | 9,608,106 | 29,433,106 |
| 2023-2027 | 21,180,000 | 4,836,055 | 26,016,055 |
| 2028-2032 | 7,370,000 | 1,050,247 | 8,420,247 |
| 2033-2037 | 1,505,000 | 75,875 | 1,580,875 |
| Total | <u>\$ 66,155,000</u> | <u>\$ 29,513,502</u> | <u>\$ 95,668,502</u> |

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 |
|------|------------------|----------------------|
| 2006 | Fire Trucks | \$ 2,750,000 |
| 2007 | Parking Garage | 18,235,000 |
| 2008 | Equipment | 5,150,000 |
| 2009 | Equipment | 2,900,000 |
| 2009 | Baseball Stadium | 25,635,000 |
| 2010 | Equipment | 4,200,000 |
| 2011 | Equipment | 8,200,000 |
| 2012 | Radios | 5,570,506 |
| | Totals | <u>\$ 72,640,506</u> |

Business-type Activities:

| | | |
|------|------------------------|---------------------|
| 2011 | Recycle Bin Containers | <u>\$ 2,700,000</u> |
|------|------------------------|---------------------|

Discretely presented component units:

In 2003, the Allen County Fort Wayne Capital Improvement Board of Managers 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, 2012:

| Year Ended December 31 | Primary Government | | Discretely Presented Component Units |
|---|----------------------------|-----------------------------|---|
| | Governmental Activities | Business-type Activities | |
| 2013 | \$ 8,629,643 | \$ 427,639 | \$ 2,449,300 |
| 2014 | 7,533,076 | 427,640 | 2,217,300 |
| 2015 | 6,871,578 | 427,639 | 2,220,300 |
| 2016 | 5,547,491 | 427,639 | 2,217,300 |
| 2017 | 4,719,262 | 641,458 | 2,215,300 |
| 2018-2022 | 20,372,523 | - | 11,091,500 |
| 2023-2027 | 16,005,000 | - | 10,400,500 |
| 2028-2032 | 6,419,000 | - | 2,082,300 |
| 2033-2034 | 1,587,500 | - | - |
| Total minimum lease payments | 77,685,073 | 2,352,015 | 34,893,800 |
| Less amount representing interest | 21,253,342 | 188,233 | 9,890,806 |
| Present value of net minimum lease payments | <u>\$ 56,431,731</u> | <u>\$ 2,163,782</u> | <u>\$ 25,002,994</u> |

E. Loans Payable

| <u>Governmental Activities:</u> | <u>Balance 12-31-12</u> |
|--|-----------------------------|
| The City borrowed \$1,140,000 in 1999. Payments are due in installments of \$85,000 to \$105,000 plus interest 4.83 to 5.19 percent through August 1, 2016. This loan is payable from the Community Development Block Grant Fund (non-major special revenue fund). | \$ 380,000 |
| The City borrowed \$2,500,000 in 2008. The remaining installment due is \$1,500,000 plus interest of 5.75 percent through July 1, 2013. This loan is payable from the CEDIT Fund. | 1,500,000 |
| The City borrowed \$6,250,000 in 2008. Payments are due in installments of \$350,000 to \$400,000 plus interest between 4.08 percent and 5.33 percent through August 1, 2027. This loan is payable from the Community Development Block Grant Fund (non-major special revenue fund). | 5,550,000 |
| The City borrowed \$1,100,000 in 2008. Payments are due in installments of \$53,460 to \$192,022 plus interest at prime rate through December 18, 2015. This loan is payable from the Redevelopment Fund. | <u>431,460</u> |
| Total | <u>\$ 7,861,460</u> |

Annual debt service requirements to maturity for the loans as of December 31, 2012, are as follows:

Business-type Activities:

| | |
|---|------------------------------|
| <p>During 2005, 2009, 2011 and 2012 the City entered into finance assistance agreements with the State of Indiana's Wastewater Revolving Loan program that allows for a maximum of \$40,000,000, \$5,000,000, \$33,576,000 and \$10,415,000 in 2005, 2009, 2011 and 2012 respectively, for improvements at the Wastewater treatment facility. At December 31, 2012, \$40,000,000, \$5,000,000, \$19,909,835 and \$4,435,333 had been drawn down against the 2005, 2009, 2011 and 2012 agreements, respectively, resulting in unissued loan principal of \$19,645,832. The City does not intend to draw any more funds against either the 2005 or 2009 agreement. Payments are due in installments of \$1,825,000 to \$2,635,000 plus interest at 3.1 percent through 2025 for the 2005 agreement. Payments are due in installments of \$241,883 to \$248,547 plus interest at .16 percent through 2030 for the 2009 agreement. Payments are due in installments of \$1,379,000 to \$2,073,000 plus interest at 2.29 percent through 2031 for the 2011 agreement. Payments are due in installments of \$453,000 to \$612,000 plus interest at 1.78 percent through 2032 for the 2012 agreement. The following debt service requirements to maturity reflect the anticipated loan payments after the loans have been drawn down completely.</p> | <p>\$ 56,233,784</p> |
| <p>During 2006, 2009 and 2011, 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 in 2006 to invest in improvements to the Water Utility's infrastructure. Payments are due in installments of \$2,020,000 to \$2,755,000 plus interest at 3.95 percent through 2021. In 2009, the City received \$29,091,005 to invest in improvements in the Wastewater Utility's infrastructure. Payments are due in installments of \$1,042,421 to \$2,084,297 plus interest at 4.16 percent through 2030. In 2011, the City received \$26,906,000 to invest in improvements in the Water Utility's infrastructure. Payments are due in installments of \$1,000 to \$2,073,000 plus interest at 2.967 percent through 2031.</p> | <p>75,380,399</p> |
| <p>During 2009, the City entered into a finance assistance agreement with the State of Indiana's Wastewater Revolving Loan program in which the City received \$906,000 for the purchase of wastewater assets from the Town of Zanesville. The interest rate is 2.0 percent and the principal matures serially in amounts ranging from \$115,000 in 2013 to \$120,000 in 2016.</p> | <p>471,000</p> |
| <p>During 2011, the City entered into a finance assistance agreement with State of Indiana's Waterworks revolving loan program in which the City received \$3,094,000 for improvement of waterworks utility. The interest rate is 3.746 percent and the principal matures serially in amounts ranging from \$1,272,000 in 2013 to \$1,320,000 in 2014.</p> | <p>2,592,000</p> |
| <p>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.</p> | <p><u>273,571</u></p> |
| <p>Total</p> | <p><u>\$ 134,950,754</u></p> |

Annual debt service requirements to maturity for the loans as of December 31, 2012, are as follows:

| Year Ended December 31 | Governmental Activities | | | Business-type Activities | | |
|---------------------------|-------------------------|--------------|---------------|----------------------------|---------------------------|----------------|
| | Principal | Interest | Totals | (Anticipated) Principal | (Anticipated) Interest | Totals |
| 2013 | \$ 2,120,978 | \$ 389,229 | \$ 2,510,207 | \$ 8,622,875 | \$ 4,398,826 | \$ 13,021,701 |
| 2014 | 632,022 | 278,830 | 910,852 | 8,602,057 | 4,429,574 | 13,031,631 |
| 2015 | 503,460 | 253,662 | 757,122 | 8,685,612 | 4,150,738 | 12,836,350 |
| 2016 | 455,000 | 231,699 | 686,699 | 8,962,048 | 3,878,593 | 12,840,641 |
| 2017 | 350,000 | 210,570 | 560,570 | 9,127,442 | 3,597,109 | 12,724,551 |
| 2018-2022 | 1,800,000 | 804,840 | 2,604,840 | 47,454,531 | 13,446,092 | 60,900,623 |
| 2023-2027 | 2,000,000 | 319,400 | 2,319,400 | 37,551,087 | 6,722,251 | 44,273,338 |
| 2028-2032 | - | - | - | 25,590,934 | 1,726,745 | 27,317,679 |
| Unissued | - | - | - | (19,645,832) | - | (19,645,832) |
| Total | \$ 7,861,460 | \$ 2,488,230 | \$ 10,349,690 | \$ 134,950,754 | \$ 42,349,928 | \$ 177,300,682 |

F. Debt Refunding

On December 4, 2012 the Wastewater Utility issued \$19,675,000 in refunding revenue bonds with an average interest rate of 1.45% to advance refund \$15,107,351 of outstanding 2002A series SRF loans with an interest rate of 4.00% annually and \$5,720,000 2002B series bonds with an interest rate range from 3.50% to 5.50%. The net proceeds of \$19,742,284 and local contribution of \$1,746,788 were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2002A loans and 2002B series bonds. As a result, these bonds and loans are considered to be defeased and the liabilities for those bonds and loans have been removed from the Statement of Net Position. The 2002A series SRF loans were called and paid in full in December, 2012. The 2002B series bonds were called and repaid in February, 2013. The refunding results in the accounting loss of \$283,536, which has been recognized on the Statement of Net Position as a net reduction of noncurrent bonds payable. This amount will be amortized using the straight line method and charged to interest expense over the next 10 years. The Wastewater Utility in effect lowered its aggregate debt service payment by \$4,410,628 over the next 11 years and realized an economic gain (difference between the present values of the old and new debt service payments) of \$2,411,890.

Note 6. Operating Leases

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

The City had a lease with the McMillen Foundation for \$200,000 annually, commencing October 1, 2004 and terminating September 30, 2009. The lease was for the entire building at 1320 E. Creighton Avenue, which houses the Police Operations Center. In September, 2009, the City entered into a verbal agreement with the McMillen Foundation to continue the lease on a month to month basis at the same rate as the previous lease. The Police Operations Center move to their new offices at the Edwin J. Rousseau Center was completed on March 30, 2012. The period covered for the last lease payment to the McMillan Foundation ended on March 31, 2012.

The City has a lease with J.D. Ventures, II, LLC for \$57,077 annually, commencing May 1, 2012 and terminating April 30, 2017. The lease is for the entire office warehouse building at 3220 Ciera Court. The building is being used for storage of city vehicles and related activities.

The City of Fort Wayne entered into a leasing agreement with Ivy Tech Community College on November 1, 2012 to lease to Ivy Tech Community College the entire Public Safety Academy for \$1 per year. This lease ends on December 31, 2022. The City of Fort Wayne entered into a leasing agreement with Ivy Tech Community College on November 1, 2012 to sublease 43,489 square feet of the Public Safety Academy at an annual amount of \$434,890 with a five year automatic renewal option. These leased facilities will be used by the Fort Wayne Police and Fire Department academies for the operation of their training facilities.

Note 7. Deficit Fund Balances

The following funds have deficit fund balances at December 31, 2012:

Primary Government:

Non-Major Debt Service fund - Deficit fund balance:

Public Safety Academy \$ 1,735,577

Non-Major Special Revenue funds - Deficit fund balance:

Omnibus Crime 1,456

Urban Enterprise Association 2,019

Total Deficit fund balances \$ 1,739,052

The deficit net fund balances listed above will be eliminated in 2013 by a decrease in expenditures and an increase in revenues.

Note 8. Interfund Balances and Activity

A. Due To/From Other Funds

The composition of due to/from other funds as of December 31, 2012, is as follows:

| Due To | Due From | | | | | | | | | Total |
|------------------------|--------------------|-----------------|---------------|------------------------|------------------|-------------------|------------------|----------------------|------------------|--------------------|
| | General | CEDIT | Parks | Non-major Governmental | Water | Wastewater | Stormwater | Non-major Enterprise | Internal Service | |
| Governmental: | | | | | | | | | | |
| General | \$ - | \$ - | \$ - | \$ - | \$261,553 | \$ 2,045 | \$ 7,420 | \$ - | \$ - | \$ 271,018 |
| Redevelopment | - | - | - | - | - | 165,000 | - | - | - | 165,000 |
| Community Legacy | - | - | - | - | - | 2,854 | - | - | - | 2,854 |
| Non-major Governmental | - | - | - | - | 299,825 | 102,704 | 7,381 | - | - | 409,910 |
| Proprietary: | | | | | | | | | | |
| Water | 1,201,860 | - | 598 | 9,705 | - | - | - | 423,109 | 66,222 | 1,701,494 |
| Wastewater | 98,730 | - | - | 20,891 | - | - | - | 644,367 | 58,233 | 822,221 |
| Stormwater | 14,253 | 3,046 | - | 4,972 | - | - | - | 222,553 | 17,556 | 262,380 |
| Non-major Enterprise | 250 | - | - | 76 | 508 | 773 | 267 | 3,887 | 23 | 5,784 |
| Internal Service | - | - | - | - | 509 | 409 | 1,161 | - | - | 2,079 |
| Totals | <u>\$1,315,093</u> | <u>\$ 3,046</u> | <u>\$ 598</u> | <u>\$ 35,644</u> | <u>\$562,395</u> | <u>\$ 273,785</u> | <u>\$ 16,229</u> | <u>\$1,293,916</u> | <u>\$142,034</u> | <u>\$3,642,740</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> | |
|------------------------|-------------------|----------------------|-------------------|
| Governmental: | | Proprietary: | |
| Non-major Governmental | <u>\$ 915,532</u> | Water | \$ 436,658 |
| | | Wastewater | 276,858 |
| | | Stormwater | 201,805 |
| | | Non-major Enterprise | <u>211</u> |
| | | Total | <u>\$ 915,532</u> |

In 2012, the Utilities participated in the City's Commercial Master Lease in order to finance the purchase of rolling stock at a not to exceed value of \$1,322,000. The Utilities will repay the City with interest over the 5 year term of the lease. The \$915,532 represents the amount that the Utilities owes the City for its share of the Commercial Master Lease.

C. Interfund Receivables/Payables – Pooled Cash

The following are reported in the fund financial statements:

| <u>Receivable Fund</u> | | <u>Payable Fund</u> | |
|------------------------|---------------------|------------------------|---------------------|
| Governmental: | | Governmental: | |
| Non-major Governmental | <u>\$ 2,969,543</u> | Non-major Governmental | <u>\$ 2,969,543</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, 2012 in the fund financial statements were as follows:

| Transfer From | Transfer To | | | | | | | | | |
|------------------------|---------------------|----------------------|---------------------|---------------------|---------------------|----------------------|------------------------|---------------------|---------------------|----------------------|
| | General | Highways and Streets | CEDIT | Parks | Redevelopment | Community Legacy | Non-major Governmental | Stormwater | Internal Service | Total |
| Governmental: | | | | | | | | | | |
| General | \$ - | \$ - | \$ 37,500 | \$ 1,000 | \$ - | \$ - | \$ 3,307,634 | \$ - | \$ - | \$ 3,346,134 |
| CEDIT | - | 800,000 | 2,300,000 | 1,800,000 | 1,368,768 | - | 1,975,216 | - | - | 8,243,984 |
| Fire | - | - | 37,500 | - | - | - | 122,500 | - | - | 160,000 |
| Redevelopment | - | - | 782,933 | 53,000 | 5,509,807 | - | 64,041 | - | - | 6,409,781 |
| Non-major Governmental | 93,362 | - | 77,711 | 20,239 | 134,119 | - | 2,413,351 | - | 1,400,000 | 4,138,782 |
| Proprietary: | | | | | | | | | | |
| Water | 2,307,685 | - | - | - | - | - | - | - | - | 2,307,685 |
| Wastewater | 3,621,643 | - | - | - | - | - | - | 2,992,637 | - | 6,614,280 |
| Stormwater | 1,117,374 | - | - | - | - | - | - | - | - | 1,117,374 |
| Non-major Enterprise | - | 766,040 | - | - | - | 61,368,700 | - | - | - | 62,134,740 |
| Total | <u>\$ 7,140,064</u> | <u>\$ 1,566,040</u> | <u>\$ 3,235,644</u> | <u>\$ 1,874,239</u> | <u>\$ 7,012,694</u> | <u>\$ 61,368,700</u> | <u>\$ 7,882,742</u> | <u>\$ 2,992,637</u> | <u>\$ 1,400,000</u> | <u>\$ 94,472,760</u> |

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 9. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural 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.

Self Insurance

Beginning in 2012, the activity for General and Auto Liability, Worker's Compensation, and the Group Health Insurance is accounted for in the Self Insurance fund, an internal service fund.

General and Auto Liability

The City is assuming the risk in this area up to the Indiana governmental tort liability limit of \$700,000 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.

Worker's Compensation Insurance

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 \$250,000 per employee per injury. The risk of loss related to Police Officers and Firefighters is assumed separately from this fund, as defined under the Indiana Police and Fire Pension Fund laws.

Premiums are paid into the Self Insurance 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, 2012, the liability for Worker's Compensation was \$543,433. 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 |
|------|----------------------|---------------------------------------|-------------------|-------------------|
| 2011 | \$ 1,402,274 | \$ (516,388) | \$ 155,475 | \$ 730,411 |
| 2012 | 730,411 | 683,683 | 870,661 | 543,433 |

Group Health Insurance

An excess policy covers individual claims in excess of \$275,000 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 \$2,765,307 in 2012.

Premiums are paid into the Self 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, 2012, the liability for Group Health Insurance was \$1,453,447. This liability is the City's best estimate based on available information. An analysis of claims activities is presented below:

| | <u>Beginning Balance</u> | <u>Claims and Changes in Estimates</u> | <u>Claim Payments</u> | <u>Ending Balance</u> |
|------|------------------------------|--|---------------------------|---------------------------|
| 2011 | \$ 2,321,639 | \$ 20,424,791 | \$ 20,822,461 | \$ 1,923,969 |
| 2012 | 1,923,969 | 25,203,920 | 25,674,442 | 1,453,447 |

Note 10. Segment Information

| | |
|--|--|
| <u>Types of Good or Services Provided:</u> | <u>2001 Parking Garage Addition</u> Used to account for revenues and expenses in connection with the joint City and County parking facility addition. |
| <u>Condensed Statement of Net Position</u> | |
| Assets: | |
| Restricted cash and cash equivalents | \$ 4,018 |
| Unamortized issuance costs | 31,974 |
| Capital assets (net of accumulated depreciation) | <u>1,180,205</u> |
| Total assets | <u>1,216,197</u> |
| Liabilities: | |
| Current liabilities | 120,996 |
| Revenue bonds payable, net | <u>940,000</u> |
| Total liabilities | <u>1,060,996</u> |
| Net position: | |
| Invested in capital assets | 145,205 |
| Restricted for debt service | <u>9,996</u> |
| Total net position | <u>\$ 155,201</u> |
| <u>Condensed Statement of Revenues, Expenses and Changes in Net Position</u> | |
| Depreciation expense | <u>\$ (42,150)</u> |
| Operating income | <u>(42,150)</u> |
| Nonoperating revenues (expenses): | |
| Interest and investment revenue | 3 |
| Interest expense | (56,909) |
| Amortization of debt issuance costs | <u>(3,553)</u> |
| Change in net position | (102,609) |
| Total net position - beginning | <u>257,810</u> |
| Total net position - ending | <u>\$ 155,201</u> |
| <u>Condensed Statement of Cash Flows</u> | |
| Net cash provided (used) by: | |
| Capital and related financing activities | \$ (148,985) |
| Investing activities | <u>3</u> |
| Net decrease in cash and cash equivalents | (148,982) |
| Cash and cash equivalents, January 1 | <u>153,000</u> |
| Cash and cash equivalents, December 31 | <u>\$ 4,018</u> |

Note 11. Other Postemployment Benefits

Single-Employer Defined Benefit Healthcare Plan

Plan Description

The Fort Wayne Retiree Healthcare Plan is a single-employer defined benefit healthcare plan administered by the City of Fort Wayne in an internal service fund. The plan provides health care benefits and life insurance to eligible retirees and their spouses. IC 5-10-8 assigns the authority to establish and amend benefit provisions to the City.

Funding Policy

The contribution requirements of plan members for the Fort Wayne Retiree Healthcare Plan are established by the City Council. The required contribution is based on projected pay-as-you-go financing requirements. For the year ended December 31, 2012, the City contributed \$4,793,386 to the plan.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The latest actuarial study was done as of December 31, 2011 with a December 31, 2012 projection. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the plan.

| | |
|--|-----------------------------|
| Annual required contribution | \$ 8,220,636 |
| Interest on net OPEB obligation | 428,178 |
| Adjustment to ARC | <u>(507,728)</u> |
| Annual OPEB cost | 8,141,086 |
| Contributions made | <u>4,793,386</u> |
| Increase in net OPEB obligation | 3,347,700 |
| Net OPEB obligation, beginning of year | <u>7,785,049</u> |
| Net OPEB obligation, end of year | <u><u>\$ 11,132,749</u></u> |

The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the two preceding years were as follows:

| Year Ending | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|----------------|------------------------|---|---------------------------|
| 12/31/2012 | \$ 8,141,086 | 59% | \$ 11,132,749 |
| 12/31/2011 | 7,041,980 | 56% | 7,785,049 |
| 12/31/2010 | 6,879,223 | 65% | 4,665,441 |

Funding Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$75,828,671 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$75,828,671. The covered payroll (annual payroll of active employees covered by the plan) was \$101,069,487 and the ratio of the UAAL to covered payroll was 75%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about a probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long term perspective of the calculations.

In the December 31, 2011, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included an annual healthcare cost trend rate of 10% initially, reduced by decrements to an ultimate rate of 5% after twenty one years. All inflation is covered under the health care cost trend rate. A 5.5% rate of return on investments is assumed. The UAAL is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at December 31, 2012, was 23 years.

Note 12. Conduit Debt

From time to time, the City of Fort Wayne has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City of Fort Wayne, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2012, there were 12 series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for 11 series issued after July 1, 1985 was \$31,081,470. The aggregate principal amount payable for the one series issued prior to July 1, 1985, could not be determined; however, the original issue amount was \$8,452,000.

Note 13. Restricted Assets

The City has restricted assets for the following Governmental fund account.

Debt Service Reserve

An amount of money that is required to maintain the reserve account in the full amount of a sum equal to the least of (i) the maximum semiannual debt reserve on the bonds, or (ii) 125% of the average annual debt service on the bonds, or (iii) ten percent (10%) of the proceeds of the bond.

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

Sinking Fund

Monthly deposits into sinking fund account for the Sewage Works Utility's net revenues is required to be in an amount equal to at least 1/6 of the next semi-annual interest payment and 1/12 of the next annual principal payment. Other related debt service requirements are held in the debt service account.

Monthly deposits into sinking fund accounts of both the Water and Stormwater Utilities' net revenues are required to be in an amount equal to at least 1/6 of the next semi-annual interest payments and 1/12 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.

Debt Service Reserve

In addition to the sinking fund accounts, revenue bonds require debt service "reserve accounts" which require funding at: the lesser of 10% of bond proceeds, the maximum annual principal and interest required thereon, or 125% of the average annual principal and interest requirements thereon. The Utilities calculate its debt service reserve accounts on a consolidated basis and may fund the debt service reserve by holding cash or through the purchase of surety bond insurance. Among other requirements, the surety bond insurer must maintain a AAA or Aaa rating with Standards and Poor's or Moody's respectively.

Prior to 2009, all Utility revenue bonds' debt service reserves were funded through surety bond insurance except the Sewage Works Junior Revenue Bonds of 1998 A and 1998 B which were cash funded. As a result of the financial crisis that occurred in late 2008 – early 2009 and up to and including 2010, the surety bond insurers failed to maintain their AAA/Aaa rating. While still insured, this failure to maintain AAA/Aaa ratings required the Utilities to cash fund the debt service reserve accounts for the affected revenue bonds. As of December 31, 2012, all surety bond insurance for Waterworks and Sewage Works Revenue Bonds have been replaced with cash funded debt service reserves as required by bond ordinance.

The surety bond insurer for the Stormwater Management District Revenue Bonds of 2006 has failed to maintain the required AAA/Aaa rating. The appropriate disclosures have been made to the bondholders and no other action has been taken.

Construction

Unspent bond issue proceeds to be used in the construction of designated capital assets are included in this account.

Airport Expressway

In 2010, Water Utility entered into a tri-lateral agreement with the Redevelopment Commission and a Developer to construct a water main extension along the airport expressway. The Redevelopment Commission agreed to advance TIF funds to the Water Utility at such times so as to pay the Developer according to the contractual payment schedule. Monies received by the Water Utility prior to the Developer's payment due date will be held in a restricted account.

Customer Deposits

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

Connection Fees

Certain area connection fees are designated for repayment of certain development costs as well as for reinvestment in specific areas. The unspent connection fees are reported in this restricted category.

Septic Elimination Program

In 2009, the Fort Wayne Board of Public Works authorized the creation of a City Utilities Revolving Fund as an alternative funding source for septic tank elimination in Allen County. This fund provides the funding necessary to construct wastewater mains allowing homeowners to discontinue use of failing septic tanks and connect to public infrastructure. The program also provides financial incentives to encourage septic tank elimination. Any unexpended funds are restricted for future septic tank elimination projects.

Restricted assets at year-end consisted of the following:

| Asset Type/Account | Governmental Funds | Enterprise Funds | | | | Totals |
|----------------------------|--------------------|------------------|--------------------|--------------------|----------------------------|----------------|
| | CEDIT | Water Utility | Wastewater Utility | Stormwater Utility | Other Non-Major Enterprise | |
| Cash and cash equivalents | | | | | | |
| Sinking fund | \$ - | \$ 748,415 | \$ 6,693,100 | \$ 634,083 | \$ 4,018 | \$ 8,079,616 |
| Debt service reserve | 2,082,484 | 4,464,834 | 15,407,465 | - | - | 19,872,299 |
| Construction | - | 28,252,193 | 38,696,681 | - | - | 66,948,874 |
| Airport expressway | - | 313,247 | - | - | - | 313,247 |
| Customer deposits | - | 1,371,631 | - | - | - | 1,371,631 |
| Connection fees | - | - | 115,270 | - | - | 115,270 |
| Septic elimination program | - | - | 1,096,718 | - | - | 1,096,718 |
| Total | \$ 2,082,484 | \$ 35,150,320 | \$ 62,009,234 | \$ 634,083 | \$ 4,018 | \$ 97,797,655 |
| Investment | | | | | | |
| Debt service reserve | \$ - | \$ 5,042,750 | \$ 5,042,750 | \$ - | \$ - | \$ 10,085,500 |
| Total Restricted Assets | \$ 2,082,484 | \$ 40,193,070 | \$ 67,051,984 | \$ 634,083 | \$ 4,018 | \$ 107,883,155 |

Note 14. Restatements – Prior Period Adjustments

For the year ended December 31, 2012, certain changes have been made to the non-major governmental funds and other non-major enterprise funds in order to correct prior period accounting errors.

In 2011 there were loans issued through the Neighborhood Stabilization programs (non-major special revenue funds) that were not accounted for until the following year. Therefore, the receivable was understated by these loan amounts. (Fund balance understated by \$689,379.)

In 2011 the assessments receivable in the Barrett Law Revolving Improvement fund (non-major capital projects funds) was overstated by an amount that was paid directly by City Utilities. Usually, all costs and reimbursements would flow through the Barrett Law system; however, since there

were costs related to the project in which City Utilities was the vendor to perform the work, there was not a billing between entities. The amount in the assessment receivable included the amount for the total project cost, but the portion paid directly by City Utilities was not reflected as a payment against the receivable. Therefore, the assessments receivable for this project was overstated. (Fund balance overstated by \$1,657,974.)

In 2011 the assessments receivable in the Barrett Law Commercial fund (non-major capital projects funds) was overstated due to customer payments not being applied. Therefore, the assessments receivable was overstated. (Fund balance overstated by \$450.)

In 2011 the accounting for the installment sale of Electric Utility (other non-major enterprise fund) assets to a private utility company did not properly recognize the gain on the sale of these assets. Therefore, the gain on installment sale was understated. (Net position understated by \$18,592,070.)

The following schedule presents a summary of restated beginning balances:

| | Non-major Governmental Funds | Other Non-major Enterprise Funds |
|--|------------------------------------|---|
| Fund balance/Net position, 12/31/11 | \$ 111,992,631 | \$ 514,375,475 |
| Prior period adjustments | (969,045) | 18,592,070 |
| Fund balance/Net position, 01/01/12 (restated) | <u>\$ 111,023,586</u> | <u>\$ 532,967,545</u> |
| Non-major Special Revenue Funds | \$ 689,379 | |
| Non-major Capital Projects Funds | (1,658,424) | |
| Total prior period adjustments | <u>\$ (969,045)</u> | |

Note 15. Lease and Subsequent Installment Sale of Electric Utility Assets

The Electric Utility had leased its entire utility system, including power plant, substations, and transmissions and distribution system, to a private electric utility serving the surrounding area. The lease term commenced March 1, 1975, and expired on February 28, 2010.

On October 28, 2010, the City entered into an agreement to transfer the remaining Electric Utility assets to the private electric utility (Transferee) which had previously leased the assets for 35 years under a lease agreement that expired on February 28, 2010. On August 10, 2011, the Indiana Utility Regulatory Commission approved the transfer agreement. Under the terms of the transfer agreement, the City transferred ownership of the remaining leased Electric Utility assets, relinquished the right to buy back any betterments under the expired lease and will never again supply electricity within the City of Fort Wayne. The Transferee, in exchange for the remaining Electric Utility assets and the right to be the exclusive supplier of electricity, paid an initial payment of \$5,786,270. The City paid \$555,000 to the Transferee for products and services provided to the City under the previous lease. The Transferee also agreed to pay to the City annual payments as per the following table:

| Annual Amount | Period | Period Totals | Amount Received | Future Payments |
|------------------|-------------------|---------------------|---------------------|---------------------|
| \$ 1,740,000 | 3/1/10 to 2/28/13 | \$ 5,220,000 | \$ 5,075,000 | \$ 145,000 |
| 2,200,000 | 3/1/13 to 2/28/16 | 6,600,000 | - | 6,600,000 |
| 2,400,000 | 3/1/16 to 2/28/21 | 12,000,000 | - | 12,000,000 |
| 2,600,000 | 3/1/21 to 2/28/25 | 10,400,000 | - | 10,400,000 |
| Totals | | <u>\$34,220,000</u> | <u>\$ 5,075,000</u> | <u>\$29,145,000</u> |

For accounting purposes, the asset transfer is being treated as an installment sale. As of December 31, 2012, total future payments are \$ 29,145,000 which is reported as Installments receivable.

On January 1, 2012 Electric Utility balances, with the exception of the net capital assets not previously leased, were transferred to the City's Community Legacy Fund. The amount of the transfer was \$61,368,700.

Note 16. City of Fort Wayne Community Legacy Fund

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 lease of the Electric Utility expired on February 28, 2010. The trust received its final \$270,000 annual deposit in May, 2009 and is no longer entitled to future lease revenues or sales proceeds under the 1975 authorizing ordinance.

Under the provisions of the 1975 authorizing ordinance, the corpus of the trust was 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 had the ability to amend this ordinance and permit invasion of the trust corpus.

In November 2012, the City Council amended the original 1975 authorizing ordinance since there was an approved settlement agreement between the private electric utility and the City of Fort Wayne Electric Utility (see Note 15). The amended ordinance requires that the settlement funds be placed into the Community Legacy Fund (renamed from the Fort Wayne Community Trust) to be used for transformational investment and to leverage additional resources.

Note 17. Net Investment in Direct Financing Lease

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

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

| | <u>Year</u> | <u>Amount</u> |
|--|-------------|-------------------|
| | 2013 | 69,947 |
| | 2014 | 69,947 |
| | 2015 | 69,947 |
| | 2016 | <u>40,804</u> |
| Total Minimum Lease Payments | | 250,645 |
| Less: Unearned Interest Income | | <u>(21,604)</u> |
| Net Investment in Direct Financing Lease | | <u>\$ 229,041</u> |

Note 18. Unearned Revenue

The City reports the following unearned revenue balances in the governmental funds as of December 31, 2012:

| <u>Unearned revenue:</u> | <u>Intergovernmental</u> | <u>Installment Interest</u> | <u>Miscellaneous Other</u> | <u>Total</u> |
|------------------------------|--------------------------|---------------------------------|--------------------------------|---------------------|
| Parks | \$ - | \$ - | \$ 22,146 | \$ 22,146 |
| Community Legacy | - | 10,947,341 | - | 10,947,341 |
| Other Non-major Governmental | <u>264,358</u> | - | - | <u>264,358</u> |
| Total | <u>\$ 264,358</u> | <u>\$10,947,341</u> | <u>\$ 22,146</u> | <u>\$11,233,845</u> |

Note 19. Deferred Inflows of Resources

The City reports the following deferred inflows of resources balances in the governmental funds as of December 31, 2012:

| <u>Deferred inflows of resources:</u> | <u>Taxes</u> | <u>Direct Financing Lease</u> | <u>Assessments</u> | <u>Intergovernmental</u> | <u>Total</u> |
|---------------------------------------|---------------------|---------------------------------------|--------------------|--------------------------|---------------------|
| General | \$ 2,944,125 | \$ 229,041 | \$ - | \$ 28,697 | \$ 3,201,863 |
| CEDIT | 626,310 | - | - | 500 | 626,810 |
| Parks | 526,988 | - | - | - | 526,988 |
| Fire | 1,667,610 | - | - | - | 1,667,610 |
| Redevelopment | 23,354 | - | - | - | 23,354 |
| Other Non-major Governmental | <u>338</u> | - | <u>556,670</u> | <u>482,465</u> | <u>1,039,473</u> |
| Total | <u>\$ 5,788,725</u> | <u>\$ 229,041</u> | <u>\$ 556,670</u> | <u>\$ 511,662</u> | <u>\$ 7,086,098</u> |

Note 20. Fund Balance Classification

The City's governmental fund balances as of 12/31/2012 are classified as below:

| | General | Highways and Streets | CEDIT | Parks | Fire | Redevelopment | Community Legacy | Non-major Governmental Funds | Totals |
|---|--------------|-------------------------|---------------|--------------|--------------|---------------|---------------------|------------------------------------|----------------|
| <u>Nonspendable fund balance</u> | | | | | | | | | |
| Urban redevelopment and housing: | | | | | | | | | |
| Assets held for resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 11,615,418 | \$ - | \$ 4,960,007 | \$ 16,575,425 |
| <u>Restricted fund balance</u> | | | | | | | | | |
| General government | - | - | - | - | - | - | - | 198,265 | 198,265 |
| Public safety | - | - | - | - | - | - | - | 542,444 | 542,444 |
| Highways and streets | - | - | - | - | - | - | - | 124,261 | 124,261 |
| Health and welfare | - | - | - | - | - | - | - | 827,195 | 827,195 |
| Economic opportunity | - | - | - | - | - | - | - | 276,544 | 276,544 |
| Economic development | - | - | - | - | - | - | - | 98,755 | 98,755 |
| Urban redevelopment and housing | - | - | - | - | - | - | - | 6,272,582 | 6,272,582 |
| Total restricted fund balance | - | - | - | - | - | - | - | 8,340,046 | 8,340,046 |
| <u>Committed fund balance</u> | | | | | | | | | |
| General government: | | | | | | | | | |
| City-County permit system implementation | 51,151 | - | - | - | - | - | - | - | 51,151 |
| Telephone system upgrade | 148,647 | - | - | - | - | - | - | - | 148,647 |
| Betterments | 5,825 | - | - | - | - | - | - | - | 5,825 |
| Neighborhood improvements | - | - | - | - | - | - | - | 113,594 | 113,594 |
| Other | 67,638 | - | - | - | - | - | - | - | 67,638 |
| Public safety: | | | | | | | | | |
| 800mhz radio system upgrade | - | - | 3,138,057 | - | - | - | - | - | 3,138,057 |
| Highways and streets: | | | | | | | | | |
| Street and road infrastructure | - | - | 134,846 | - | - | - | - | - | 134,846 |
| Economic development | - | - | 3,575 | - | - | - | - | - | 3,575 |
| Culture and recreation: | | | | | | | | | |
| Emerald ash borer tree removal | - | - | - | 1,182,135 | - | - | - | - | 1,182,135 |
| Parks property maintenance and operation | - | - | - | 68,264 | - | - | - | - | 68,264 |
| Urban redevelopment and housing: | | | | | | | | | |
| Tax increment financing districts | - | - | - | - | - | 300,982 | - | - | 300,982 |
| Harrison square stadium entrance | - | - | - | - | - | 827,586 | - | - | 827,586 |
| Total committed fund balance | 273,261 | - | 3,276,478 | 1,250,399 | - | 1,128,568 | - | 113,594 | 6,042,300 |
| <u>Assigned fund balance</u> | | | | | | | | | |
| General government: | | | | | | | | | |
| City-County permit system implementation | 90,422 | - | - | - | - | - | - | - | 90,422 |
| Project management | 31,632 | - | - | - | - | - | - | - | 31,632 |
| Betterments | 109,122 | - | - | - | - | - | - | - | 109,122 |
| Vehicle and equipment replacements | - | - | - | - | - | - | - | 1,059,590 | 1,059,590 |
| Technology upgrades | - | - | - | - | - | - | - | 589,348 | 589,348 |
| Neighborhood improvements | - | - | - | - | - | - | - | 2,109,263 | 2,109,263 |
| Debt reserves | - | - | - | - | - | - | - | 3,560,813 | 3,560,813 |
| Rainy day funds | - | - | - | - | - | - | - | 2,091,273 | 2,091,273 |
| Other | 120,163 | - | - | - | - | - | - | 780,756 | 900,919 |
| Public safety: | | | | | | | | | |
| Law enforcement training | - | - | - | - | - | - | - | 1,236,108 | 1,236,108 |
| Code enforcement | - | - | - | - | - | - | - | 2,389,324 | 2,389,324 |
| City-County communications operations | - | - | - | - | - | - | - | 854,155 | 854,155 |
| Other | 61,007 | - | - | - | 1,017,328 | - | - | 322,295 | 1,400,630 |
| Highways and streets: | | | | | | | | | |
| Street and road infrastructure | - | - | 4,042,083 | - | - | - | - | - | 4,042,083 |
| Debt reserves | - | - | 2,082,484 | - | - | - | - | - | 2,082,484 |
| Operations | 26,622 | 3,910,266 | - | - | - | - | - | - | 3,936,888 |
| Health and welfare | 9,771 | - | - | - | - | - | - | - | 9,771 |
| Economic development: | | | | | | | | | |
| Community legacy transformation projects | - | - | - | - | - | - | 66,919,215 | - | 66,919,215 |
| Strategic, marketing and incentive funds | - | - | 2,123,274 | - | - | - | - | - | 2,123,274 |
| Other | 7,060 | - | - | - | - | - | - | 25,327 | 32,387 |
| Culture and recreation: | | | | | | | | | |
| Urban forestry consulting | - | - | - | 46,825 | - | - | - | - | 46,825 |
| Parks property maintenance and operation | - | - | - | 5,396,158 | - | - | - | - | 5,396,158 |
| Urban redevelopment and housing: | | | | | | | | | |
| Tax increment financing districts | - | - | - | - | - | 19,745,787 | - | - | 19,745,787 |
| Harrison square stadium maintenance | - | - | - | - | - | 928,214 | - | - | 928,214 |
| Harrison square parking garage operations | - | - | - | - | - | 20,922 | - | - | 20,922 |
| Debt service | - | - | - | - | - | 7,170,706 | - | - | 7,170,706 |
| Other | - | - | - | - | - | 2,706,380 | - | 53,474 | 2,759,854 |
| Total assigned fund balance | 455,799 | 3,910,266 | 8,247,841 | 5,442,983 | 1,017,328 | 30,572,009 | 66,919,215 | 15,071,726 | 131,637,167 |
| <u>Unassigned fund balance</u> | 7,513,607 | - | - | - | - | - | - | (1,739,052) | 5,774,555 |
| Total fund balance | \$ 8,242,667 | \$ 3,910,266 | \$ 11,524,319 | \$ 6,693,382 | \$ 1,017,328 | \$ 43,315,995 | \$ 66,919,215 | \$ 26,746,321 | \$ 168,369,493 |

Note 21. 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) and by Ordinance of the Common Council. 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 Allen County Fort Wayne Capital Improvement Board of Managers (CIB) (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 the City of Fort Wayne's downtown.

The CIB 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 CIB. The CIB makes lease payments to the Redevelopment Commission. The Redevelopment Commission makes lease payments to the Redevelopment Authority. The Redevelopment Authority uses these payments to retire the lease rental revenue bonds they issued to finance the renovation and expansion.

The CIB will report on their financial statements a Capital lease payable, which is the net present value of the lease payable at December 31, 2012. 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, 2012.

The CIB 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 CIB.

Harrison Square Project

The RA was also chosen to be the financing entity for financing the multi-use stadium, public park and parking garage components of the Harrison Square Project (HS). The Redevelopment Commission (RC) transferred title to the HS real estate to the RA. RA issued taxable and tax-exempt lease rental revenue bonds secured by a lease of HS to the RC. The RC will make lease payments to the RA from the Jefferson Point Tax Incremental Financing Project and CREDIT funds, and the Downtown Fort Wayne Community Revitalization Enhancement District (CRED). The RA will use these payments to retire the lease rental revenue bonds. The RC has entered into a Stadium License Agreement and Stadium Management Agreement with Hardball Capital (a private entity) to operate and manage the multi-use stadium. Light & Breuning operate and manage the parking garage. Revenues from these sources will be used to pay on-going expenses and capital improvements. When the lease rental revenue bonds are retired, the RA will transfer title of the HS real estate to the RC.

Note 22. 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.

Consent Decree:

The Utilities' combined storm and sanitary sewer system does not comply with federal Clean Water regulations. After several years of negotiations with the Environmental Protection Agency (EPA) and Indiana Department of Environmental Management (IDEM), the EPA lodged a Consent Decree with the federal court on December 28, 2007. The Consent Decree became effective April 1, 2008. Under the terms and conditions of the Consent Decree, the Utilities committed to reduce the number of combined sewer overflow (CSO) days in a typical year to one day on the St. Joseph River and four days on the St. Mary's and Maumee Rivers. The infrastructure cost to reduce the number of CSO events is approximately \$240 million, to be spent over 18 years, concluding in 2025. The Utilities also agreed to eliminate three known sanitary sewer overflows at an estimated combined cost of \$31 million by specific dates noted in the Consent Decree. Additionally, the Utilities committed to maintain the entire sewer system to performance standards prescribed in the Utilities' Long-Term Control Plan incorporated by reference into the Consent Decree. The Consent Decree further provides for stipulated penalties for failure to achieve specified construction milestones, reporting deadlines or maintenance objectives. The Utilities are in full compliance with the Consent Decree's terms and conditions.

Condemnation of Aqua Indiana's North Assets:

In June, 2002, the Utilities initiated condemnation of Aqua Indiana's North Assets. On February 12, 2008, the Utilities paid Aqua Indiana \$16,910,500 and took possession of those condemned assets. The acquisition was financed by Waterworks Utility Revenue Bond Anticipation Notes, Series 2007 (BAN) issued February 5, 2008 for \$17,840,000, including the purchase price and estimated issuance and integration costs. The BAN was subsequently refinanced four times and retired with proceeds from the 2012 Waterworks Revenue Bonds. The North Assets are now fully integrated with the Utilities' water and sewer systems and generating revenues for the respective Utilities at standard system-wide tariffs.

The purchase price was established through condemnation proceedings by Fort Wayne Board of Public Works and is currently being contested by Aqua Indiana in Wells County Circuit Court. At this time, the Utilities are unable to form a conclusion as to whether the assertion of further action by Aqua Indiana is either probable or remote, nor as to the amount of damages if assessed, nor to the possible costs of the corrective action, if any.

Note 23. Subsequent Events

On April 9, 2013, the Common Council of Fort Wayne approved the lease of vehicles and equipment in the amount of \$6,100,000.

On May 14, 2013, the Common Council of Fort Wayne approved a change in water rates to be effective January 1, 2014. The new rates were developed based on a cost of service study and are not intended to generate additional revenue but rather more accurately charge the appropriate class of customer for water services. Most significantly, the City of Fort Wayne will no longer pay for public fire protection services and, instead, all water customers will pay for public fire protection based on the size of their water meter. Indiana Utility Regulatory Commission must also approve the rates before the rates can become effective.

On March 13, 2013, the Wastewater Utility issued a bond for \$32,955,000. The average interest rate is 1.95%. It matures serially in amounts ranging from \$600,000 in 2013 to \$4,060,000 in 2024.

On March 13, 2013, the Wastewater Utility issued a bond for \$42,260,000. The average interest rate is 3.54%. It matures serially in amounts ranging from \$4,165,000 in 2025 to \$5,295,000 in 2033.

On March 13, 2013, the Wastewater Utility issued \$7,335,000 in refunding revenue bonds with an average interest rate of 1.00% to advance refund \$7,985,000 of outstanding 2002C series bonds with an interest rate range from 1.30% to 4.55% and 2003 series bonds with an interest rate range from 2.00% to 3.80%. The 2013 refunding bonds mature serially in amounts ranging from \$500,000 in 2013 to \$1,390,000 in 2018.

Major Contracts Awarded subsequent to December 31, 2012:

| <u>Vendor Name</u> | <u>Project Description</u> | <u>Award Amount</u> |
|-------------------------------------|---|----------------------|
| Kokosing Construction Company, Inc. | Primary Secondary Treatment and Digester Process Upgrades Project | \$ 27,623,955 |
| Arcadis US Inc. | Primary Secondary Treatment and Digester Process Upgrades Project | 911,500 |
| Donohue & Associates | Primary Secondary Treatment and Digester Process Upgrades Project | 573,500 |
| Black & Veatch Corporation | Primary Secondary Treatment and Digester Process Upgrades Project | 560,688 |
| Symbiont Science Eng & Constr Inc. | Primary Secondary Treatment and Digester Process Upgrades Project | 248,334 |
| Wessler Engineering Inc. | Primary Secondary Treatment and Digester Process Upgrades Project | 287,866 |
| DLZ Indiana LLC | Primary Secondary Treatment and Digester Process Upgrades Project | 621,520 |
| American StructurePoint Inc. | Primary Secondary Treatment and Digester Process Upgrades Project | 97,730 |
| CH2M Hill Inc. | Primary Secondary Treatment and Digester Process Upgrades Project | 2,183,184 |
| Bowen Engineering Corp. | Primary Secondary Treatment and Digester Process Upgrades Project | 25,000 |
| Walsh Construction Company | Effluent Pump Station and Pond Improvements | 11,656,000 |
| GAI Consultants | Preliminary Engineering for Dupont Road Project | 1,247,380 |
| | Total Major Contracts | <u>\$ 46,036,657</u> |

Note 24. Net Investment in Capital Assets

As of December 31, 2012, Net Investment in capital assets is calculated as follows:

| | <u>Governmental Activities</u> | <u>Business-type Activities</u> | <u>Total</u> |
|---|------------------------------------|-------------------------------------|-------------------------|
| Net capital assets | \$ 737,505,684 | \$ 708,770,474 | \$ 1,446,276,158 |
| Less: | | | |
| Total capital leases payable | (56,431,731) | (2,163,782) | (58,595,513) |
| Total notes and loans payable | (7,861,460) | (134,950,754) | (142,812,214) |
| Total general obligation bonds payable, net | (2,139,021) | - | (2,139,021) |
| Total special obligation bonds payable, net | (53,765,394) | - | (53,765,394) |
| Total first mortgage bonds payable, net | (34,140,940) | - | (34,140,940) |
| Total revenue bonds payable, net | - | (210,151,059) | (210,151,059) |
| Add: | | | |
| Debt not related to capital assets | 7,861,460 | - | 7,861,460 |
| Unspent bond/loan proceeds | <u>8,634,938</u> | <u>66,948,875</u> | <u>75,583,813</u> |
| Net Investment in capital assets | <u>\$ 599,663,536</u> | <u>\$ 428,453,754</u> | <u>\$ 1,028,117,290</u> |

Note 25. 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 Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. 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, through the Indiana Public Retirement System (INPRS) Board, 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.

INPRS 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. The report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy

PERF members are required to contribute 3 percent of their annual covered salary. The City is required to contribute at an actuarially determined rate; the current rate is 10.0 percent of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by the INPRS Board of Trustees. The Net Pension Obligation (NPO) is considered an asset (negative NPO) and/or liability (positive NPO) of the City and is reflected as such in the Statement of Net Position. The amount is separated between the governmental and business-type activities.

Annual Pension Cost

For 2012, the City's annual pension cost of \$5,921,176 for PERF was equal to the City's required contribution and any adjustments to the required contribution.

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 and may be amended by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

Plan members are required by state statute (IC 36-8-6-4) to contribute an amount equal to six percent (6%) of the salary of a first class patrolman. The contribution requirements of plan members are established and may be amended by state statute. The State of Indiana has contributed \$7,788,149 in 2012 on behalf of the City. On behalf contributions from the State of Indiana approximates the amount paid out for benefits. The Net Pension Obligation (NPO) is considered an obligation of the City and is reflected as such in the Statement of Net Position.

Annual Pension Cost

For 2012, the City's annual pension cost of \$7,552,800 for the 1925 Police Officer's Pension Plan was equal to the City's required contribution and any adjustments to the required contribution.

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 and may be amended by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

Plan members are required by state statute (IC 36-8-7-8) to contribute an amount equal to six percent (6%) of the salary of a fully paid first class firefighter. The contribution requirements of plan members are established and may be amended by state statute. The State of Indiana has contributed \$7,094,662 in 2012 on behalf of the City. On behalf contributions from the State of Indiana approximates the amount paid out for benefits. The Net Pension Obligation (NPO) is considered an obligation of the City and is reflected as such in the Statement of Net Position.

Annual Pension Cost

For 2012, the City's annual pension cost of \$6,295,200 for the 1937 Firefighters' Pension Plan was equal to the City's required contribution and any adjustments to the required contribution.

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 plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

The City is required to contribute an amount equal to the funding deficit of the difference between receipts of the fund and the required disbursements of the fund (pay-as-you-go basis); the amount contributed for 2012 is \$405,925. The contribution requirements of plan members for the Sanitary Officers' Pension Plan are established and may be amended by state statute. The Net Pension Obligation (NPO) is considered an obligation of the City and is reflected in the Statement of Net Position.

Annual Pension Cost

For 2012, the City's annual pension cost of \$413,304 for the Sanitary Officers' Pension Plan was equal to the City's required contribution and any adjustments to the required contribution.

e. Actuarial Information for the Above Plans

| | PERF | 1925 Police Officers' Pension | 1937 Firefighters' Pension | Sanitary Officers' Pension |
|---|---------------------|----------------------------------|-------------------------------|-------------------------------|
| Annual required contribution | \$ 5,937,662 | \$ 8,635,800 | \$ 7,102,600 | \$ 483,454 |
| Interest on NPO | 109,003 | 3,053,800 | 2,276,600 | 252,371 |
| Adjustment to annual required contribution | <u>(125,489)</u> | <u>(4,136,800)</u> | <u>(3,084,000)</u> | <u>(322,521)</u> |
| Annual pension cost | 5,921,176 | 7,552,800 | 6,295,200 | 413,304 |
| Contributions made | <u>4,707,386</u> | <u>7,788,149</u> | <u>7,094,662</u> | <u>405,925</u> |
| Increase(decrease) in NPO | 1,213,790 | (235,349) | (799,462) | 7,379 |
| NPO, beginning of year | <u>1,557,193</u> | <u>50,896,178</u> | <u>37,943,703</u> | <u>4,206,188</u> |
| NPO, end of year | <u>\$ 2,770,983</u> | <u>\$ 50,660,829</u> | <u>\$ 37,144,241</u> | <u>\$ 4,213,567</u> |

The Net Pension Obligation reported in the Statement of Net Position is \$94,789,620 (PERF, governmental activities, \$2,152,662; 1925 Police Officers' Pension, \$50,660,829; 1937 Firefighters' Pension, \$37,144,241; Sanitary Officers' Pension, \$4,213,567; PERF, business-type activities, \$618,321).

| Contribution rates: | PERF | 1925 Police Officers' Pension | 1937 Firefighters' Pension | Sanitary Officers' Pension |
|---------------------------------------|---|---|---|---|
| City | 10.0% | 0% | 0% | N/A |
| Plan members | 3% | 6% | 6% | 3% |
| | | | | |
| | PERF | 1925 Police Officers' Pension | 1937 Firefighters' Pension | Sanitary Officers' Pension |
| Actuarial valuation date | 07/01/12 | 01/01/12 | 01/01/12 | 01/01/13 |
| Actuarial cost method | Entry age normal | Entry age normal | Entry age normal | Entry age normal |
| Amortization method | Level dollar, closed | Level percentage of projected payroll, closed | Level percentage of projected payroll, closed | Level percentage of projected payroll, closed |
| Amortization period | 30 years | 30 years | 30 years | 30 years |
| Amortization period (from date) | 07/01/12 | 01/01/05 | 01/01/05 | 01/01/05 |
| Asset valuation method | 4-year smoothing of gains/losses on market value with a 20% corridor | 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: | PERF | 1925 Police Officers' Pension | 1937 Firefighters' Pension | Sanitary Officers' Pension |
| Investment rate of return | 6.75% | 6% | 6% | 6% |
| Projected future salary increases: | | | | |
| Total | 3.25% - 4.5% | 3.25% | 3.25% | 4% |
| Cost-of-living adjustments | 1.0% | * 2.25% / 3.25% | * 2.25% / 3.25% | 4% |

* 2.25% converted members; 3.25% non-converted members

Three Year Trend Information

PERF

| Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|----------------|------------------------------|----------------------------------|---------------------------|
| 6/30/2010 | \$ 4,418,188 | 81% | \$ (71,610) |
| 6/30/2011 | 5,565,855 | 71% | 1,557,193 |
| 6/30/2012 | 5,921,176 | 80% | 2,770,983 |

1925 Police Officers' Pension Plan

| Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|----------------|------------------------------|----------------------------------|---------------------------|
| 12/31/2010 | \$ 8,093,400 | 93% | \$ 50,710,362 |
| 12/31/2011 | 8,558,700 | 98% | 50,896,178 |
| 12/31/2012 | 7,552,800 | 103% | 50,660,829 |

1937 Firefighters' Pension Plan

| Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|----------------|------------------------------|----------------------------------|---------------------------|
| 12/31/2010 | \$ 6,988,600 | 100% | \$ 38,121,961 |
| 12/31/2011 | 7,251,500 | 102% | 37,943,703 |
| 12/31/2012 | 6,295,200 | 89% | 37,144,241 |

Sanitary Officers' Pension Plan

| Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|----------------|------------------------------|----------------------------------|---------------------------|
| 12/31/2010 | \$ 501,106 | 100% | \$ 4,206,188 |
| 12/31/2011 | 510,146 | 100% | 4,206,188 |
| 12/31/2012 | 413,304 | 86% | 4,213,567 |

Plan Membership

| Group | 1925 Police Officers' Pension | 1937 Firefighters' Pension | Sanitary Officers' Pension |
|---|-------------------------------------|----------------------------------|----------------------------------|
| Retirees and beneficiaries currently receiving benefits | 307 | 268 | 18 |
| Active employees - vested | 9 | 1 | 0 |
| Active employees - nonvested | 0 | 0 | 0 |

Funded Status and Funding Progress for the Above Plans

The funded status of each plan as of the most recent actuarial valuation date is as follows:

| 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) |
|--|--|---|--------------------------|--------------------------|---------------------------|--|
| <u>Public Employees' Retirement Fund:</u> | | | | | | |
| 07/01/12 | \$34,983,164 | \$ 80,179,534 | \$ (45,196,370) | 44% | \$53,405,261 | (85%) |
| <u>1925 Police Officers' Pension Plan:</u> | | | | | | |
| 01/01/12 | \$ 1,853,026 | \$105,130,000 | \$(103,276,974) | 2% | \$ 353,300 | (29,232%) |
| <u>1937 Firefighters' Pension Plan:</u> | | | | | | |
| 01/01/12 | \$ 824,984 | \$ 87,227,900 | \$ (86,402,916) | 1% | \$ 52,200 | (165,523)% |
| <u>Sanitary Officers' Pension:</u> | | | | | | |
| 12/31/12 | \$ 152,335 | \$ 8,932,147 | \$ (8,779,812) | 2% | \$ - | N/A |

The schedule of funding progress, presented as RSI for the above plans following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

f. Financial Statements for Defined Benefit Plans

**Statement of Net Position -
Pension Trust Funds:**

| | 1925 Police Officers' Pension | 1937 Firefighters' Pension | Sanitary Officers' Pension |
|---------------------------------|-------------------------------------|----------------------------------|----------------------------------|
| <u>Assets</u> | | | |
| Cash and cash equivalents | \$ 1,058,586 | \$ 650,670 | \$ 134,058 |
| Receivables: | | | |
| Taxes | - | - | 18,277 |
| Total assets | <u>1,058,586</u> | <u>650,670</u> | <u>152,335</u> |
| <u>Liabilities</u> | | | |
| Accounts payable | <u>24,564</u> | <u>14,861</u> | <u>1,272</u> |
| <u>Net position</u> | | | |
| Net position held in trust for: | | | |
| Employees' pension benefits | <u>\$ 1,034,022</u> | <u>\$ 635,809</u> | <u>\$ 151,063</u> |

**Statement of Changes in Net Position -
Pension Trust Funds:**

| | 1925 Police Officers' Pension | 1937 Firefighters' Pension | Sanitary Officers' Pension |
|---|-------------------------------------|----------------------------------|----------------------------------|
| <u>Additions</u> | | | |
| Contributions: | | | |
| Employer | \$ 7,788,148 | \$ 7,094,662 | \$ 405,925 |
| Plan members | 125 | - | - |
| Other | 10,986 | - | - |
| Net investment income | <u>1,394</u> | <u>838</u> | <u>211</u> |
| Total additions | <u>7,800,653</u> | <u>7,095,500</u> | <u>406,136</u> |
| <u>Deductions</u> | | | |
| Benefits and refunds paid to plan members and beneficiaries | 8,603,645 | 7,262,880 | 465,922 |
| Administrative expenses | <u>16,012</u> | <u>21,795</u> | <u>4,378</u> |
| Total deductions | <u>8,619,657</u> | <u>7,284,675</u> | <u>470,300</u> |
| Change in net position | (819,004) | (189,175) | (64,164) |
| Net position - beginning | <u>1,853,026</u> | <u>824,984</u> | <u>215,227</u> |
| Net position - ending | <u>\$ 1,034,022</u> | <u>\$ 635,809</u> | <u>\$ 151,063</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 Retirement System (INPRS) 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.

INPRS 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:

Indiana Public Retirement System
One North Capitol Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

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 is 19.7 percent of the first class police officers' and firefighters' salary. The contribution requirements of plan members and the City are established and may be amended by the INPRS Board of Trustees. The City's contributions to the plan for the years ending December 31, 2012, 2011, and 2010 were \$7,842,280, \$7,636,640, and \$7,665,752 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, 2012

| | General Fund | | | |
|--------------------------------------|---------------------|-----------------------|---------------------|------------------------------------|
| | Budgeted Amounts | | Actual | Variance Positive (Negative) |
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 61,602,575 | \$ 61,602,575 | \$ 65,142,116 | \$ 3,539,541 |
| Licenses and permits | 2,166,600 | 2,166,600 | 2,140,196 | (26,404) |
| Intergovernmental | 9,342,821 | 9,342,821 | 2,332,692 | (7,010,129) |
| Charges for services | 2,825,315 | 2,825,315 | 2,512,974 | (312,341) |
| Fines and forfeits | 557,200 | 557,200 | 546,528 | (10,672) |
| Other | 445,955 | 445,955 | 687,792 | 241,837 |
| Total revenues | <u>76,940,466</u> | <u>76,940,466</u> | <u>73,362,298</u> | <u>(3,578,168)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 16,655,052 | 16,545,967 | 16,391,673 | 154,294 |
| Public safety | 53,104,252 | 55,023,245 | 54,905,499 | 117,746 |
| Highways and streets | 5,704,252 | 9,289,629 | 9,102,600 | 187,029 |
| Health and welfare | 2,602,680 | 2,592,909 | 2,614,229 | (21,320) |
| Economic opportunity | 661,123 | 661,123 | 636,462 | 24,661 |
| Economic development | 4,328,723 | 4,301,663 | 4,147,209 | 154,454 |
| Total expenditures | <u>83,056,082</u> | <u>88,414,536</u> | <u>87,797,672</u> | <u>616,864</u> |
| Other financing sources (uses): | | | | |
| Operating transfers in | 75,000 | 75,000 | 7,140,064 | 7,065,064 |
| Operating transfers out | <u>(3,355,130)</u> | <u>(3,355,130)</u> | <u>(3,346,134)</u> | <u>8,996</u> |
| Total other financing sources (uses) | <u>(3,280,130)</u> | <u>(3,280,130)</u> | <u>3,793,930</u> | <u>7,074,060</u> |
| Net change in fund balance | (9,395,746) | (14,754,200) | (10,641,444) | 4,112,756 |
| Fund balance - beginning | <u>15,650,024</u> | <u>9,948,717</u> | <u>18,884,111</u> | <u>8,935,394</u> |
| Fund balance - ending | <u>\$ 6,254,278</u> | <u>\$ (4,805,483)</u> | <u>\$ 8,242,667</u> | <u>\$ 13,048,150</u> |

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULES
 MAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2012

| | Highways and Streets | | | | Parks | | | |
|---|----------------------|---------------------|---------------------|------------------------------------|---------------------|---------------------|---------------------|------------------------------------|
| | Budgeted Amounts | | Actual | Variance Positive (Negative) | Budgeted Amounts | | Actual | Variance Positive (Negative) |
| | Original | Final | | | Original | Final | | |
| Revenues: | | | | | | | | |
| Taxes | \$ 4,104,798 | \$ 4,104,798 | \$ 4,566,893 | \$ 462,095 | \$ 12,007,642 | \$ 12,007,642 | \$ 12,217,081 | \$ 209,439 |
| Licenses and permits | - | - | - | - | 71,572 | 71,572 | 50,286 | (21,286) |
| Intergovernmental | 9,225,305 | 9,225,305 | 9,412,931 | 187,626 | - | - | - | - |
| Charges for services | 796,587 | 796,587 | 1,022,704 | 226,117 | 3,443,607 | 3,443,607 | 3,288,170 | (155,437) |
| Fines and forfeits | - | - | - | - | - | - | - | - |
| Other | 72,000 | 72,000 | 110,535 | 38,535 | 951,895 | 951,895 | 924,342 | (27,553) |
| Total revenues | 14,198,690 | 14,198,690 | 15,113,063 | 914,373 | 16,474,716 | 16,474,716 | 16,479,879 | 5,163 |
| Expenditures: | | | | | | | | |
| Current: | | | | | | | | |
| General government | - | - | - | - | - | - | - | - |
| Public safety: | | | | | | | | |
| Personal services | - | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - | - |
| Highways and streets: | | | | | | | | |
| Personal services | 10,052,915 | 9,971,615 | 9,912,879 | 58,736 | - | - | - | - |
| Supplies | 2,274,312 | 2,233,023 | 2,177,057 | 55,966 | - | - | - | - |
| Other services and charges | 3,853,475 | 3,894,075 | 3,855,525 | 38,550 | - | - | - | - |
| Capital outlay | 33,000 | 113,000 | 112,478 | 522 | - | - | - | - |
| Culture and recreation: | | | | | | | | |
| Personal services | - | - | - | - | 9,482,632 | 9,449,732 | 9,317,914 | 131,818 |
| Supplies | - | - | - | - | 1,473,044 | 1,456,991 | 1,430,370 | 26,621 |
| Other services and charges | - | - | - | - | 5,804,293 | 5,463,548 | 5,467,038 | (3,490) |
| Capital outlay | - | - | - | - | 401,265 | 401,265 | 401,265 | - |
| Total expenditures | 16,213,702 | 16,211,713 | 16,057,939 | 153,774 | 17,161,234 | 16,771,536 | 16,616,587 | 154,949 |
| Other financing sources (uses): | | | | | | | | |
| Operating transfers in | 1,566,040 | 1,566,040 | 1,566,040 | - | 1,874,000 | 1,874,000 | 1,874,239 | 239 |
| Operating transfers out | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | 1,566,040 | 1,566,040 | 1,566,040 | - | 1,874,000 | 1,874,000 | 1,874,239 | 239 |
| Net change in fund balances | (448,972) | (446,983) | 621,164 | 1,068,147 | 1,187,482 | 1,577,180 | 1,737,531 | 160,351 |
| Fund balances - beginning | 3,289,102 | 3,289,102 | 3,289,102 | - | 4,955,851 | 4,955,851 | 4,955,851 | - |
| Fund balances - ending | \$ 2,840,130 | \$ 2,842,119 | \$ 3,910,266 | \$ 1,068,147 | \$ 6,143,333 | \$ 6,533,031 | \$ 6,693,382 | \$ 160,351 |

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, 2012

| | Fire | | | | Community Legacy | | | |
|---|-------------------|-------------------|---------------------|------------------------------------|----------------------|----------------------|----------------------|------------------------------------|
| | Budgeted Amounts | | Actual | Variance Positive (Negative) | Budgeted Amounts | | Actual | Variance Positive (Negative) |
| | Original | Final | | | Original | Final | | |
| Revenues: | | | | | | | | |
| Taxes | \$ 36,290,049 | \$ 36,290,049 | \$ 36,749,800 | \$ 459,751 | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | - | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - | - |
| Charges for services | 8,167 | 8,167 | 18,104 | 9,937 | - | - | - | - |
| Fines and forfeits | 6,100 | 6,100 | 11,882 | 5,782 | - | - | - | - |
| Other | 2,050 | 2,050 | 46,651 | 44,601 | - | 5,740,743 | 5,740,743 | - |
| Total revenues | 36,306,366 | 36,306,366 | 36,826,437 | 520,071 | - | 5,740,743 | 5,740,743 | - |
| Expenditures: | | | | | | | | |
| Current: | | | | | | | | |
| General government | - | - | - | - | 190,228 | 190,228 | 190,228 | - |
| Public safety: | | | | | | | | |
| Personal services | 32,746,316 | 32,957,832 | 32,714,643 | 243,189 | - | - | - | - |
| Supplies | 563,816 | 561,513 | 561,513 | - | - | - | - | - |
| Other services and charges | 1,843,959 | 1,810,425 | 1,863,523 | (53,098) | - | - | - | - |
| Capital outlay | 219,985 | 214,181 | 205,945 | 8,236 | - | - | - | - |
| Highways and streets: | | | | | | | | |
| Personal services | - | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - | - |
| Culture and recreation: | | | | | | | | |
| Personal services | - | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - | - |
| Total expenditures | 35,374,076 | 35,543,951 | 35,345,624 | 198,327 | 190,228 | 190,228 | 190,228 | - |
| Other financing sources (uses): | | | | | | | | |
| Operating transfers in | - | - | - | - | 61,368,700 | 61,368,700 | 61,368,700 | - |
| Operating transfers out | (225,000) | (225,000) | (160,000) | 65,000 | - | - | - | - |
| Total other financing sources (uses) | (225,000) | (225,000) | (160,000) | 65,000 | 61,368,700 | 61,368,700 | 61,368,700 | - |
| Net change in fund balances | 707,290 | 537,415 | 1,320,813 | 783,398 | 61,178,472 | 66,919,215 | 66,919,215 | - |
| Fund balances - beginning | (303,485) | (303,485) | (303,485) | - | - | - | - | - |
| Fund balances - ending | \$ 403,805 | \$ 233,930 | \$ 1,017,328 | \$ 783,398 | \$ 61,178,472 | \$ 66,919,215 | \$ 66,919,215 | \$ - |

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 INFRASTRUCTURE – MODIFIED REPORTING

Comparison of Budgeted-to-Actual Maintenance/Preservation:

| Roads | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| Arterial | | | | | |
| Budgeted | \$1,239,501 | \$1,792,620 | \$ 813,357 | \$1,226,031 | \$ 601,763 |
| Actual | 1,439,999 | 1,858,338 | 802,329 | 1,212,866 | 578,867 |
| Collector | | | | | |
| Budgeted | 120,235 | 361,852 | 33,520 | 71,805 | 205,778 |
| Actual | 116,519 | 359,134 | 33,520 | 71,483 | 200,535 |
| Residential | | | | | |
| Budgeted | 3,223,858 | 4,628,500 | 5,555,060 | 3,454,780 | 2,205,555 |
| Actual | 2,935,413 | 4,103,939 | 4,995,008 | 2,826,059 | 2,120,871 |

Condition Rating:

| | <u>Average Pavement Condition Index (PCI)</u> | | | | |
|--------------|---|-------------|-------------|-------------|-------------|
| | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> |
| Total System | 65 | 67 | 69 | 71 | 72 |

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

| 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) |
|--|--|---|--------------------------|--------------------------|---------------------------|--|
| <u>Public Employees' Retirement Fund:</u> | | | | | | |
| 07/01/10 | \$ 44,954,928 | \$ 76,910,447 | \$ (31,955,519) | 58% | \$ 48,812,249 | (65%) |
| 07/01/11 | 37,558,428 | 75,763,765 | (38,205,337) | 50% | 50,631,326 | (75%) |
| 07/01/12 | 34,983,164 | 80,179,534 | (45,196,370) | 44% | 53,405,261 | (85%) |
| <u>1925 Police Officers' Pension Plan:</u> | | | | | | |
| 01/01/07 | \$ 2,438,810 | \$ 118,066,100 | \$ (115,627,290) | 2% | \$ 1,092,900 | (10,580%) |
| 01/01/08 | 2,328,975 | 117,242,800 | (114,913,825) | 2% | 879,900 | (13,060%) |
| 01/01/09 | 3,600,861 | 115,100,200 | (111,499,339) | 3% | 747,900 | (14,908%) |
| 01/01/10 | 2,593,260 | 116,137,100 | (113,543,840) | 2% | 782,100 | (14,518%) |
| 01/01/11 | 1,439,838 | 117,915,700 | (116,475,862) | 1% | 508,400 | (22,910%) |
| 01/01/12 | 1,853,026 | 105,130,000 | (103,276,974) | 2% | 353,300 | (29,232%) |
| <u>1937 Firefighters' Pension Plan:</u> | | | | | | |
| 01/01/07 | \$ 1,061,740 | \$ 107,704,100 | \$ (106,642,360) | 1% | \$ 376,500 | (28,325%) |
| 01/01/08 | 2,638,000 | 95,665,200 | (93,027,200) | 3% | 195,600 | (47,560%) |
| 01/01/09 | 1,420,305 | 108,739,500 | (107,319,195) | 1% | 136,900 | (78,392%) |
| 01/01/10 | 1,771,481 | 99,673,900 | (97,902,419) | 2% | 50,100 | (195,414%) |
| 01/01/11 | 733,811 | 100,224,400 | (99,490,589) | 1% | 52,100 | (190,961%) |
| 01/01/12 | 824,984 | 87,227,900 | (86,402,916) | 1% | 52,200 | (165,523%) |
| <u>Sanitary Officers' Pension:</u> | | | | | | |
| 01/01/08 | \$ 250,445 | \$ 7,435,892 | \$ (7,185,447) | 3% | \$ 48,884 | (14,699%) |
| 01/01/09 | 177,366 | 7,352,396 | (7,175,030) | 2% | 48,884 | (14,678%) |
| 01/01/10 | 99,950 | 6,516,098 | (6,416,148) | 2% | 24,442 | (26,251%) |
| 01/01/11 | 144,131 | 6,337,004 | (6,192,873) | 2% | - | N/A |
| 01/01/12 | 215,227 | 6,121,362 | (5,906,135) | 4% | - | N/A |
| 01/01/13 | 152,335 | 8,932,147 | (8,779,812) | 2% | - | N/A |
| <u>Retiree Healthcare Plan</u> | | | | | | |
| 01/01/10 | \$ - | \$ 61,655,879 | \$ (61,655,879) | 0% | \$96,504,844 | (64%) |
| 01/01/11 | - | 65,779,025 | (65,779,025) | 0% | 98,205,421 | (67%) |
| 01/01/12 | - | 75,828,671 | (75,828,671) | 0% | 99,760,520 | (76%) |

N/A - Not applicable

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 |
| 12/31/07 | \$ 8,837,200 | 54% | 51% |
| 12/31/08 | 8,833,600 | 23% | 53% |
| 12/31/09 | 8,601,200 | 1% | 94% |
| 12/31/10 | 9,009,000 | 0% | 90% |
| 12/31/11 | 9,556,800 | 0% | 88% |
| 12/31/12 | 8,635,800 | 0% | 90% |

1937 Firefighters' Pension Plan

| Year Ending | Annual Required Contribution (ARC) | Percentage of ARC Contributed | |
|----------------|---|----------------------------------|-------|
| | | City | State |
| 12/31/07 | \$ 7,909,100 | 61% | 53% |
| 12/31/08 | 7,088,200 | 31% | 58% |
| 12/31/09 | 8,125,800 | 2% | 98% |
| 12/31/10 | 7,587,100 | 0% | 92% |
| 12/31/11 | 8,001,800 | 0% | 93% |
| 12/31/12 | 7,102,600 | 0% | 100% |

Sanitary Officers' Pension Plan

| Year Ending | Annual Required Contribution (ARC) | Percentage of ARC Contributed |
|----------------|---|----------------------------------|
| | | City |
| 12/31/07 | \$ 546,754 | 83% |
| 12/31/08 | 533,232 | 80% |
| 12/31/09 | 480,888 | 95% |
| 12/31/10 | 476,345 | 105% |
| 12/31/11 | 483,454 | 106% |
| 12/31/12 | 483,454 | 84% |

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE, INDIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2012

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 October 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, Community Legacy

Capital Projects Funds:

CEDIT, Redevelopment

Non-Major Funds:

Special Revenue Funds:

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

Capital Projects Funds:

Cumulative Capital Improvement

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 \$9,162,009 in 2012.

B. Expenditures in Excess of Appropriations

For the year ended December 31, 2012, 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 | Finance & Administration | Supplies | \$ 14,191 |
| General | Board of Works | Personal services | 16,824 |
| General | Board of Works | Other services and charges | 4,234 |
| General | Police | Supplies | 11,482 |
| General | Animal Control | Personal services | 25,793 |
| Fire | Fire | Other services and charges | 53,098 |
| Parks & Recreation | | Other services and charges | 3,490 |
| Parking Meter | | Personal services | 4,689 |
| Domestic Violence | | Other services and charges | 178 |
| CEDIT | | Interest | 1,427 |

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
Finance & Administration
City Clerk and Council
Board of Works
Law
Internal Audit

Public Safety:

Weights and Measures
Neighborhood Code Enforcement
Police Merit Commission
Police
Communications

Highways and Streets:

Street Lighting/Flood/Transportation Engineering

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.

Community Legacy – to account for financial resources and expenses or projects that are in the public's interest and related to transformational investment in the community.

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
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2012

| <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 | \$ 1,324,386 | \$ 1,363,255 | \$ 1,360,711 | \$ 2,544 |
| Supplies | 8,504 | 7,304 | 7,232 | 72 |
| Other services and charges | 40,503 | 41,703 | 41,071 | 632 |
| Finance & Administration | | | | |
| Personal services | 2,886,869 | 2,866,869 | 2,753,654 | 113,215 |
| Supplies | 120,483 | 120,483 | 134,674 | (14,191) |
| Other services and charges | 5,946,962 | 6,086,075 | 6,082,560 | 3,515 |
| Capital outlay | 1,131,883 | 868,290 | 845,230 | 23,060 |
| City Clerk and Council | | | | |
| Personal services | 952,690 | 952,690 | 940,433 | 12,257 |
| Supplies | 13,300 | 13,300 | 12,351 | 949 |
| Other services and charges | 39,038 | 39,038 | 26,123 | 12,915 |
| Board of Works | | | | |
| Personal services | 434,614 | 427,614 | 444,438 | (16,824) |
| Supplies | 5,776 | 5,776 | 3,182 | 2,594 |
| Other services and charges | 2,962,903 | 2,962,903 | 2,967,137 | (4,234) |
| Law | | | | |
| Personal services | 408,244 | 413,363 | 413,056 | 307 |
| Supplies | 1,599 | 1,599 | 1,272 | 327 |
| Other services and charges | 111,457 | 108,457 | 93,394 | 15,063 |
| Internal Audit | | | | |
| Personal services | 257,422 | 258,829 | 258,252 | 577 |
| Supplies | 395 | 395 | 296 | 99 |
| Other services and charges | 8,024 | 8,024 | 6,607 | 1,417 |
| Total General government | <u>16,655,052</u> | <u>16,545,967</u> | <u>16,391,673</u> | <u>154,294</u> |
| Public safety: | | | | |
| Weights and Measures | | | | |
| Personal services | 201,128 | 201,128 | 200,792 | 336 |
| Supplies | 5,880 | 5,880 | 5,202 | 678 |
| Other services and charges | 16,242 | 16,242 | 15,593 | 649 |
| Police Merit Commission | | | | |
| Personal services | 5,000 | 5,000 | 2,500 | 2,500 |
| Police | | | | |
| Personal services | 44,150,812 | 45,850,812 | 45,761,044 | 89,768 |
| Supplies | 1,864,740 | 1,960,908 | 1,972,390 | (11,482) |
| Other services and charges | 6,792,127 | 6,891,776 | 6,885,729 | 6,047 |
| Capital outlay | 68,323 | 91,499 | 62,249 | 29,250 |
| Total Public safety | <u>53,104,252</u> | <u>55,023,245</u> | <u>54,905,499</u> | <u>117,746</u> |
| Highways and streets: | | | | |
| Street Lighting/Flood/Transp Engineering | | | | |
| Personal services | 2,621,470 | 2,582,470 | 2,558,475 | 23,995 |
| Supplies | 1,122,969 | 1,102,137 | 950,938 | 151,199 |
| Other services and charges | 1,939,813 | 2,902,772 | 2,892,646 | 10,126 |
| Capital outlay | 20,000 | 2,702,250 | 2,700,541 | 1,709 |
| Total Highways and streets | <u>5,704,252</u> | <u>9,289,629</u> | <u>9,102,600</u> | <u>187,029</u> |

(Continued)

CITY OF FORT WAYNE
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
 GENERAL FUND
 For The Year Ended December 31, 2012
 (Continued)

| <u>Function and Department</u> | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance- Positive (Negative)</u> |
|--------------------------------|----------------------------|-------------------------|----------------------|--|
| Health and welfare: | | | | |
| Animal Control | | | | |
| Personal services | 2,145,577 | 2,130,577 | 2,156,370 | (25,793) |
| Supplies | 101,586 | 115,281 | 112,757 | 2,524 |
| Other services and charges | 353,917 | 345,451 | 343,969 | 1,482 |
| Capital outlay | 1,600 | 1,600 | 1,133 | 467 |
| Total Health and welfare | <u>2,602,680</u> | <u>2,592,909</u> | <u>2,614,229</u> | <u>(21,320)</u> |
| Economic opportunity: | | | | |
| Metropolitan Human Relations | | | | |
| Personal services | 632,870 | 632,870 | 612,634 | 20,236 |
| Supplies | 5,594 | 5,594 | 4,256 | 1,338 |
| Other services and charges | 22,659 | 22,659 | 19,572 | 3,087 |
| Total Economic opportunity | <u>661,123</u> | <u>661,123</u> | <u>636,462</u> | <u>24,661</u> |
| Economic development: | | | | |
| Community Development | | | | |
| Personal services | 3,626,673 | 3,626,673 | 3,537,492 | 89,181 |
| Supplies | 51,916 | 51,916 | 45,549 | 6,367 |
| Other services and charges | 637,594 | 612,859 | 555,550 | 57,309 |
| Capital outlay | 12,540 | 10,215 | 8,618 | 1,597 |
| Total Economic development | <u>4,328,723</u> | <u>4,301,663</u> | <u>4,147,209</u> | <u>154,454</u> |
| Total General Fund | <u>\$ 83,056,082</u> | <u>\$ 88,414,536</u> | <u>\$ 87,797,672</u> | <u>\$ 616,864</u> |

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER BUDGETED MAJOR GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012

| | Redevelopment | | | CREDIT | | | Variance Positive (Negative) |
|---|------------------------------|---------------------------|----------------------|------------------------------|---------------------------|----------------------|------------------------------------|
| | Budgeted Amounts Original | Budgeted Amounts Final | Actual | Budgeted Amounts Original | Budgeted Amounts Final | Actual | |
| Revenues: | | | | | | | |
| Taxes | \$ 11,388,605 | \$ 11,388,605 | \$ 11,385,479 | \$ (3,126) | \$ 17,535,408 | \$ 22,945,685 | \$ 5,410,277 |
| Intergovernmental | - | - | - | - | 1,000 | 1,000 | - |
| Charges for services | 513,096 | 513,096 | 513,096 | - | 720 | 27,291 | 26,571 |
| Other | 1,607,599 | 1,607,599 | 1,607,775 | 176 | 58,880 | 17,101 | (41,779) |
| Total revenues | 13,509,300 | 13,509,300 | 13,506,350 | (2,950) | 17,596,008 | 22,991,077 | 5,395,069 |
| Expenditures: | | | | | | | |
| Urban redevelopment and housing: | | | | | | | |
| Personal services | 542,894 | 545,816 | 543,705 | 2,111 | - | - | - |
| Supplies | 143,594 | 143,594 | 143,589 | 5 | - | - | - |
| Other services and charges | 5,765,037 | 5,765,037 | 5,758,297 | 6,740 | - | - | - |
| Capital outlay | 1,101,652 | 1,101,652 | 1,101,652 | - | - | - | - |
| Debt service: | | | | | | | |
| Principal | 1,950,000 | 1,950,000 | 1,950,000 | - | 7,915,000 | 7,915,000 | - |
| Interest | 2,515,811 | 2,515,811 | 2,515,811 | - | 2,443,765 | 2,445,192 | (1,427) |
| Capital outlay | 1,000,000 | 1,000,000 | 1,000,000 | - | 7,951,316 | 10,545,687 | 1,459,541 |
| Total expenditures | 13,018,988 | 13,021,910 | 13,013,054 | 8,856 | 18,310,081 | 19,446,338 | 1,458,114 |
| Other financing sources (uses): | | | | | | | |
| Transfers in | 7,012,694 | 7,012,694 | 7,012,694 | - | 2,661,333 | 3,235,644 | 574,311 |
| Transfers out | (6,409,781) | (6,409,781) | (6,409,781) | - | (5,754,768) | (8,243,984) | (989,216) |
| Total other financing sources (uses) | 602,913 | 602,913 | 602,913 | - | (3,093,435) | (5,008,340) | (414,905) |
| Net change in fund balances | 1,093,225 | 1,090,303 | 1,096,209 | 5,906 | (3,807,508) | (1,463,601) | 6,438,278 |
| Fund balances - beginning | 42,219,786 | 42,219,786 | 42,219,786 | - | 12,987,920 | 12,987,920 | - |
| Fund balances - ending | \$ 43,313,011 | \$ 43,310,089 | \$ 43,315,995 | \$ 5,906 | \$ 9,180,412 | \$ 11,524,319 | \$ 6,438,278 |

Non-major Governmental Funds

Special Revenue Funds – used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The title of the fund is descriptive of the activities involved. The City maintains the following non-major special revenue funds:

Abandoned Vehicle – to account for the expenses and revenues associated with the removal, storage, and disposal of abandoned vehicles from both public and private property throughout the city.

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 from 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.

Affordable Housing Trust – to account for an allotment of funds from the State's newest legislative tool for housing.

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.

Neighborhood Stabilization – to account for funds granted to the City under the U.S. Department of Housing and Urban Development Neighborhood Stabilization program which are to be used to purchase and rehabilitate single family housing units.

Neighborhood Stabilization 2013 – to account for funds granted to the City from the U.S. Department of Housing and Urban Development under the American Recovery and Reinvestment Act of 2009 (ARRA) which are to be used to purchase and redevelop foreclosed upon homes and residential properties.

Public Safety Academy Operating – to account for and appropriate financial resources/pledges for the operations and maintenance of the Public Safety Academy.

Consolidated Communications Partnership (CCP) – to account for the funds of the operation of the City 911 Emergency Call Center.

Non-major Governmental Funds (continued)

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.

Rainy Day Fund – to account for transfers of unused and unencumbered CREDIT Funds.

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.

Parking Fund – to account for receipts and expenses related to the monthly parking activities for employees and City owned vehicles.

Barrett Law Surplus – to account for excess revenues and expenditures related to the City's Barrett Law process.

Debt Service Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The City maintains the following non-major debt service fund:

Public Safety Academy – to account for the debt service payment related to the construction of the building, purchase of contents, as well as the dedicated resources pledged for debt service.

**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 and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. 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.

Cumulative Capital Improvement – to account for cigarette tax distributions.

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 Commercial – to account for funds from a lending institution to expand the Barrett Law Program to extend loans to fund qualifying commercial projects.

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, 2012

| | Non-major Special Revenue Funds | Non-major Debt Service Fund | Non-major Capital Projects Funds | Totals |
|---|---------------------------------------|-----------------------------------|--|----------------------|
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 4,406,626 | \$ - | \$ 7,022,318 | \$ 11,428,944 |
| Receivables (net of allowances for uncollectibles): | | | | |
| Taxes | 338 | - | - | 338 |
| Assessments | - | - | 562,825 | 562,825 |
| Intergovernmental | 2,569,696 | - | 59,309 | 2,629,005 |
| Loans | 6,158,137 | - | - | 6,158,137 |
| Miscellaneous | 2,388,424 | - | 35,924 | 2,424,348 |
| Interfund receivable - pooled cash | 2,969,543 | - | - | 2,969,543 |
| Interfund receivable | - | - | 915,532 | 915,532 |
| Due from other funds | 2,971 | - | 32,673 | 35,644 |
| Assets held for resale | 3,365,357 | - | 1,370,618 | 4,735,975 |
| | <u>\$ 21,861,092</u> | <u>\$ -</u> | <u>\$ 9,999,199</u> | <u>\$ 31,860,291</u> |
| <u>Liabilities, deferred inflows of resources and fund balances</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 253,371 | \$ - | \$ 123,669 | \$ 377,040 |
| Wages and withholdings payable | 40,949 | - | - | 40,949 |
| Contracts payable | 12,697 | - | - | 12,697 |
| Interfund payable - pooled cash | 1,233,966 | 1,735,577 | - | 2,969,543 |
| Due to other funds | - | - | 409,910 | 409,910 |
| Unearned revenue | 264,358 | - | - | 264,358 |
| | <u>1,805,341</u> | <u>1,735,577</u> | <u>533,579</u> | <u>4,074,497</u> |
| Deferred inflows of resources | <u>423,494</u> | <u>-</u> | <u>615,979</u> | <u>1,039,473</u> |
| Fund balances: | | | | |
| Nonspendable fund balance | 3,589,389 | - | 1,370,618 | 4,960,007 |
| Restricted fund balance | 8,340,046 | - | - | 8,340,046 |
| Committed fund balance | - | - | 113,594 | 113,594 |
| Assigned fund balance | 7,706,297 | - | 7,365,429 | 15,071,726 |
| Unassigned fund balance | (3,475) | (1,735,577) | - | (1,739,052) |
| | <u>19,632,257</u> | <u>(1,735,577)</u> | <u>8,849,641</u> | <u>26,746,321</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 21,861,092</u> | <u>\$ -</u> | <u>\$ 9,999,199</u> | <u>\$ 31,860,291</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, 2012

| | Non-major Special Revenue Funds | Non-major Debt Service Funds | Non-major Capital Projects Funds | Totals |
|---|---------------------------------------|------------------------------------|--|----------------------|
| Revenues: | | | | |
| Taxes | \$ 7,634 | \$ 1,000,000 | \$ - | \$ 1,007,634 |
| Special assessments | - | - | 616,344 | 616,344 |
| Licenses and permits | 1,183,482 | - | - | 1,183,482 |
| Intergovernmental | 10,150,269 | - | 672,853 | 10,823,122 |
| Charges for services | 5,514,526 | - | - | 5,514,526 |
| Fines and forfeits | 1,595,872 | - | - | 1,595,872 |
| Other | 2,430,034 | 1,000,000 | 311,274 | 3,741,308 |
| | <u>20,881,817</u> | <u>2,000,000</u> | <u>1,600,471</u> | <u>24,482,288</u> |
| Total revenues | | | | |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 1,959,085 | 900 | - | 1,959,985 |
| Public safety | 10,548,415 | - | - | 10,548,415 |
| Highways and streets | 3,629,106 | - | - | 3,629,106 |
| Health and welfare | 300,686 | - | - | 300,686 |
| Economic opportunity | 222,985 | - | - | 222,985 |
| Economic development | 398,204 | - | - | 398,204 |
| Urban redevelopment and housing | 5,965,486 | - | - | 5,965,486 |
| Debt service: | | | | |
| Principal | - | - | 2,245,000 | 2,245,000 |
| Interest | - | - | 1,748,176 | 1,748,176 |
| Capital outlay | - | 351,698 | 8,670,993 | 9,022,691 |
| | <u>23,023,967</u> | <u>352,598</u> | <u>12,664,169</u> | <u>36,040,734</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over (under) expenditures | <u>(2,142,150)</u> | <u>1,647,402</u> | <u>(11,063,698)</u> | <u>(11,558,446)</u> |
| Other financing sources (uses): | | | | |
| Transfers in | 4,054,388 | - | 3,828,354 | 7,882,742 |
| Transfers out | (1,681,359) | (2,225,119) | (232,304) | (4,138,782) |
| Capital leases issued | - | - | 5,570,506 | 5,570,506 |
| | <u>2,373,029</u> | <u>(2,225,119)</u> | <u>9,166,556</u> | <u>9,314,466</u> |
| Total other financing sources (uses) | | | | |
| Net change in fund balances | 230,879 | (577,717) | (1,897,142) | (2,243,980) |
| Fund balances - beginning | 18,711,999 | (1,157,860) | 12,405,207 | 29,959,346 |
| Prior period adjustment (Note 14) | 689,379 | - | (1,658,424) | (969,045) |
| | <u>19,401,378</u> | <u>(1,157,860)</u> | <u>10,746,783</u> | <u>28,990,301</u> |
| Fund balances - beginning, as restated | | | | |
| Fund balances - ending | <u>\$ 19,632,257</u> | <u>\$ (1,735,577)</u> | <u>\$ 8,849,641</u> | <u>\$ 26,746,321</u> |

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2012

| Assets | Abandoned Vehicle | Parking Meter | Law Enforcement Training | Omnibus Crime | Cable Television | Community Development Block Grants | Reimbursable State Grants | Unsafe Building | DED International Trade | HOME |
|---|-------------------|-------------------|--------------------------|------------------|-------------------|------------------------------------|---------------------------|---------------------|-------------------------|---------------------|
| Cash and cash equivalents | \$ 247,920 | \$ - | \$ 200,000 | \$ - | \$ 318,211 | \$ - | \$ 2,073 | \$ 373,212 | \$ 5,286 | \$ - |
| Receivables (net of allowances for uncollectibles): | | | | | | | | | | |
| Taxes | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | 13,838 | - | 524,932 | 178,481 | - | - | 218,598 |
| Loans | - | - | - | - | - | 843,581 | - | - | - | 3,944,574 |
| Miscellaneous | 190 | 151,900 | 24,832 | - | 273,842 | 45,324 | - | 1,804,290 | - | - |
| Interfund receivable - pooled cash | - | - | 1,013,147 | - | - | - | - | 220,819 | - | - |
| Due from other funds | - | - | - | - | - | - | - | - | - | - |
| Assets held for resale | - | - | - | - | - | 2,198,388 | - | - | - | 30,296 |
| Total assets | \$ 248,110 | \$ 151,900 | \$ 1,237,979 | \$ 13,838 | \$ 592,053 | \$ 3,612,225 | \$ 180,554 | \$ 2,398,321 | \$ 5,286 | \$ 4,193,468 |

Liabilities, deferred inflows of resources and fund balances

| Liabilities: | Accounts payable | Wages and withholdings payable | Contracts payable | Interfund payable - pooled cash | Unearned revenue | Total liabilities | Deferred inflows of resources | Fund balances: | Nonspendable fund balance | Restricted fund balance | Assigned fund balance | Unassigned fund balance | Total fund balances | Total liabilities, deferred inflows of resources and fund balances |
|---|-------------------|--------------------------------|---------------------|---------------------------------|-------------------|---------------------|-------------------------------|---------------------|---------------------------|-------------------------|-----------------------|-------------------------|---------------------|--|
| Accounts payable | \$ 15 | \$ 4,776 | \$ - | \$ - | \$ - | \$ 15 | \$ - | | | | | | | |
| Wages and withholdings payable | - | 2,463 | - | - | - | - | - | | | | | | | |
| Contracts payable | - | - | - | - | - | - | - | | | | | | | |
| Interfund payable - pooled cash | - | - | - | - | - | - | - | | | | | | | |
| Unearned revenue | - | 69,228 | - | 15,166 | - | - | - | | | | | | | |
| Total liabilities | 15 | 76,467 | 1,726 | 145 | 128 | 15,294 | 3,062 | 33,243 | 31,301 | 6,361 | 8,997 | 101,144 | 138,806 | 140,195 |
| Deferred inflows of resources | - | - | - | - | - | - | - | 26,002 | - | - | - | - | - | - |
| Fund balances: | | | | | | | | | | | | | | |
| Nonspendable fund balance | - | - | - | - | - | - | - | 2,198,389 | - | - | - | - | 30,296 | - |
| Restricted fund balance | - | - | - | - | - | - | - | 1,174,456 | 15,746 | - | - | - | 4,022,977 | - |
| Assigned fund balance | 248,095 | 75,433 | 1,236,108 | - | - | - | 588,991 | - | 2,389,324 | - | 5,286 | - | - | - |
| Unassigned fund balance | - | - | - | - | (1,456) | - | - | - | - | - | - | - | - | - |
| Total fund balances | 248,095 | 75,433 | 1,236,108 | (1,456) | (1,456) | 588,991 | 3,372,845 | 15,746 | 2,389,324 | 5,286 | 4,053,273 | 4,053,273 | 4,053,273 | 4,193,468 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 248,110 | \$ 151,900 | \$ 1,237,979 | \$ 13,838 | \$ 592,053 | \$ 3,612,225 | \$ 180,554 | \$ 2,398,321 | \$ 5,286 | \$ 4,193,468 | \$ 4,193,468 | \$ 4,193,468 | \$ 4,193,468 | \$ 4,193,468 |

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2012

| Assets | Affordable Housing Trust | Federal Revolving | Urban Development Action Grant | Urban Enterprise Association | Emergency Shelter Grant | Neighborhood Stabilization | Neighborhood Stabilization 2013 | Public Safety Academy Operating | Consolidated Communication Partnership | General Donation |
|---|--------------------------|-------------------|--------------------------------|------------------------------|-------------------------|----------------------------|---------------------------------|---------------------------------|--|------------------|
| Cash and cash equivalents | \$ 7,058 | \$ 77,660 | \$ 20,041 | \$ - | \$ - | \$ - | \$ - | \$ 67,344 | \$ 894,648 | \$ 880,013 |
| Receivables (net of allowances for uncollectibles): | | | | | | | | | | |
| Taxes | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental | - | 864,969 | - | - | 38,304 | 43,779 | 664,182 | - | - | 22,613 |
| Loans | 224,031 | - | - | - | - | 689,379 | 450,000 | - | - | 6,572 |
| Miscellaneous | - | 8,906 | - | 31,214 | - | - | - | 921 | 7,781 | 37,257 |
| Interfund receivable - pooled cash | - | - | - | - | - | - | - | - | - | - |
| Due from other funds | - | - | - | - | - | - | - | - | - | 500 |
| Assets held for resale | - | - | - | - | - | 1,136,673 | - | - | - | - |
| Total assets | \$ 231,089 | \$ 951,535 | \$ 20,041 | \$ 31,214 | \$ 38,304 | \$ 1,869,831 | \$ 1,114,182 | \$ 68,265 | \$ 902,429 | \$ 946,955 |

Liabilities, deferred inflows of resources and fund balances

| | | | | | | | | | | |
|--|------------|------------|-----------|-----------|-----------|--------------|--------------|-----------|------------|------------|
| Liabilities: | | | | | | | | | | |
| Accounts payable | \$ - | \$ 102,867 | \$ - | \$ 761 | \$ 5,463 | \$ - | \$ - | \$ 2,371 | \$ 21,568 | \$ 26,298 |
| Wages and withholdings payable | - | 169 | - | 3,152 | - | - | - | - | 26,706 | 860 |
| Contracts payable | - | - | - | - | - | - | - | - | - | - |
| Interfund payable - pooled cash | - | - | - | 29,320 | 32,841 | 108,008 | 664,182 | - | - | - |
| Unearned revenue | - | 146,620 | - | - | - | - | - | - | - | - |
| Total liabilities | - | 249,656 | - | 33,233 | 38,304 | 108,008 | 664,182 | 2,371 | 48,274 | 27,158 |
| Deferred inflows of resources | - | 397,154 | - | - | - | - | - | - | - | - |
| Fund balances: | | | | | | | | | | |
| Nonspendable fund balance | 224,031 | - | - | - | - | 1,136,673 | - | - | - | - |
| Restricted fund balance | - | 304,725 | - | - | - | 625,150 | 450,000 | - | - | 919,797 |
| Assigned fund balance | 7,058 | - | 20,041 | - | - | - | - | 65,894 | 854,155 | - |
| Unassigned fund balance | - | - | - | (2,019) | - | - | - | - | - | - |
| Total fund balances | 231,089 | 304,725 | 20,041 | (2,019) | - | 1,761,823 | 450,000 | 65,894 | 854,155 | 919,797 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 231,089 | \$ 951,535 | \$ 20,041 | \$ 31,214 | \$ 38,304 | \$ 1,869,831 | \$ 1,114,182 | \$ 68,265 | \$ 902,429 | \$ 946,955 |

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2012

| | Domestic Violence | Rainy Day Fund | Animal Care Donation | Animal Control Special Project | Parking Fund | Barrett Law Surplus | Totals |
|---|----------------------|---------------------|-------------------------|--------------------------------------|------------------|------------------------|----------------------|
| Assets | | | | | | | |
| Cash and cash equivalents | \$ 11,386 | \$ 355,696 | \$ 670,593 | \$ 163,591 | \$ 67,447 | \$ 44,447 | \$ 4,406,626 |
| Receivables (net of allowances for uncollectibles): | | | | | | | |
| Taxes | 338 | - | - | - | - | - | 338 |
| Intergovernmental | - | - | - | - | - | - | 2,569,696 |
| Loans | - | - | - | - | - | - | 6,158,137 |
| Miscellaneous | - | - | - | - | 1,967 | - | 2,388,424 |
| Interfund receivable - pooled cash | - | 1,735,577 | - | - | - | - | 2,969,543 |
| Due from other funds | - | - | - | - | 2,471 | - | 2,971 |
| Assets held for resale | - | - | - | - | - | - | 3,365,357 |
| Total assets | \$ 11,724 | \$ 2,091,273 | \$ 670,593 | \$ 163,591 | \$ 71,885 | \$ 44,447 | \$ 21,861,092 |
| Liabilities, deferred inflows of resources and fund balances | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts payable | \$ 3,079 | \$ - | \$ 941 | \$ 5,534 | \$ - | \$ - | \$ 253,371 |
| Wages and withholdings payable | - | - | 514 | - | - | - | 40,949 |
| Contracts payable | - | - | - | - | - | - | 12,697 |
| Interfund payable - pooled cash | - | - | - | - | - | - | 1,233,966 |
| Unearned revenue | - | - | - | - | - | - | 264,358 |
| Total liabilities | 3,079 | - | 1,455 | 5,534 | - | - | 1,805,341 |
| Deferred inflows of resources | 338 | - | - | - | - | - | 423,494 |
| Fund balances: | | | | | | | |
| Nonspendable fund balance | - | - | - | - | - | - | 3,589,389 |
| Restricted fund balance | - | - | 669,138 | 158,057 | - | - | 8,340,046 |
| Assigned fund balance | 8,307 | 2,091,273 | - | - | 71,885 | 44,447 | 7,706,297 |
| Unassigned fund balance | - | - | - | - | - | - | (3,475) |
| Total fund balances | 8,307 | 2,091,273 | 669,138 | 158,057 | 71,885 | 44,447 | 19,632,257 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 11,724 | \$ 2,091,273 | \$ 670,593 | \$ 163,591 | \$ 71,885 | \$ 44,447 | \$ 21,861,092 |

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 December 31, 2012

| | Renaissance Pointe | Equipment Purchase | Cumulative Capital Improvement | Building Project | Barrett Law Commercial | Barrett Law Revolving Improvement | Totals |
|---|-----------------------|-----------------------|--------------------------------------|---------------------|---------------------------|---|---------------------|
| <u>Assets</u> | | | | | | | |
| Cash and cash equivalents | \$ 46,415 | \$ 451,264 | \$ 659,250 | \$ 3,560,813 | \$ 102,297 | \$ 2,202,279 | \$ 7,022,318 |
| Receivables (net of allowances for uncollectibles): | | | | | | | |
| Assessments | - | - | - | - | 3,093 | 559,732 | 562,825 |
| Intergovernmental | - | - | 59,309 | - | - | - | 59,309 |
| Miscellaneous | - | - | - | - | 157 | 35,767 | 35,924 |
| Interfund receivable | - | 915,532 | - | - | - | - | 915,532 |
| Due from other funds | - | - | 31,503 | - | - | 1,170 | 32,673 |
| Assets held for resale | 1,370,618 | - | - | - | - | - | 1,370,618 |
| Total assets | \$ 1,417,033 | \$ 1,366,796 | \$ 750,062 | \$ 3,560,813 | \$ 105,547 | \$ 2,798,948 | \$ 9,999,199 |
| <u>Liabilities, deferred inflows of resources and fund balances</u> | | | | | | | |
| <u>Liabilities:</u> | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ 101,405 | \$ - | \$ - | \$ 22,264 | \$ 123,669 |
| Due to other funds | - | 307,206 | - | - | - | 102,704 | 409,910 |
| Total liabilities | - | 307,206 | 101,405 | - | - | 124,968 | 533,579 |
| Deferred inflows of resources | - | - | 59,309 | - | 3,112 | 553,558 | 615,979 |
| <u>Fund balances:</u> | | | | | | | |
| Nonspendable fund balance | 1,370,618 | - | - | - | - | - | 1,370,618 |
| Committed fund balance | - | - | - | - | - | 113,594 | 113,594 |
| Assigned fund balance | 46,415 | 1,059,590 | 589,348 | 3,560,813 | 102,435 | 2,006,828 | 7,365,429 |
| Total fund balances | 1,417,033 | 1,059,590 | 589,348 | 3,560,813 | 102,435 | 2,120,422 | 8,849,641 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 1,417,033 | \$ 1,366,796 | \$ 750,062 | \$ 3,560,813 | \$ 105,547 | \$ 2,798,948 | \$ 9,999,199 |

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, 2012

| | Abandoned Vehicle | Parking Meter | Law Enforcement Training | Omnibus Crime | Cable Television | Community Development Block Grants | Reimbursable State Grants | Unsafe Building | DED International Trade | HOME | Affordable Housing Trust |
|---|-------------------|---------------|--------------------------|---------------|------------------|------------------------------------|---------------------------|-----------------|-------------------------|--------------|--------------------------|
| Revenues: | | | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | - | - | 101,426 | - | 1,082,056 | - | - | - | - | - | - |
| Intergovernmental | - | - | - | 59,455 | - | 2,120,788 | 573,599 | - | - | 982,307 | - |
| Charges for services | 10,070 | 204,229 | 176,667 | - | - | 494,288 | 2,332,617 | - | - | 514,733 | - |
| Fines and forfeits | - | 202,751 | 36,958 | - | - | - | - | 1,179,366 | - | - | - |
| Other | 65,054 | 442 | 1,646 | - | 544 | - | 79,901 | 17,334 | 7 | - | 39 |
| Total revenues | 75,124 | 407,422 | 316,697 | 59,455 | 1,082,600 | 2,615,076 | 2,986,117 | 1,196,700 | 7 | 1,497,040 | 39 |
| Expenditures: | | | | | | | | | | | |
| Current: | | | | | | | | | | | |
| General government | - | 558,272 | - | - | 999,138 | - | - | - | - | - | - |
| Public safety | 2,215 | - | 123,869 | 60,911 | - | - | 675,475 | 665,716 | - | - | - |
| Highways and streets | - | - | - | - | - | - | 2,332,616 | - | - | - | - |
| Health and welfare | - | - | - | - | - | - | - | - | - | - | - |
| Economic opportunity | - | - | - | - | - | - | - | - | - | - | - |
| Economic development | - | - | - | - | - | - | - | - | 500 | - | - |
| Urban redevelopment and housing | - | - | - | - | - | 2,193,340 | - | - | - | 1,395,149 | 30,700 |
| Total expenditures | 2,215 | 558,272 | 123,869 | 60,911 | 999,138 | 2,193,340 | 3,008,091 | 665,716 | 500 | 1,395,149 | 30,700 |
| Excess (deficiency) of revenues over (under) expenditures | 72,909 | (150,850) | 192,828 | (1,456) | 83,462 | 421,736 | (21,974) | 530,984 | (493) | 101,891 | (30,661) |
| Other financing sources (uses): | | | | | | | | | | | |
| Transfers in | - | - | - | - | - | 34,381 | - | - | - | 4 | - |
| Transfers out | - | - | - | - | (75,000) | (20,000) | (525) | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | (75,000) | 14,381 | (525) | - | - | 4 | - |
| Net change in fund balances | 72,909 | (150,850) | 192,828 | (1,456) | 8,462 | 436,117 | (22,499) | 530,984 | (493) | 101,895 | (30,661) |
| Fund balances - beginning | 175,186 | 226,283 | 1,043,280 | - | 580,529 | 2,936,728 | 38,245 | 1,858,340 | 5,779 | 3,951,378 | 261,750 |
| Prior period adjustment (Note 14) | - | - | - | - | - | - | - | - | - | - | - |
| Fund balances - beginning, as restated | 175,186 | 226,283 | 1,043,280 | - | 580,529 | 2,936,728 | 38,245 | 1,858,340 | 5,779 | 3,951,378 | 261,750 |
| Fund balances - ending | \$ 248,095 | \$ 75,433 | \$ 1,236,108 | \$ (1,456) | \$ 588,991 | \$ 3,372,845 | \$ 15,746 | \$ 2,389,324 | \$ 5,286 | \$ 4,053,273 | \$ 231,089 |

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, 2012

| | Federal Revolving | Urban Development Action Grant | Urban Enterprise Association | Emergency Shelter Grant | Neighborhood Stabilization | Neighborhood Stabilization 2013 | Public Safety Academy Operating | Consolidated Communication Partnership | General Donation |
|--|-------------------|--------------------------------|------------------------------|-------------------------|----------------------------|---------------------------------|---------------------------------|--|-------------------|
| Revenues: | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | - | - | - | - | - | - | - | - | - |
| Intergovernmental | 2,194,619 | - | - | 88,682 | 821,064 | 664,182 | - | 2,491,171 | - |
| Charges for services | 942,148 | - | - | - | 731 | 450,000 | 19,798 | 103,201 | 167,908 |
| Fines and forfeits | 159,348 | - | - | - | - | - | - | - | 17,449 |
| Other | 11,247 | 23 | 395,685 | - | - | - | 162,926 | 934,439 | 262,195 |
| Total revenues | 3,307,362 | 23 | 395,685 | 88,682 | 821,795 | 1,114,182 | 182,724 | 3,528,811 | 447,552 |
| Expenditures: | | | | | | | | | |
| Current: | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | 66,466 |
| Public safety | 1,458,761 | - | - | - | - | - | 926,918 | 6,436,048 | 193,186 |
| Highways and streets | 1,169,368 | - | - | - | - | - | - | - | 127,122 |
| Health and welfare | - | - | - | - | - | - | - | - | - |
| Economic opportunity | 222,134 | - | - | - | - | - | - | - | 851 |
| Economic development | - | - | 397,704 | - | - | - | - | - | - |
| Urban redevelopment and housing | 977,980 | - | - | 88,682 | 555,021 | 664,182 | - | - | 60,432 |
| Total expenditures | 3,828,243 | - | 397,704 | 88,682 | 555,021 | 664,182 | 926,918 | 6,436,048 | 448,057 |
| Excess (deficiency) of revenues over (under) expenditures | (520,881) | 23 | (2,019) | - | 266,774 | 450,000 | (744,194) | (2,907,237) | (505) |
| Other financing sources (uses): | | | | | | | | | |
| Transfers in | 192,781 | - | - | - | - | - | 550,000 | 3,195,130 | 55,055 |
| Transfers out | (120,722) | - | - | - | - | - | (4,000) | - | (19,587) |
| Total other financing sources (uses) | 72,059 | - | - | - | - | - | 546,000 | 3,195,130 | 35,468 |
| Net change in fund balances | (448,822) | 23 | (2,019) | - | 266,774 | 450,000 | (198,194) | 287,893 | 34,963 |
| Fund balances - beginning | 753,547 | 20,018 | - | - | 805,670 | - | 264,088 | 566,262 | 884,834 |
| Prior period adjustment (Note 14) | - | - | - | - | 689,379 | - | - | - | - |
| Fund balances - beginning, as restated | 753,547 | 20,018 | - | - | 1,495,049 | - | 264,088 | 566,262 | 884,834 |
| Fund balances - ending | \$ 304,725 | \$ 20,041 | \$ (2,019) | \$ - | \$ 1,761,823 | \$ 450,000 | \$ 65,894 | \$ 854,155 | \$ 919,797 |

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, 2012

| | Domestic Violence | Rainy Day Fund | Animal Care Donation | Animal Control Special Project | Parking Fund | Barrett Law Surplus | Totals |
|--|----------------------|--------------------|-------------------------|--------------------------------------|-----------------|------------------------|--------------------|
| Revenues: | | | | | | | |
| Taxes | \$ 7,634 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,634 |
| Licenses and permits | - | - | - | - | - | - | 1,183,482 |
| Intergovernmental | - | - | 154,402 | - | - | - | 10,150,269 |
| Charges for services | - | - | - | - | 98,136 | - | 5,514,526 |
| Fines and forfeits | - | - | - | - | - | - | 1,595,872 |
| Other | - | - | 2,203 | 188,725 | 306,672 | 952 | 2,430,034 |
| Total revenues | 7,634 | - | 156,605 | 188,725 | 404,808 | 952 | 20,881,817 |
| Expenditures: | | | | | | | |
| Current: | | | | | | | |
| General government | - | - | - | - | 332,923 | 2,286 | 1,959,085 |
| Public safety | 5,316 | - | - | - | - | - | 10,548,415 |
| Highways and streets | - | - | - | - | - | - | 3,629,106 |
| Health and welfare | - | - | 120,195 | 180,491 | - | - | 300,686 |
| Economic opportunity | - | - | - | - | - | - | 222,985 |
| Economic development | - | - | - | - | - | - | 398,204 |
| Urban redevelopment and housing | - | - | - | - | - | - | 5,965,486 |
| Total expenditures | 5,316 | - | 120,195 | 180,491 | 332,923 | 2,286 | 23,023,967 |
| Excess (deficiency) of revenues over (under) expenditures | 2,318 | - | 36,410 | 8,234 | 71,885 | (1,334) | (2,142,150) |
| Other financing sources (uses): | | | | | | | |
| Transfers in | - | (1,400,000) | (27,037) | 27,037 | - | - | 4,054,388 |
| Transfers out | - | - | - | (14,488) | - | - | (1,681,359) |
| Total other financing sources (uses) | - | (1,400,000) | (27,037) | 12,549 | - | - | 2,373,029 |
| Net change in fund balances | 2,318 | (1,400,000) | 9,373 | 20,783 | 71,885 | (1,334) | 230,879 |
| Fund balances - beginning | 5,989 | 3,491,273 | 659,765 | 137,274 | - | 45,781 | 18,711,999 |
| Prior period adjustment (Note 14) | - | - | - | - | - | - | 689,379 |
| Fund balances - beginning, as restated | 5,989 | 3,491,273 | 659,765 | 137,274 | - | 45,781 | 19,401,378 |
| Fund balances - ending | 8,307 | 2,091,273 | 669,138 | 158,057 | 71,885 | 44,447 | 19,632,257 |

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, 2012

| | Renaissance Pointe | Equipment Purchase | Cumulative Capital Improvement | Building Project | Barrett Law Commercial | Barrett Law Revolving Improvement | Totals |
|--|-----------------------|-----------------------|--------------------------------------|---------------------|---------------------------|---|--------------|
| Revenues: | | | | | | | |
| Special assessments | \$ - | \$ - | \$ - | \$ - | \$ 1,289 | \$ 615,055 | \$ 616,344 |
| Intergovernmental | - | - | 672,853 | - | - | - | 672,853 |
| Other | 44 | 64,120 | 669 | 244,913 | 29 | 1,499 | 311,274 |
| Total revenues | 44 | 64,120 | 673,522 | 244,913 | 1,318 | 616,554 | 1,600,471 |
| Expenditures: | | | | | | | |
| Debt service: | | | | | | | |
| Principal | - | - | - | 2,245,000 | - | - | 2,245,000 |
| Interest | - | - | - | 1,748,176 | - | - | 1,748,176 |
| Capital outlay | 94,196 | 7,113,692 | 638,902 | 206,069 | - | 618,134 | 8,670,993 |
| Total expenditures | 94,196 | 7,113,692 | 638,902 | 4,199,245 | - | 618,134 | 12,664,169 |
| Excess (deficiency) of revenues over (under) expenditures | (94,152) | (7,049,572) | 34,620 | (3,954,332) | 1,318 | (1,580) | (11,063,698) |
| Other financing sources (uses): | | | | | | | |
| Transfers in | - | 146,492 | - | 3,681,862 | - | - | 3,828,354 |
| Transfers out | (34,381) | (48,720) | - | (149,203) | - | - | (232,304) |
| Capital leases issued | - | 5,570,506 | - | - | - | - | 5,570,506 |
| Total other financing sources (uses) | (34,381) | 5,668,278 | - | 3,532,659 | - | - | 9,166,556 |
| Net change in fund balances | (128,533) | (1,381,294) | 34,620 | (421,673) | 1,318 | (1,580) | (1,897,142) |
| Fund balances - beginning | 1,545,566 | 2,440,884 | 554,728 | 3,982,486 | 101,567 | 3,779,976 | 12,405,207 |
| Prior period adjustment (Note 14) | - | - | - | - | (450) | (1,657,974) | (1,658,424) |
| Fund balances - beginning, as restated | 1,545,566 | 2,440,884 | 554,728 | 3,982,486 | 101,117 | 2,122,002 | 10,746,783 |
| Fund balances - ending | \$ 1,417,033 | \$ 1,059,590 | \$ 589,348 | \$ 3,560,813 | \$ 102,435 | \$ 2,120,422 | \$ 8,849,641 |

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012

| | Parking Meter | | | Law Enforcement Training | | | Cable Television | | | | | |
|--------------------------------------|------------------|------------|------------------------------|--------------------------|--------------|------------------------------|------------------|--------------|------------------------------|--------------|-------------|---|
| | Budgeted Amounts | | Variance Positive (Negative) | Budgeted Amounts | | Variance Positive (Negative) | Budgeted Amounts | | Variance Positive (Negative) | | | |
| | Original | Final | Actual | Original | Final | Actual | Original | Final | Actual | | | |
| Revenues: | | | | | | | | | | | | |
| Licenses and permits | \$ - | \$ - | \$ - | \$ - | \$ 74,400 | \$ 74,400 | 101,426 | \$ 1,148,000 | \$ 1,148,000 | \$ 1,082,056 | \$ (65,944) | |
| Charges for services | 175,350 | 175,350 | 204,229 | 28,879 | 158,940 | 158,940 | 176,667 | - | - | - | - | |
| Fines and forfeits | 271,000 | 271,000 | 202,751 | (68,249) | 36,000 | 36,000 | 36,958 | - | - | - | - | |
| Other | - | - | 442 | 442 | - | - | 1,646 | - | - | 544 | 544 | |
| Total revenues | 446,350 | 446,350 | 407,422 | (38,928) | 269,340 | 269,340 | 316,697 | 1,148,000 | 1,148,000 | 1,082,600 | (65,400) | |
| Expenditures: | | | | | | | | | | | | |
| General government: | | | | | | | | | | | | |
| Personal services | 498,023 | 498,023 | 502,712 | (4,689) | - | - | - | - | - | - | - | - |
| Supplies | 17,255 | 17,255 | 11,681 | 5,574 | - | - | - | - | - | - | - | - |
| Other services and charges | 44,833 | 44,833 | 43,879 | 954 | - | - | - | 1,060,000 | 1,060,000 | 983,888 | 76,112 | |
| Capital outlay | - | - | - | - | - | - | - | 20,000 | 17,250 | 15,250 | 2,000 | |
| Public safety: | | | | | | | | | | | | |
| Other services and charges | - | - | - | - | 206,800 | 206,800 | 123,869 | - | - | - | - | - |
| Total expenditures | 560,111 | 560,111 | 558,272 | 1,839 | 206,800 | 206,800 | 123,869 | 1,080,000 | 1,077,250 | 999,138 | 78,112 | |
| Other financing sources (uses): | | | | | | | | | | | | |
| Transfers out | - | - | - | - | - | - | - | (75,000) | (75,000) | (75,000) | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - | (75,000) | (75,000) | (75,000) | - | - |
| Net change in fund balances | (113,761) | (113,761) | (150,850) | (37,089) | 62,540 | 62,540 | 192,828 | (7,000) | (4,250) | 8,462 | 12,712 | |
| Fund balances - beginning | 226,283 | 226,283 | 226,283 | - | 1,043,280 | 1,043,280 | 1,043,280 | 580,529 | 580,529 | 580,529 | - | - |
| Fund balances - ending | \$ 112,522 | \$ 112,522 | \$ 75,433 | \$ (37,089) | \$ 1,105,820 | \$ 1,105,820 | \$ 1,236,108 | \$ 573,529 | \$ 576,279 | \$ 588,991 | \$ 12,712 | |

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012

| | Unsafe Building | | | Domestic Violence | | | Variance Positive (Negative) |
|-----------------------------|------------------|--------------|--------------|-------------------|----------|----------|------------------------------------|
| | Budgeted Amounts | | Actual | Budgeted Amounts | | Actual | |
| | Original | Final | | Original | Final | | |
| Revenues: | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ 7,680 | \$ 7,680 | \$ 7,634 | \$ (46) |
| Fines and forfeits | 1,179,366 | 1,179,366 | 1,179,366 | - | - | - | - |
| Other | 17,334 | 17,334 | 17,334 | - | - | - | - |
| Total revenues | 1,196,700 | 1,196,700 | 1,196,700 | 7,680 | 7,680 | 7,634 | (46) |
| Expenditures: | | | | | | | |
| Public safety: | | | | | | | |
| Supplies | - | - | - | 150 | 150 | - | 150 |
| Other services and charges | 665,716 | 665,716 | 665,716 | 5,138 | 5,138 | 5,316 | (178) |
| Total expenditures | 665,716 | 665,716 | 665,716 | 5,288 | 5,288 | 5,316 | (28) |
| Net change in fund balances | 530,984 | 530,984 | 530,984 | 2,392 | 2,392 | 2,318 | (74) |
| Fund balances - beginning | 1,858,340 | 1,858,340 | 1,858,340 | 5,989 | 5,989 | 5,989 | - |
| Fund balances - ending | \$ 2,389,324 | \$ 2,389,324 | \$ 2,389,324 | \$ 8,381 | \$ 8,381 | \$ 8,307 | \$ (74) |

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012

| | Rainy Day Fund | | | Cumulative Capital Improvement | | | Variance Positive (Negative) |
|---------------------------------|------------------------------|---------------------------|--------------|--------------------------------|---------------------------|------------|------------------------------------|
| | Budgeted Amounts Original | Budgeted Amounts Final | Actual | Budgeted Amounts Original | Budgeted Amounts Final | Actual | |
| Revenues: | | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ 687,503 | \$ 687,503 | \$ 672,853 | \$ (14,650) |
| Other | - | - | - | - | - | 669 | 669 |
| Total revenues | - | - | - | 687,503 | 687,503 | 673,522 | (13,981) |
| Expenditures: | | | | | | | |
| Capital outlay | - | - | - | 780,637 | 711,461 | 638,902 | 72,559 |
| Total expenditures | - | - | - | 780,637 | 711,461 | 638,902 | 72,559 |
| Other financing sources (uses): | | | | | | | |
| Transfers out | (1,400,000) | (1,400,000) | (1,400,000) | - | - | - | - |
| Net change in fund balances | (1,400,000) | (1,400,000) | (1,400,000) | (93,134) | (23,958) | 34,620 | 58,578 |
| Fund balances - beginning | 3,491,273 | 3,491,273 | 3,491,273 | 554,728 | 554,728 | 554,728 | - |
| Fund balances - ending | \$ 2,091,273 | \$ 2,091,273 | \$ 2,091,273 | \$ 461,594 | \$ 530,770 | \$ 589,348 | \$ 58,578 |

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 2011.

Yardwaste Facility – to account for the activities of the yardwaste 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:

Self Insurance – to account for the financial requirements to self-insure for the employee medical insurance plan, general liability and automobile liability, and 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 POSITION
 NON-MAJOR ENTERPRISE FUNDS
 December 31, 2012

| | 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 | \$ 1,642,886 | \$ 301,730 | \$ 8,130 | \$ - | \$ - | \$ 315,710 | \$ 2,268,456 |
| Receivables: | | | | | | | |
| Accounts receivable (net of allowance for uncollectibles) | - | - | - | - | - | 68,114 | 68,114 |
| Miscellaneous receivable | 223,573 | 3,254 | 12,152 | - | - | - | 238,979 |
| Due from other funds | 1,293,911 | - | - | - | - | 5 | 1,293,916 |
| Prepaid expenses | 127 | 3,548 | - | - | - | 24 | 3,699 |
| Total current assets | 3,160,497 | 308,532 | 20,282 | - | - | 383,853 | 3,873,164 |
| Noncurrent assets: | | | | | | | |
| Restricted cash and cash equivalents | - | - | - | 4,018 | - | - | 4,018 |
| Unamortized issuance cost | - | - | - | 31,974 | - | - | 31,974 |
| Capital assets: | | | | | | | |
| Land, improvements to land and construction in progress | - | 997,802 | - | - | 75,732 | 1,938 | 1,075,472 |
| Other capital assets (net of accumulated depreciation) | 3,127,348 | 2,237,205 | 225,000 | 1,180,205 | 19,015 | 26,170 | 6,814,943 |
| Total noncurrent assets | 3,127,348 | 3,235,007 | 225,000 | 1,216,197 | 94,747 | 28,108 | 7,926,407 |
| Total assets | 6,287,845 | 3,543,539 | 245,282 | 1,216,197 | 94,747 | 411,961 | 11,799,571 |
| Liabilities | | | | | | | |
| Current liabilities: | | | | | | | |
| Accounts payable | 113,581 | - | - | - | - | 18,210 | 131,791 |
| Wages and withholdings payable | 1,639 | - | - | - | - | - | 1,639 |
| Due to other funds | 1,553 | - | - | - | - | 4,231 | 5,784 |
| Interfund payable | - | - | - | - | - | 62 | 62 |
| Compensated absences payable - current portion | 4,101 | - | - | - | - | 859 | 4,960 |
| Capital lease payable - current portion | 368,788 | - | - | - | - | - | 368,788 |
| Contracts payable | 639,678 | - | - | - | - | - | 639,678 |
| Loans payable - current portion | - | 273,571 | - | - | - | - | 273,571 |
| Revenue bonds payable - current portion | - | - | - | 95,000 | - | - | 95,000 |
| Accrued interest payable | 28,375 | - | - | 25,996 | - | - | 54,371 |
| Other current liabilities | - | - | - | - | - | 981 | 981 |
| Total current liabilities | 1,157,715 | 273,571 | - | 120,996 | - | 24,343 | 1,576,625 |
| Noncurrent liabilities: | | | | | | | |
| Compensated absences payable | - | - | - | - | - | 902 | 902 |
| Capital lease payable | 1,794,994 | - | - | - | - | - | 1,794,994 |
| Revenue bonds payable, net | - | - | - | 940,000 | - | - | 940,000 |
| Interfund payable | - | - | - | - | - | 149 | 149 |
| Total noncurrent liabilities | 1,794,994 | - | - | 940,000 | - | 1,051 | 2,736,045 |
| Total liabilities | 2,952,709 | 273,571 | - | 1,060,996 | - | 25,394 | 4,312,670 |
| Net position | | | | | | | |
| Net investment in capital assets | 963,566 | 2,961,436 | 225,000 | 145,205 | 94,747 | 28,108 | 4,418,062 |
| Restricted for: | | | | | | | |
| Debt service | - | - | - | 9,996 | - | - | 9,996 |
| Unrestricted | 2,371,570 | 308,532 | 20,282 | - | - | 358,459 | 3,058,843 |
| Total net position | \$ 3,335,136 | \$ 3,269,968 | \$ 245,282 | \$ 155,201 | \$ 94,747 | \$ 386,567 | \$ 7,486,901 |

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 December 31, 2012

| | Self Insurance | Garage | Totals |
|--|-------------------|-------------------|---------------------|
| <u>Assets</u> | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 3,573,450 | \$ 270,487 | \$ 3,843,937 |
| Miscellaneous receivable | 410,765 | 6,605 | 417,370 |
| Due from other funds | 17,345 | 124,689 | 142,034 |
| Inventories | - | 70,158 | 70,158 |
| Prepaid expenses | 682 | 279 | 961 |
| | <u>4,002,242</u> | <u>472,218</u> | <u>4,474,460</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) | - | 393,017 | 393,017 |
| | <u>-</u> | <u>420,294</u> | <u>420,294</u> |
| Total noncurrent assets | <u>-</u> | <u>420,294</u> | <u>420,294</u> |
| Total assets | <u>4,002,242</u> | <u>892,512</u> | <u>4,894,754</u> |
| <u>Liabilities</u> | | | |
| Current liabilities: | | | |
| Accounts payable | 1,163,089 | 133,591 | 1,296,680 |
| Wages and withholdings payable | 5,913 | 1,619 | 7,532 |
| Contract payable | - | 333,167 | 333,167 |
| Due to other funds | 1,089 | 990 | 2,079 |
| Compensated absences payable - current portion | 9,101 | 20,409 | 29,510 |
| Accrued group insurance benefits payable | 1,453,447 | - | 1,453,447 |
| Other current liabilities | 543,433 | - | 543,433 |
| | <u>3,176,072</u> | <u>489,776</u> | <u>3,665,848</u> |
| Total liabilities | <u>3,176,072</u> | <u>489,776</u> | <u>3,665,848</u> |
| <u>Net position</u> | | | |
| Net investment in capital assets | - | 420,294 | 420,294 |
| Unrestricted | 826,170 | (17,558) | 808,612 |
| | <u>826,170</u> | <u>(17,558)</u> | <u>808,612</u> |
| Total net position | <u>\$ 826,170</u> | <u>\$ 402,736</u> | <u>\$ 1,228,906</u> |

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 NON-MAJOR ENTERPRISE FUNDS
 For The Year Ended December 31, 2012

| | 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 | \$ 10,533,360 | \$ 667,956 | \$ 82,799 | \$ - | \$ - | \$ 208,686 | \$ 11,492,801 |
| Operating expenses: | | | | | | | |
| Personnel services | 227,239 | - | - | - | - | 11 | 227,250 |
| Contractual services | 8,439,823 | 244,545 | - | - | - | 91,860 | 8,776,228 |
| Utilities | 429 | 52,003 | - | - | - | - | 52,432 |
| Administrative services | - | - | - | - | - | 32,689 | 32,689 |
| Other supplies and services | 654,821 | 29,711 | 87,350 | - | - | 5,616 | 777,498 |
| Insurance claims and premiums | 1,009 | 7,834 | - | - | - | - | 8,843 |
| Depreciation | 908,136 | 303,477 | 12,500 | 42,150 | 821 | 4,014 | 1,271,098 |
| Total operating expenses | 10,231,457 | 637,570 | 99,850 | 42,150 | 821 | 134,190 | 11,146,038 |
| Operating income (loss) | 301,903 | 30,386 | (17,051) | (42,150) | (821) | 74,496 | 346,763 |
| Nonoperating revenues (expenses): | | | | | | | |
| Interest and investment revenue | 2,658 | - | 15 | 3 | - | - | 2,676 |
| Interest expense | (70,860) | - | - | (56,909) | - | (6) | (127,775) |
| Amortization of debt issuance costs | - | - | - | (3,553) | - | - | (3,553) |
| Total nonoperating revenue (expenses) | (68,202) | - | 15 | (60,459) | - | (6) | (128,652) |
| Income (loss) before transfers | 233,701 | 30,386 | (17,036) | (102,609) | (821) | 74,490 | 218,111 |
| Transfers out | (766,040) | - | - | - | (61,368,700) | - | (62,134,740) |
| Change in net position | (532,339) | 30,386 | (17,036) | (102,609) | (61,369,521) | 74,490 | (61,916,629) |
| Total net position - beginning | 3,867,475 | 3,239,582 | 262,318 | 257,810 | 42,872,198 | 312,077 | 50,811,460 |
| Prior period adjustment | - | - | - | - | 18,592,070 | - | 18,592,070 |
| Total net position - beginning (restated) | 3,867,475 | 3,239,582 | 262,318 | 257,810 | 61,464,268 | 312,077 | 69,403,530 |
| Total net position - ending | \$ 3,335,136 | \$ 3,269,968 | \$ 245,282 | \$ 155,201 | \$ 94,747 | \$ 386,567 | \$ 7,486,901 |

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 For The Year Ended December 31, 2012

| | Self Insurance | Garage | Totals |
|---------------------------------|--------------------|-------------------|---------------------|
| Operating revenues: | | | |
| Charges for goods and services | \$ - | \$ 7,335,573 | \$ 7,335,573 |
| City contributions | 29,116,412 | - | 29,116,412 |
| Employee contributions | 2,021,904 | - | 2,021,904 |
| Insurance recoveries | 210,490 | - | 210,490 |
| | <u>31,348,806</u> | <u>7,335,573</u> | <u>38,684,379</u> |
| Total operating revenues | | | |
| Operating expenses: | | | |
| Personnel services | 505,020 | 233,141 | 738,161 |
| Contractual services | 3,053,340 | 3,721,049 | 6,774,389 |
| Utilities | 837 | 34,852 | 35,689 |
| Other supplies and services | 23,782 | 3,343,854 | 3,367,636 |
| Insurance claims and premiums | 28,850,089 | 2,221 | 28,852,310 |
| Depreciation | - | 40,740 | 40,740 |
| | <u>32,433,068</u> | <u>7,375,857</u> | <u>39,808,925</u> |
| Total operating expenses | | | |
| Operating loss | <u>(1,084,262)</u> | <u>(40,284)</u> | <u>(1,124,546)</u> |
| Nonoperating revenues: | | | |
| Interest and investment revenue | 2,944 | 70 | 3,014 |
| Miscellaneous revenue | 136,747 | 7,548 | 144,295 |
| | <u>139,691</u> | <u>7,618</u> | <u>147,309</u> |
| Total nonoperating revenues | | | |
| Loss before transfers | <u>(944,571)</u> | <u>(32,666)</u> | <u>(977,237)</u> |
| Transfers in | <u>1,400,000</u> | <u>-</u> | <u>1,400,000</u> |
| Change in net position | 455,429 | (32,666) | 422,763 |
| Total net position - beginning | <u>370,741</u> | <u>435,402</u> | <u>806,143</u> |
| Total net position - ending | <u>\$ 826,170</u> | <u>\$ 402,736</u> | <u>\$ 1,228,906</u> |

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CASH FLOWS
 NON-MAJOR ENTERPRISE FUNDS
 For The Year Ended December 31, 2012

| | 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 | \$ 10,396,963 | \$ 663,431 | \$ 84,190 | \$ - | \$ - | \$ 177,538 | \$ 11,322,122 |
| Payments to suppliers | (9,117,475) | (334,093) | (87,350) | - | - | (128,404) | (9,667,322) |
| Payments to employees | (228,671) | - | - | - | - | (11) | (228,682) |
| Other receipts | - | - | - | - | - | 5 | 5 |
| Net cash provided (used) by operating activities | <u>1,050,817</u> | <u>329,338</u> | <u>(3,160)</u> | <u>-</u> | <u>-</u> | <u>49,128</u> | <u>1,426,123</u> |
| Cash flows from noncapital financing activities: | | | | | | | |
| Transfer to other funds | (766,040) | - | - | - | (10,048,520) | - | (10,814,560) |
| Cash flows from capital and related financing activities: | | | | | | | |
| Acquisition and construction of capital assets | - | (41,695) | - | - | - | (605) | (42,300) |
| Principal paid on capital debt | (358,533) | (273,572) | - | (90,000) | - | - | (722,105) |
| Capital lease payments | (6,455) | - | - | - | - | - | (6,455) |
| Interest paid on capital debt | (64,404) | - | - | (58,985) | - | - | (123,389) |
| Net cash used by capital and related financing activities | <u>(429,392)</u> | <u>(315,267)</u> | <u>-</u> | <u>(148,985)</u> | <u>-</u> | <u>(605)</u> | <u>(894,249)</u> |
| Cash flows from investing activities: | | | | | | | |
| Investment income received | <u>2,658</u> | <u>-</u> | <u>15</u> | <u>3</u> | <u>-</u> | <u>-</u> | <u>2,676</u> |
| Net increase (decrease) in cash and cash equivalents | (141,957) | 14,071 | (3,145) | (148,982) | (10,048,520) | 48,523 | (10,280,010) |
| Cash and cash equivalents, January 1 | <u>1,784,843</u> | <u>287,659</u> | <u>11,275</u> | <u>153,000</u> | <u>10,048,520</u> | <u>267,187</u> | <u>12,552,484</u> |
| Cash and cash equivalents, December 31 | <u>\$ 1,642,886</u> | <u>\$ 301,730</u> | <u>\$ 8,130</u> | <u>\$ 4,018</u> | <u>\$ -</u> | <u>\$ 315,710</u> | <u>\$ 2,272,474</u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | | | | | |
| Operating income (loss) | \$ 301,903 | \$ 30,386 | \$ (17,051) | \$ (42,150) | \$ (821) | \$ 74,496 | \$ 346,763 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | | | | |
| Depreciation expense | 908,136 | 303,477 | 12,500 | 42,150 | 821 | 4,014 | 1,271,098 |
| (Increase) decrease in assets: | | | | | | | |
| Miscellaneous receivable | (166,003) | (3,254) | 1,391 | - | - | (31,148) | (199,014) |
| Due from other funds | 29,604 | - | - | - | - | - | 29,604 |
| Other assets | - | - | - | - | - | 5 | 5 |
| Prepaid expenses | (63) | (1,271) | - | - | - | - | (1,334) |
| Increase (decrease) in liabilities: | | | | | | | |
| Due to other funds | 1,553 | - | - | - | - | - | 1,553 |
| Accounts payable and other liabilities | (22,882) | - | - | - | - | 1,761 | (21,121) |
| Wages and withholdings payable | (1,925) | - | - | - | - | - | (1,925) |
| Compensated absences payable | 494 | - | - | - | - | - | 494 |
| Total adjustments | <u>748,914</u> | <u>298,952</u> | <u>13,891</u> | <u>42,150</u> | <u>821</u> | <u>(25,368)</u> | <u>1,079,360</u> |
| Net cash provided (used) by operating activities | <u>\$ 1,050,817</u> | <u>\$ 329,338</u> | <u>\$ (3,160)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 49,128</u> | <u>\$ 1,426,123</u> |
| Noncash investing, capital and financing activities: | | | | | | | |
| Transfer out | \$ - | \$ - | \$ - | \$ - | \$ (51,320,180) | \$ - | \$ (51,320,180) |

CITY OF FORT WAYNE
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended December 31, 2012

| | Self Insurance | Garage | Totals |
|---|---------------------|-------------------|---------------------|
| Cash flows from operating activities: | | | |
| Receipts from customers and users | \$ 31,108,807 | \$ 7,367,361 | \$ 38,476,168 |
| Payments to suppliers | (31,578,045) | (7,126,046) | (38,704,091) |
| Payments to employees | (508,172) | (234,045) | (742,217) |
| Net cash provided (used) by operating activities | <u>(977,410)</u> | <u>7,270</u> | <u>(970,140)</u> |
| Cash flows from noncapital financing activities: | | | |
| Transfer from other funds | <u>1,400,000</u> | <u>-</u> | <u>1,400,000</u> |
| Cash flows from capital and related financing activities: | | | |
| Acquisition and construction of capital assets | - | (56,000) | (56,000) |
| Principal paid on capital debt | - | (13,734) | (13,734) |
| Net cash used by capital and related financing activities | <u>-</u> | <u>(69,734)</u> | <u>(69,734)</u> |
| Cash flows from investing activities: | | | |
| Investment income received | <u>2,944</u> | <u>70</u> | <u>3,014</u> |
| Net increase (decrease) in cash and cash equivalents | 425,534 | (62,394) | 363,140 |
| Cash and cash equivalents, January 1 | <u>3,147,916</u> | <u>332,881</u> | <u>3,480,797</u> |
| Cash and cash equivalents, December 31 | <u>\$ 3,573,450</u> | <u>\$ 270,487</u> | <u>\$ 3,843,937</u> |
| Reconciliation of operating loss to net cash provided (used) by operating activities: | | | |
| Operating loss | \$ (1,084,262) | \$ (40,284) | \$ (1,124,546) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | |
| Nonoperating revenue | 136,747 | 7,548 | 144,295 |
| Depreciation expense | - | 40,740 | 40,740 |
| (Increase) decrease in assets: | | | |
| Miscellaneous receivable | (359,399) | (1,521) | (360,920) |
| Due from other funds | (17,345) | 25,761 | 8,416 |
| Inventories | - | 11,006 | 11,006 |
| Prepaid expenses | (161) | (75) | (236) |
| Increase (decrease) in liabilities: | | | |
| Accounts payable and other liabilities | 820,935 | (28,917) | 792,018 |
| Due to other funds | (250) | (6,084) | (6,334) |
| Wages and withholdings payable | (3,803) | (4,899) | (8,702) |
| Accrued group insurance benefits | (470,522) | - | (470,522) |
| Compensated absences payable | <u>650</u> | <u>3,995</u> | <u>4,645</u> |
| Total adjustments | <u>106,852</u> | <u>47,554</u> | <u>154,406</u> |
| Net cash provided (used) by operating activities | <u>\$ (977,410)</u> | <u>\$ 7,270</u> | <u>\$ (970,140)</u> |

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.

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET POSITION
 PENSION TRUST FUNDS
 December 31, 2012

| | <u>Pension Trust Funds</u> | | | |
|---------------------------------|----------------------------|---------------------------|---|---------------------|
| | <u>Fire Pension</u> | <u>Police Pension</u> | <u>Sanitary Officers' Pension</u> | <u>Totals</u> |
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 650,670 | \$ 1,058,586 | \$ 134,058 | \$ 1,843,314 |
| Receivables: | | | | |
| Taxes | - | - | 18,277 | 18,277 |
| Total assets | <u>650,670</u> | <u>1,058,586</u> | <u>152,335</u> | <u>1,861,591</u> |
| <u>Liabilities</u> | | | | |
| Accounts payable | 14,861 | 24,564 | 1,272 | 40,697 |
| <u>Net position</u> | | | | |
| Net position held in trust for: | | | | |
| Employees' pension benefits | <u>\$ 635,809</u> | <u>\$ 1,034,022</u> | <u>\$ 151,063</u> | <u>\$ 1,820,894</u> |

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CHANGES IN NET POSITION
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2012

| | Fire Pension | Police Pension | Sanitary Officers' Pension | Totals |
|---|-----------------|-------------------|----------------------------------|---------------|
| <u>Additions</u> | | | | |
| Contributions: | | | | |
| Employer | \$ 7,094,662 | \$ 7,788,149 | \$ 405,925 | \$ 15,288,736 |
| Plan members | - | 125 | - | 125 |
| Other | - | 10,986 | - | 10,986 |
| Investment income: | | | | |
| Interest | 838 | 1,393 | 211 | 2,442 |
| | 7,095,500 | 7,800,653 | 406,136 | 15,302,289 |
| <u>Deductions</u> | | | | |
| Benefits and refunds paid to plan members and beneficiaries | 7,262,880 | 8,603,645 | 465,922 | 16,332,447 |
| Administrative expenses | 21,795 | 16,012 | 4,378 | 42,185 |
| | 7,284,675 | 8,619,657 | 470,300 | 16,374,632 |
| Changes in net position | (189,175) | (819,004) | (64,164) | (1,072,343) |
| Net position - beginning | 824,984 | 1,853,026 | 215,227 | 2,893,237 |
| Net position - ending | \$ 635,809 | \$ 1,034,022 | \$ 151,063 | \$ 1,820,894 |

CITY OF FORT WAYNE
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For The Year Ended December 31, 2012

| | <u>FWNP Program</u> |
|---|-------------------------|
| Assets: | |
| Cash and cash equivalents - January 1, 2012 | \$ 7,082 |
| Additions | 6,143 |
| Deductions | <u>(13,225)</u> |
| Cash and cash equivalents - December 31, 2012 | <u>-</u> |
| Other assets - January 1, 2012 | 15,718 |
| Additions | 35,260 |
| Deductions | <u>(19,822)</u> |
| Other assets - December 31, 2012 | <u>31,156</u> |
| Total assets - December 31, 2012 | <u>\$ 31,156</u> |
| Liabilities: | |
| Payables - January 1, 2012 | \$ 22,800 |
| Additions | 12,138 |
| Deductions | <u>(3,782)</u> |
| Payables - December 31, 2012 | <u>31,156</u> |
| Total liabilities - December 31, 2012 | <u>\$ 31,156</u> |

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 Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

| | FISCAL YEAR | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Governmental activities | | | | | | | | | | |
| Invested in capital position, net of related debt | \$ 474,569,833 | \$ 508,789,081 | \$ 458,516,651 | \$ 533,702,894 | \$ 589,350,242 | \$ 607,547,297 | \$ 618,276,569 | \$ 620,124,839 | \$ 621,722,108 | \$ 599,663,536 |
| Restricted | (65,058,338) | - | - | - | - | - | - | - | - | - |
| Unrestricted | 47,479,838 | (23,697,714) | 19,367,230 | 26,886,506 | (2,400,493) | 360,631 | 88,388,510 | (17,889,370) | (9,568,045) | 46,361,334 |
| Total governmental activities net position | \$ 456,991,333 | \$ 485,091,367 | \$ 477,883,881 | \$ 560,589,400 | \$ 586,949,749 | \$ 607,907,928 | \$ 706,665,079 | \$ 602,235,469 | \$ 612,154,063 | \$ 646,024,870 |
| Business-type activities | | | | | | | | | | |
| Invested in capital position, net of related debt | \$ 303,383,318 | \$ 328,189,954 | \$ 349,671,981 | \$ 320,404,006 | \$ 386,420,190 | \$ 402,815,943 | \$ 414,351,923 | \$ 411,514,334 | \$ 417,438,607 | \$ 428,453,754 |
| Restricted | 43,828,934 | 46,047,504 | 46,839,484 | 96,920,622 | 110,423,778 | 43,201,025 | 51,704,050 | 56,344,015 | 68,706,901 | 35,726,314 |
| Unrestricted | 25,694,838 | 14,607,656 | 14,560,385 | 9,776,256 | (48,810,671) | 8,706,741 | 5,788,191 | 21,000,124 | 28,229,967 | 24,454,318 |
| Total business-type activities net position | \$ 372,907,090 | \$ 388,845,114 | \$ 411,071,850 | \$ 427,100,884 | \$ 448,033,297 | \$ 454,723,709 | \$ 471,844,164 | \$ 488,858,473 | \$ 514,375,475 | \$ 488,634,386 |
| Primary government | | | | | | | | | | |
| Invested in capital position, net of related debt | \$ 777,953,151 | \$ 836,979,035 | \$ 808,188,632 | \$ 854,106,900 | \$ 975,770,432 | \$ 1,010,363,240 | \$ 1,032,628,492 | \$ 1,031,639,173 | \$ 1,039,160,715 | \$ 1,028,117,290 |
| Restricted | (21,229,404) | 46,047,504 | 46,839,484 | 96,920,622 | 110,423,778 | 43,201,025 | 51,704,050 | 56,344,015 | 68,706,901 | 35,726,314 |
| Unrestricted | 73,174,676 | (9,090,058) | 33,927,615 | 36,662,762 | (51,211,164) | 9,067,372 | 94,176,701 | 3,110,754 | 18,661,922 | 70,815,652 |
| Total primary government net position | \$ 829,898,423 | \$ 873,936,481 | \$ 888,955,731 | \$ 987,690,284 | \$ 1,034,983,046 | \$ 1,062,631,637 | \$ 1,178,509,243 | \$ 1,091,093,942 | \$ 1,126,529,538 | \$ 1,134,659,256 |

Note: The City of Fort Wayne fully implemented GASB Statement 34 in 2002.

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

| | FISCAL YEAR | | | | | | | | | |
|---|------------------|------------------|------------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 32,060,690 | \$ 33,415,208 | \$ 36,908,051 | \$ 34,267,228 | \$ 43,293,115 | \$ 46,912,125 | \$ 42,499,929 | \$ 54,270,711 | \$ 37,750,405 | \$ 56,624,948 |
| Public safety | 91,028,917 | (A) 80,775,673 | 80,640,428 | 85,874,761 | 73,322,973 | 89,437,205 | 91,472,609 | 88,538,736 | 99,719,439 | 117,073,744 |
| Highways and streets | 21,542,069 | 16,275,839 | 15,420,566 | 16,622,514 | 18,421,359 | 16,182,347 | 15,232,445 | 15,067,481 | 20,364,096 | 25,361,212 |
| Sanitation | 2,416 | 11,650 | 3,200 | - | - | - | - | - | - | - |
| Health and welfare | 1,874,292 | 1,978,936 | 1,913,439 | 2,048,561 | 2,061,814 | 2,241,770 | 2,208,504 | 2,293,273 | 2,360,378 | 2,427,916 |
| Economic opportunity | 537,038 | 539,527 | 563,393 | 633,818 | 676,725 | 581,361 | 614,539 | 629,750 | 853,216 | 859,447 |
| Economic development | 12,224,524 | 12,807,160 | 17,909,374 | 14,280,814 | 16,881,190 | 14,195,896 | 21,003,458 | 20,071,592 | 21,446,449 | 14,169,803 |
| Culture and recreation | 15,503,106 | 15,208,568 | 14,055,443 | 15,147,975 | 16,713,524 | 18,464,611 | 16,239,119 | 16,145,659 | 16,310,730 | 16,911,849 |
| Urban redevelopment and housing | 8,018,354 | 7,725,149 | 10,420,374 | 12,274,740 | 13,925,691 | 9,880,650 | 11,556,347 | 16,067,339 | 15,349,620 | 13,261,916 |
| Capital outlay | - | 2,343,378 | 3,275,178 | 3,345,188 | 5,059,418 | 4,897,612 | 6,595,660 | 8,561,047 | 8,003,142 | 7,570,378 |
| Interest on long-term debt | - | 171,081,088 | 181,109,446 | 184,495,599 | 190,356,549 | 202,793,577 | 207,422,610 | 221,645,588 | 222,157,475 | 254,261,213 |
| Total governmental activities expenses | \$ 182,791,406 | \$ 226,503,934 | \$ 238,274,780 | \$ 249,806,132 | \$ 259,074,805 | \$ 275,799,578 | \$ 284,648,605 | \$ 300,661,802 | \$ 305,323,267 | \$ 339,602,075 |
| Business-type activities: | | | | | | | | | | |
| Water | 19,640,535 | 20,118,692 | 20,937,933 | 22,097,610 | 23,967,328 | 25,534,359 | 27,115,430 | 28,536,908 | 30,172,661 | 30,861,585 |
| Wastewater | 20,479,191 | 21,581,577 | 22,897,615 | 25,818,890 | 25,070,120 | 27,108,486 | 30,155,146 | 32,286,367 | 35,442,210 | 36,861,668 |
| Stormwater | 4,722,977 | 5,129,101 | 5,455,740 | 6,790,476 | 8,524,119 | 9,297,028 | 8,814,871 | 6,726,323 | 6,644,746 | 6,340,243 |
| Parking garages | 930,172 | 1,066,214 | 872,193 | 856,677 | 870,496 | 1,103,152 | 927,160 | 962,090 | 1,031,575 | 840,032 |
| Solid waste | 6,639,150 | 6,620,643 | 6,433,915 | 9,198,279 | 9,685,013 | 9,173,713 | 9,421,139 | 9,176,636 | 9,537,722 | 10,302,317 |
| Other | 510,025 | 906,619 | 567,938 | 548,601 | 601,180 | 789,263 | 792,249 | 1,327,890 | 342,878 | 135,017 |
| Total business-type activities expenses | \$ 52,922,050 | \$ 55,422,846 | \$ 57,165,334 | \$ 65,310,533 | \$ 68,718,256 | \$ 73,006,001 | \$ 77,225,995 | \$ 79,016,214 | \$ 83,171,792 | \$ 85,340,862 |
| Total primary government expenses | \$ 235,713,456 | \$ 281,926,780 | \$ 295,440,114 | \$ 315,116,665 | \$ 327,789,060 | \$ 348,805,579 | \$ 361,874,600 | \$ 380,678,016 | \$ 388,505,059 | \$ 424,942,937 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | \$ 25,809,371 | \$ 26,065,716 | \$ 14,782,844 | \$ 16,928,556 | \$ 15,541,243 | \$ 19,576,653 | \$ 16,211,704 | \$ 17,921,175 | \$ 18,866,514 | \$ 20,022,851 |
| Public safety | 1,033,709 | 1,084,587 | 1,794,739 | 1,998,386 | 3,669,870 | 3,466,134 | 2,784,920 | 3,187,197 | 2,131,190 | 4,556,089 |
| Highways and streets | 3,788,484 | 2,749,257 | 4,731,776 | 1,927,137 | 2,796,825 | 2,527,736 | 3,534,887 | 3,143,593 | 2,913,768 | 4,989,382 |
| Sanitation | - | - | - | - | - | - | - | - | - | - |
| Health and welfare | 354,641 | 369,635 | 415,067 | 410,062 | 402,630 | 415,483 | - | 389,397 | 392,683 | 351,282 |
| Economic opportunity | - | 750 | 9,500 | - | 9,500 | - | - | - | - | - |
| Economic development | 515,399 | 412,003 | 291,359 | 272,422 | 294,763 | 238,750 | 358,399 | 22,014 | 2,540 | 4,556 |
| Culture and recreation | 4,542,137 | 4,919,555 | 5,039,482 | 4,095,331 | 3,629,892 | 3,912,244 | 3,420,932 | 3,181,970 | 3,325,834 | 3,390,634 |
| Urban redevelopment and housing | 62,746 | 67,143 | 83,523 | 84,484 | 191,034 | 35,873 | 585,935 | 976,603 | 1,968,975 | 1,938,820 |
| Capital outlay | - | - | - | - | - | - | - | - | - | - |
| Interest on long-term debt | - | - | - | - | - | - | - | - | - | - |
| Operating grants and contributions | 21,983,897 | 20,073,260 | 19,726,510 | 24,136,110 | 29,823,769 | 26,297,770 | 26,007,077 | 28,849,624 | 24,575,372 | 28,574,586 |
| Capital grants and contributions | - | - | 83,827,988 | 83,827,988 | - | - | - | - | - | - |
| Total governmental activities program revenues | \$ 58,100,384 | \$ 55,741,906 | \$ 46,874,800 | \$ 133,680,476 | \$ 56,350,026 | \$ 66,470,643 | \$ 52,903,314 | \$ 57,671,573 | \$ 54,176,876 | \$ 63,828,200 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Water | 24,049,050 | 24,006,361 | 24,840,923 | 25,849,920 | 30,122,226 | 31,592,716 | 31,275,117 | 33,511,691 | 33,299,143 | 33,483,078 |
| Wastewater | 28,386,482 | 29,123,296 | 30,797,618 | 28,495,423 | 34,681,439 | 34,108,946 | 36,112,762 | 42,532,710 | 51,105,546 | 52,708,121 |
| Stormwater | 5,063,904 | 5,242,971 | 5,842,887 | 9,440,089 | 9,386,794 | 9,639,442 | 9,838,056 | 9,656,494 | 10,866,155 | 9,765,631 |
| Parking garages | 972,866 | 890,030 | 814,664 | 824,206 | 941,558 | 846,423 | 936,653 | 886,718 | 853,578 | 750,755 |
| Solid waste | 6,397,489 | 6,763,694 | 8,090,087 | 9,179,821 | 9,191,668 | 10,756,633 | 10,769,150 | 10,868,182 | 10,888,565 | 10,533,360 |
| Other | 1,859,519 | 1,831,641 | 1,835,883 | 1,928,780 | 1,847,590 | 1,880,703 | 1,903,148 | 1,901,300 | 153,582 | 208,686 |
| Operating grants and contributions | 7,451,375 | 4,237,355 | 7,657,241 | 4,812,222 | 2,261,521 | 4,042,688 | 2,051,375 | 1,145,028 | 8,807,876 | 2,553,796 |
| Capital grants and contributions | 74,180,705 | 72,095,348 | 79,879,303 | 80,530,461 | 88,432,796 | 92,867,551 | 92,886,261 | 100,502,123 | 115,974,445 | 110,003,427 |
| Total business-type activities program revenues | \$ 132,281,089 | \$ 127,837,254 | \$ 126,754,103 | \$ 214,210,937 | \$ 144,782,822 | \$ 149,338,194 | \$ 145,789,575 | \$ 158,173,696 | \$ 170,151,321 | \$ 173,831,627 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental activities | \$ (124,691,022) | \$ (115,339,182) | \$ (134,234,646) | \$ (50,815,123) | \$ (134,006,523) | \$ (146,322,934) | \$ (154,519,296) | \$ (163,974,015) | \$ (167,980,599) | \$ (190,433,013) |
| Business-type activities | 21,258,655 | 16,672,502 | 22,713,969 | 15,219,928 | 19,714,540 | 19,861,550 | 15,660,266 | 21,485,909 | 32,802,653 | 24,662,565 |
| Total primary government net expense | \$ (103,432,367) | \$ (98,666,680) | \$ (111,520,677) | \$ (35,595,195) | \$ (114,291,983) | \$ (126,461,384) | \$ (138,859,030) | \$ (142,488,106) | \$ (135,177,946) | \$ (165,770,448) |

Continued on next page

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

FISCAL YEAR

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property Taxes | \$ 59,519,121 | \$ 80,344,000 | \$ 76,008,208 | \$ 81,710,470 | \$ 101,530,616 | \$ 101,143,807 | \$ 106,258,189 | \$ 101,740,994 | \$ 102,373,455 | \$ 101,741,414 |
| CEDT | 14,514,745 | 15,830,142 | 16,206,853 | 18,559,384 | 22,639,824 | 26,043,765 | 21,597,717 | 13,152,138 | 30,609,528 | 21,325,013 |
| Shared revenues | - | - | - | - | - | - | 10,598,990 | 12,343,443 | 12,815,920 | 12,371,147 |
| Other tax | 18,754,745 | 18,222,124 | 23,368,053 | 19,465,162 | 22,721,936 | 25,611,516 | 14,657,823 | 8,176,180 | 18,747,296 | 13,602,411 |
| Grants and contributions not restricted to a specific program | 14,086,020 | 20,608,081 | - | - | - | - | - | - | - | - |
| Unrestricted investment earnings | 655,507 | 538,372 | 2,057,818 | 3,501,707 | 2,648,235 | 1,203,254 | 133,281 | 192,071 | 134,828 | 2,087,098 |
| Refunds and reimbursements | 783,150 | 239,812 | 551,582 | 676,499 | 554,435 | 447,443 | - | - | - | - |
| Other | 2,739,993 | 3,678,570 | 4,564,806 | 4,538,422 | 5,329,916 | 7,420,643 | 5,001,387 | 4,265,209 | 5,643,312 | 4,964,340 |
| Transfers | 4,691,782 | 3,978,115 | 4,269,840 | 5,068,998 | 4,941,910 | 5,410,685 | 5,913,483 | 7,971,274 | 7,574,854 | 69,181,442 |
| Special items: | | | | | | | | | | |
| Net pension obligation | - | 143,439,216 | 127,027,160 | 133,520,642 | 160,366,872 | 167,281,113 | - | 147,841,309 | 177,899,193 | 225,272,865 |
| Total governmental activities | 115,755,063 | 143,439,216 | 127,027,160 | 133,520,642 | 160,366,872 | 167,281,113 | 164,160,870 | 147,841,309 | 177,899,193 | 225,272,865 |
| Business-type activities: | | | | | | | | | | |
| Unrealized gain | 3,385,848 | 1,505,331 | - | - | - | - | - | - | - | - |
| Unrestricted investment earnings | 1,711,378 | 1,584,415 | 3,745,919 | 5,871,663 | 6,925,750 | (7,760,453) | 7,369,457 | 4,335,200 | 289,203 | 185,718 |
| Other | 19,767 | 153,891 | 36,688 | 6,441 | - | - | 4,215 | (835,526) | - | - |
| Transfers | (4,691,782) | (3,978,115) | (4,269,840) | (5,068,998) | (4,941,910) | (5,410,685) | (5,913,483) | (7,971,274) | (7,574,854) | (69,181,442) |
| Special items: | | | | | | | | | | |
| Loss on abandonment | (1,940,334) | - | - | - | (765,967) | - | - | - | - | - |
| Change in accounting estimate | - | - | - | - | - | - | - | - | - | - |
| Unrealized loss | - | - | - | - | - | - | - | - | - | - |
| Total business-type activities | (1,515,123) | (734,478) | (487,233) | 809,106 | 1,217,873 | (13,171,138) | 1,460,189 | (4,471,600) | (7,285,651) | (68,985,724) |
| Total primary government | \$ 114,239,940 | \$ 142,704,738 | \$ 126,539,927 | \$ 134,329,748 | \$ 161,584,745 | \$ 154,109,975 | \$ 165,621,059 | \$ 143,369,709 | \$ 170,613,542 | \$ 156,277,141 |
| Change in Net Position | | | | | | | | | | |
| Governmental activities | \$ (8,935,959) | \$ 28,100,034 | \$ (7,207,486) | \$ 82,705,519 | \$ 26,360,349 | \$ 20,958,179 | \$ 9,641,574 | \$ (16,132,706) | \$ 9,918,594 | \$ 34,839,852 |
| Business-type activities | 19,743,532 | 15,938,024 | 22,226,736 | 16,029,034 | 20,932,413 | 6,890,412 | 17,120,455 | 17,014,309 | 25,517,002 | (44,333,159) |
| Total primary government | \$ 10,807,573 | \$ 44,038,058 | \$ 15,019,250 | \$ 98,734,553 | \$ 47,292,762 | \$ 27,848,591 | \$ 28,762,029 | \$ 881,603 | \$ 35,435,596 | \$ (9,493,307) |

(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 2005 to 2006 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.

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

| | FISCAL YEAR | | | | | | | | | |
|------------------------------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| General Fund | \$ 873,348 | \$ 833,316 | \$ 370,046 | \$ 567,547 | \$ 773,156 | \$ 441,349 | \$ 237,956 | \$ 771,329 | \$ 1,770,101 | \$ 729,060 |
| Reserved | 3,296,417 | 9,730,849 | 12,332,693 | 10,430,841 | 13,748,285 | 17,523,205 | 22,120,466 | 19,700,924 | 17,114,010 | 7,513,607 |
| Unreserved | 4,169,765 | 10,564,165 | 12,702,739 | 10,998,388 | 14,521,441 | 17,964,554 | 22,358,422 | 20,472,253 | 18,884,111 | 8,242,667 |
| Total general fund | \$ 11,616,607 | \$ 18,881,377 | \$ 18,039,151 | \$ 17,005,413 | \$ 35,711,349 | \$ 23,859,569 | \$ 40,286,861 | \$ 38,984,950 | \$ 29,682,641 | \$ 161,865,878 |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | | | | | | | | | | |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | 7,178,464 | 9,288,118 | 20,971,859 | 16,538,405 | 15,149,846 | 21,134,098 | 20,360,573 | 10,605,142 | 12,980,544 | (3,475) |
| Debt service funds | 25,213,460 | 19,499,885 | 59,135,314 | 75,742,600 | 35,469,432 | 41,320,714 | 54,296,240 | 44,775,635 | (1,157,860) | (1,735,577) |
| Capital projects funds | 44,008,531 | 47,669,380 | 98,146,324 | 109,286,418 | 86,330,627 | 86,314,381 | 114,943,674 | 94,365,727 | 51,603,195 | - |
| Total all other governmental funds | \$ 48,178,296 | \$ 58,233,545 | \$ 110,849,063 | \$ 120,284,806 | \$ 100,852,068 | \$ 104,278,935 | \$ 137,302,096 | \$ 114,837,980 | \$ 111,992,631 | \$ 168,369,493 |
| Total all funds | | | | | | | | | | |

Note: The City of Fort Wayne fully implemented GASB Statement 34 in 2002.

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

| | FISCAL YEAR | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 84,442,388 | \$ 124,763,838 | \$ 115,506,409 | \$ 121,346,167 | \$ 143,367,188 | \$ 150,144,132 | \$ 159,225,133 | \$ 137,255,522 | \$ 161,905,901 | \$ 154,014,688 |
| Special assessments | 1,882,144 | 1,467,452 | 884,628 | 624,104 | 1,100,821 | 2,624,496 | 518,243 | 370,683 | 220,531 | 616,344 |
| Licenses and permits | 2,512,925 | 2,518,200 | 2,551,928 | 2,770,726 | 2,918,642 | 3,104,693 | 3,297,008 | 3,436,698 | 3,340,956 | 3,373,964 |
| Intergovernmental | 17,306,137 | 16,030,237 | 21,293,218 | 20,655,668 | 21,024,827 | 21,153,423 | 20,762,071 | 24,789,823 | 22,895,276 | 22,569,745 |
| Charges for services | 9,556,187 | 8,934,918 | 11,588,833 | 11,391,877 | 11,829,982 | 13,552,905 | 12,504,176 | 11,534,926 | 9,451,477 | 12,896,865 |
| Fines and forfeits | 1,765,081 | 1,835,584 | 1,782,439 | 2,086,280 | 2,235,376 | 2,739,687 | 1,628,997 | 1,259,583 | 1,923,258 | 2,154,282 |
| Other revenues | 8,392,607 | 5,478,327 | 7,922,217 | 9,810,233 | 11,808,418 | 7,956,694 | 6,316,881 | 6,811,929 | 7,944,386 | 12,876,247 |
| Total revenues | \$ 125,857,469 | \$ 161,028,556 | \$ 161,529,672 | \$ 168,685,055 | \$ 194,285,254 | \$ 201,276,030 | \$ 204,252,509 | \$ 185,459,164 | \$ 207,681,785 | \$ 206,502,135 |
| Expenditures | | | | | | | | | | |
| General government | 11,857,168 | 12,428,283 | 12,783,421 | 14,304,380 | 16,778,706 | 16,705,755 | 18,018,850 | 20,565,280 | 16,862,976 | 18,541,886 |
| Public safety | 67,994,305 | 71,167,443 | 75,850,684 | 81,888,043 | 88,331,161 | 96,522,275 | 92,779,336 | 94,456,145 | 96,714,372 | 100,799,538 |
| Highways and streets | 20,842,092 | 20,435,369 | 19,297,784 | 19,156,312 | 21,605,191 | 21,614,732 | 23,233,485 | 21,498,417 | 24,199,424 | 28,789,645 |
| Sanitation | 2,416 | 11,650 | 3,200 | - | - | - | - | - | - | - |
| Health and welfare | 1,833,456 | 1,948,213 | 2,091,874 | 2,277,770 | 2,455,757 | 2,640,100 | 2,673,814 | 2,719,563 | 2,813,251 | 2,914,915 |
| Economic opportunity | 537,038 | 539,527 | 563,393 | 633,818 | 676,725 | 581,361 | 614,539 | 629,750 | 853,216 | 859,447 |
| Economic development | 3,185,647 | 2,989,073 | 3,011,176 | 2,374,777 | 2,613,308 | 2,974,721 | 4,768,443 | 4,485,927 | 6,287,472 | 4,545,413 |
| Culture and recreation | 16,148,620 | 17,818,095 | 15,699,132 | 17,411,791 | 20,682,816 | 20,278,971 | 17,043,814 | 16,816,035 | 17,454,015 | 16,616,587 |
| Urban redevelopment and housing | 3,092,572 | 8,176,225 | 11,543,846 | 13,245,625 | 23,873,279 | 27,706,283 | 12,265,364 | 15,584,714 | 12,455,659 | 13,512,729 |
| Capital outlay | 26,778,874 | 15,721,064 | 24,634,068 | 29,176,837 | 43,204,117 | 25,525,070 | 63,656,899 | 24,255,712 | 30,793,392 | 19,108,837 |
| Debt service | | | | | | | | | | |
| Principal | 5,317,097 | 7,929,184 | 7,207,598 | 8,250,899 | 9,105,532 | 12,958,615 | 10,170,000 | 11,450,000 | 10,716,170 | 12,110,000 |
| Interest | 1,620,950 | 1,440,734 | 2,825,005 | 3,944,739 | 4,221,037 | 4,119,238 | 5,432,408 | 7,633,011 | 7,152,041 | 6,709,179 |
| Bond issuance costs | 101,653 | - | 1,275,140 | 493,419 | - | - | 68,471 | - | - | - |
| Total expenditures | 159,311,888 | 160,604,860 | 176,786,321 | 193,158,410 | 233,547,629 | 231,627,121 | 250,725,423 | 220,094,554 | 226,301,988 | 224,508,176 |
| Excess of revenues over (under) expenditures | (33,454,419) | 423,696 | (15,256,649) | (24,473,355) | (39,262,375) | (30,351,091) | (46,472,914) | (34,635,390) | (18,620,203) | (16,006,041) |

Continued on next page

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

| | FISCAL YEAR | | | | | | | | | |
|---------------------------------------|-----------------|---------------|-------------------|--------------|-----------------|--------------|-------------------|-----------------|----------------|---------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Transfers in | 23,492,170 | 16,297,753 | 17,811,315 | 29,753,688 | 24,523,935 | 29,538,091 | 31,104,814 | 37,150,609 | 35,527,229 | 90,080,123 |
| Transfers out | (18,800,388) | (12,341,200) | (13,550,782) | (24,699,690) | (19,382,025) | (24,167,406) | (26,391,331) | (29,179,335) | (27,952,375) | (22,298,681) |
| Bonds issued | - | - | 59,215,000 | 20,825,000 | - | - | 49,595,000 | - | - | - |
| Premium on bond issuance | - | - | 453,094 | - | - | - | 237,467 | - | - | - |
| Discount on bonds sold | - | - | - | - | - | - | (528,731) | - | - | - |
| Payment to refunded bond escrow agent | - | - | - | - | - | - | (3,056,144) | - | - | - |
| First mortgage bonds issued | 6,781,384 | - | - | - | - | - | - | - | - | - |
| First mortgage bond payments | (6,655,000) | - | - | - | - | - | - | - | - | - |
| Revenue bonds issued | - | - | - | - | - | - | - | - | - | - |
| Loans issued | - | - | - | 1,500,000 | - | 9,850,000 | - | - | - | - |
| Bond anticipation note issued | - | - | - | - | - | - | - | - | - | - |
| Capital leases | 2,900,000 | 5,675,000 | 3,943,540 | 8,030,000 | 13,387,727 | 18,557,273 | 28,535,000 | 4,200,000 | 8,200,000 | 5,570,506 |
| Total other financing sources (uses) | 7,718,166 | 9,631,553 | 67,872,167 | 33,909,098 | 19,829,637 | 33,777,958 | 79,496,075 | 12,171,274 | 15,774,854 | 73,351,948 |
| Net change in fund balances | \$ (25,736,253) | \$ 10,055,249 | \$ 52,615,518 (A) | \$ 9,435,743 | \$ (19,432,738) | \$ 3,426,867 | \$ 33,023,161 (B) | \$ (22,464,116) | \$ (2,845,349) | \$ 57,345,907 |

| | | | | | | | | | | |
|---|------|------|------|------|------|------|-------|-------|------|------|
| Debt service as a percentage of noncapital expenditures | 5.6% | 6.8% | 6.8% | 7.8% | 7.6% | 8.6% | 10.3% | 10.1% | 9.4% | 9.6% |
|---|------|------|------|------|------|------|-------|-------|------|------|

(A) The increase in fund balances from governmental funds in 2005 was the result of three major bond issues.
(B) The increase in fund balances from governmental funds in 2009 was the result of two major bond issues.

Note: The City of Fort Wayne fully implemented GASB Statement 34 in 2002.

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

| <u>Fiscal Year</u> | (A) <u>General Property</u> | <u>Excise</u> | <u>Wheel</u> | <u>Financial Institution</u> | <u>COIT</u> | (B) <u>CEDIT</u> | (C) <u>CRED</u> | <u>Total</u> |
|--------------------|--------------------------------|---------------|--------------|------------------------------|-------------|---------------------|--------------------|--------------|
| 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 |
| 2007 | 100,296,860 | 7,226,724 | 1,993,311 | 701,520 | 11,971,510 | 21,177,263 | | 143,367,188 |
| 2008 | 103,507,348 | 7,430,416 | 2,294,080 | 749,778 | 13,270,484 | 22,892,026 | | 150,144,132 |
| 2009 | 105,390,737 | 7,367,276 | 2,197,107 | 719,430 | 17,338,565 | 26,212,018 | | 159,225,133 |
| 2010 | 102,628,121 | 7,323,046 | 4,276,697 | 699,339 | 8,176,180 | 14,152,138 | | 137,255,522 |
| 2011 | 102,997,748 | 7,541,737 | 4,360,311 | 707,531 | 16,936,027 | 28,362,547 | 1,000,000 | 161,905,901 |
| 2012 | 101,752,044 | 7,587,261 | 4,566,893 | 687,052 | 14,725,753 | 22,945,684 | 1,750,000 | 154,014,688 |

(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.

(C) The first revenue from the Community Revitalization Enhancement District Tax (CRED) was received in November 2007.

NOTE: For the years 2007-2010 the CRED Taxes were included in the CEDIT amount.

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: | 2012 | 2011 | 2010 | 2009 | 2008 |
|--|----------------|----------------|----------------|----------------|----------------|
| Total Tax Levy | \$ 324,449,495 | \$ 316,973,671 | \$ 319,525,460 | \$ 337,853,052 | \$ 468,378,102 |
| Current Tax Collections | \$ 313,264,561 | \$ 306,407,599 | \$ 307,284,280 | \$ 322,439,869 | \$ 454,185,187 |
| Percent of Levy Collected | 96.55% | 96.67% | 96.17% | 95.44% | 96.97% |
| Delinquent Tax Collections | \$ 9,423,276 | \$ 7,492,374 | \$ 5,437,834 | \$ 12,026,170 | \$ 10,843,230 |
| Total Tax Collections | \$ 322,687,836 | \$ 313,899,973 | \$ 312,722,114 | \$ 334,466,039 | \$ 465,028,417 |
| Percent of Total Tax Collections to Levy | 99.46% | 99.03% | 97.87% | 99.00% | 99.28% |
| Outstanding Delinquent Taxes | \$ 14,007,744 | \$ 13,781,018 | \$ 15,892,667 | \$ 19,209,633 | \$ 18,780,143 |
| Percent of Delinquent Taxes to Levy | 4.32% | 4.35% | 4.97% | 5.69% | 4.01% |

| Tax Collections Measurement: | 2007 | 2006 | 2005 | 2004 | 2003 |
|--|----------------|----------------|----------------|----------------|----------------|
| Total Tax Levy | \$ 450,324,056 | \$ 423,667,496 | \$ 404,939,852 | \$ 392,189,991 | \$ 352,474,267 |
| Current Tax Collections | \$ 433,282,315 | \$ 411,472,985 | \$ 392,526,880 | \$ 377,612,575 | \$ 341,253,361 |
| Percent of Levy Collected | 96.22% | 97.12% | 96.93% | 96.28% | 96.82% |
| Delinquent Tax Collections | \$ 16,618,199 | \$ 9,072,693 | \$ 6,754,184 | \$ 4,320,258 | \$ 10,779,907 |
| Total Tax Collections | \$ 449,900,514 | \$ 420,545,678 | \$ 399,281,064 | \$ 381,932,833 | \$ 352,033,268 |
| Percent of Total Tax Collections to Levy | 99.91% | 99.26% | 98.60% | 97.38% | 99.87% |
| Outstanding Delinquent Taxes | \$ 23,314,369 | \$ 15,360,588 | \$ 16,878,058 | \$ 22,056,911 | \$ 14,866,299 |
| Percent of Delinquent Taxes to Levy | 5.18% | 3.63% | 4.17% | 5.62% | 4.22% |

Source: Allen County Auditor's Office

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 is not available from the County Auditor's office at this time. Therefore, the City has presented this information in the prior year format. The City of Fort Wayne does not maintain records of tax delinquencies. All taxes are collected and distributed by the Allen County Auditor.

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

| <u>Year (A)</u> | <u>Assessed Valuation (B)</u> | <u>Estimated Actual Value (C)</u> | <u>Total Direct Tax Rate</u> | <u>Percent Increase (D)</u> |
|-----------------|-----------------------------------|---------------------------------------|----------------------------------|---------------------------------|
| 2012 | 8,062,225,389 | 8,062,225,389 | 1.3274 | -0.81% |
| 2011 | 8,128,378,487 | 8,128,378,487 | 1.3149 | -4.55% |
| 2010 | 8,515,625,766 | 8,515,625,766 | 1.2238 | -2.26% |
| 2009 | 8,712,264,335 | 8,712,264,335 | 1.1515 | -13.52% |
| 2008 | 10,074,509,442 | 10,074,509,442 | 0.9941 | 2.55% |
| 2007 | 9,824,189,539 (E) | 9,824,189,539 | 1.0195 | 27.35% |
| 2006 | 7,714,274,681 | 7,714,274,681 | 1.0795 | 3.14% |
| 2005 | 7,479,525,039 | 7,479,525,039 | 1.0460 | -5.48% |
| 2004 | 7,913,564,614 | 7,913,564,614 | 0.9421 | 6.49% |
| 2003 | 7,431,358,261 | 7,431,358,261 | 0.8846 | 32.55% |

Average Annual Rate of Increase: 0.91%

- (A) 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) Assessed value reflects actual value.
- (D) Change in assessed valuation.
- (E) A portion of Aboite Township and Wayne Township was annexed into the City of Fort Wayne on January 1, 2006.

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 is not available 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 (D) Increment Replacement Rate | (A) Total City | (B, C) Municipal Corporations | (B, C) School Districts | Allen County | (B, C) Townships and Other |
| 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 |
| 2007 | 0.5170 | - | 0.0443 | 0.0435 | 0.0042 | 0.0000 | - | 0.3128 | 0.0923 | 0.0054 | - | 1.0195 | 0.2078 | 1.3812 | 0.5331 | 0.0955 |
| 2008 | 0.5366 | - | 0.0229 | 0.0214 | 0.0040 | 0.0001 | - | 0.3130 | 0.0925 | 0.0036 | 0.0044 | 0.9865 | 0.2088 | 1.3540 | 0.5789 | 0.1020 |
| 2009 | 0.6539 | - | 0.0000 | 0.0000 | 0.0050 | 0.0001 | - | 0.3721 | 0.1150 | 0.0054 | - | 1.1515 | 0.2781 | 0.8294 | 0.4631 | 0.1344 |
| 2010 | 0.6905 | - | 0.0000 | 0.0000 | 0.0061 | 0.0001 | - | 0.3943 | 0.1264 | 0.0064 | - | 1.2238 | 0.2832 | 0.8271 | 0.5187 | 0.1175 |
| 2011 | 0.7400 | - | 0.0000 | 0.0000 | 0.0065 | 0.0001 | - | 0.4251 | 0.1361 | 0.0071 | - | 1.3149 | 0.2984 | 0.9000 | 0.5155 | 0.1302 |
| 2012 | 0.6666 | - | 0.0000 | 0.0000 | 0.0054 | 0.0001 | - | 0.4927 | 0.1557 | 0.0069 | - | 1.3274 | 0.3092 | 0.8527 | 0.5279 | 0.1365 |

(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.

(D) Corrected the rate reported in the 2008 Schedule 8.

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**

| Taxpayer | 2012 | | | 2003 | | |
|---|---|-------------|--|---|-------------|--|
| | (A) Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | (B) Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| GGP - Glenbrook LLC | \$ 177,681,300 | 1 | 2.20% | -- | -- | -- |
| IOM Health System LP (Lutheran Network) | 143,186,140 | 2 | 1.78% | -- | -- | -- |
| Frontier North Inc (Formerly GTE North/Verizon) | 83,495,780 | 3 | 1.04% | -- | -- | -- |
| Indiana Michigan Power Company (Formerly AEP) | 80,675,600 | 4 | 1.00% | 50,461,280 | 4 | 0.68% |
| Wal-Mart Stores East LP/Re Bus Tr | 76,431,920 | 5 | 0.95% | 36,019,530 | 7 | 0.48% |
| Frontier Communications Online & LD | 73,817,380 | 6 | 0.92% | -- | -- | -- |
| St Joseph Health System LLC | 61,593,490 | 7 | 0.76% | 38,631,100 | 6 | 0.52% |
| Regency Canterbury LP | 58,262,300 | 8 | 0.72% | 54,762,850 | 3 | 0.74% |
| IMI Jefferson Pointe LLC | 51,509,600 | 9 | 0.64% | 35,713,500 | 8 | 0.48% |
| Edward Rose of Indiana | 45,689,850 | 10 | 0.57% | 30,233,180 | 10 | 0.41% |
| Lake County Trust Co. | -- | -- | -- | 144,372,900 | 1 | 1.94% |
| Dana Corporation | -- | -- | -- | 69,721,950 | 2 | 0.94% |
| Sommerfeld Nicholas | -- | -- | -- | 48,964,800 | 5 | 0.66% |
| Meijer Stores LP | -- | -- | -- | 35,496,580 | 9 | 0.48% |
| Total | <u>\$ 852,343,360</u> | | <u>10.57%</u> | <u>\$ 544,377,670</u> | | <u>7.33%</u> |

(A) Represents the taxable assessed valuations for taxes due and payable in 2012 within the corporation limits.

(B) Represents the taxable assessed valuations for taxes due and payable in 2003 within the corporation limits.

Source: Allen County Auditor's Office

Schedule 10
City of Fort Wayne Utilities
Water and Sewer Rates,
Last Ten 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) | 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 | | | | | | | |
| 2003 | 5.84 | 1.19 | 1.06 | 2.22 | 1.94 | 1.94 | 1.94 |
| 2004 | 5.84 | 1.19 | 1.06 | 2.22 | 1.94 | 1.94 | 1.94 |
| 2005 | 5.84 | 1.19 | 1.06 | 2.22 | 1.94 | 1.94 | 1.94 |
| 1/1/06-8/31/06 | 5.84 | 1.19 | 1.06 | 2.22 | 1.94 | 1.94 | 1.94 |
| 9/1/06-12/31/06 | 7.30 | 1.49 | 1.33 | 2.22 | 1.94 | 1.94 | 1.94 |
| 1/1/07-2/28/07 | 7.30 | 1.49 | 1.33 | 2.22 | 1.94 | 1.94 | 1.94 |
| 3/1/07-12/31/07 | 7.30 | 1.49 | 1.33 | 2.78 | 2.43 | 2.43 | 2.43 |
| 2008 | 7.30 | 1.49 | 1.33 | 2.78 | 2.43 | 2.43 | 2.43 |
| 2009 | 7.30 | 1.49 | 1.33 | 2.78 | 2.43 | 2.43 | 2.43 |
| 2010 | 7.30 | 1.49 | 1.33 | 4.08 | 2.87 | 2.87 | 2.87 |
| 2011 | 7.30 | 1.49 | 1.33 | 4.69 | 3.30 | 3.30 | 3.30 |
| 1/1/12-6/30/12 | 7.30 | 1.49 | 1.33 | 5.21 | 3.66 | 3.66 | 3.66 |
| 7/1/12-12/31/12 | 7.30 | 1.49 | 1.33 | 5.68 | 3.99 | 3.99 | 3.99 |
| Outside City | | | | | | | |
| 2003 | 6.72 | 1.37 | 1.33 | 2.78 | 2.43 | 2.43 | 2.43 |
| 2004 | 6.72 | 1.37 | 1.33 | 2.78 | 2.43 | 2.43 | 2.43 |
| 2005 | 6.72 | 1.37 | 1.33 | 2.78 | 2.43 | 2.43 | 2.43 |
| 1/1/06-8/31/06 | 6.72 | 1.37 | 1.33 | 2.78 | 2.43 | 2.43 | 2.43 |
| 9/1/06-12/31/06 | 8.40 | 1.71 | 1.66 | 2.78 | 2.43 | 2.43 | 2.43 |
| 1/1/07-2/28/07 | 8.40 | 1.71 | 1.66 | 2.78 | 2.43 | 2.43 | 2.43 |
| 3/1/07-12/31/07 | 8.40 | 1.71 | 1.66 | 3.48 | 3.03 | 3.03 | 3.03 |
| 2008 | 8.40 | 1.71 | 1.66 | 3.48 | 3.03 | 3.03 | 3.03 |
| 2009 | 8.40 | 1.71 | 1.66 | 3.48 | 3.03 | 3.03 | 3.03 |
| 2010 | 8.40 | 1.71 | 1.66 | 5.10 | 3.59 | 3.59 | 3.59 |
| 2011 | 8.40 | 1.71 | 1.66 | 5.87 | 4.13 | 4.13 | 4.13 |
| 1/1/12-6/30/12 | 8.40 | 1.71 | 1.66 | 6.51 | 4.58 | 4.58 | 4.58 |
| 7/1/12-12/31/12 | 8.40 | 1.71 | 1.66 | 7.10 | 4.99 | 4.99 | 4.99 |

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.

Schedule 11
City of Fort Wayne
Legal Debt Margin Information,
Last Ten Fiscal Years
(dollars in thousands)

| | FISCAL YEAR | | | | | | | | | |
|--|-------------|-----------|------------|-----------|-----------|-----------|------------|-----------|-----------|-----------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| City of Fort Wayne | | | | | | | | | | |
| Debt Limit | \$ 49,542 | \$ 52,757 | \$ 49,863 | \$ 51,428 | \$ 65,495 | \$ 67,163 | \$ 58,082 | \$ 56,771 | \$ 54,189 | \$ 53,748 |
| Total net debt applicable to limit | 21,370 | 17,100 | 38,240 (B) | 33,690 | 29,585 | 25,305 | 50,565 (C) | 45,185 | 42,005 | 38,695 |
| Legal debt margin | \$ 28,172 | \$ 35,657 | \$ 11,623 | \$ 17,738 | \$ 35,910 | \$ 41,858 | \$ 7,517 | \$ 11,586 | \$ 12,184 | \$ 15,053 |
| Total net debt applicable to the limit as a percentage of debt limit | 43.14% | 32.41% | 76.69% | 65.51% | 45.17% | 37.68% | 87.06% | 79.59% | 77.52% | 71.99% |
| Park District | | | | | | | | | | |
| Debt Limit | \$ 48,539 | \$ 51,765 | \$ 48,971 | \$ 50,562 | \$ 64,680 | \$ 66,331 | \$ 57,340 | \$ 56,029 | \$ 53,485 | \$ 53,055 |
| Total net debt applicable to limit | 6,570 | 5,200 | 13,670 (B) | 13,485 | 13,290 | 11,980 | 10,855 | 9,380 | 7,885 | 6,335 |
| Legal debt margin | \$ 41,969 | \$ 46,565 | \$ 35,301 | \$ 37,077 | \$ 51,390 | \$ 54,351 | \$ 46,485 | \$ 46,649 | \$ 45,600 | \$ 46,720 |
| Total net debt applicable to the limit as a percentage of debt limit | 13.54% | 10.05% | 27.91% | 26.67% | 20.55% | 18.06% | 18.93% | 16.74% | 14.74% | 11.94% |
| Redevelopment District | | | | | | | | | | |
| Debt Limit | \$ 49,542 | \$ 52,757 | \$ 49,863 | \$ 51,428 | \$ 65,495 | \$ 67,163 | \$ 58,082 | \$ 56,771 | \$ 54,189 | \$ 53,748 |
| Total net debt applicable to limit | 14,600 | 13,000 | 31,305 (B) | 29,535 | 26,545 | 21,880 | 19,390 | 16,795 | 14,090 | 11,260 |
| Legal debt margin | \$ 34,942 | \$ 39,757 | \$ 18,558 | \$ 21,893 | \$ 38,950 | \$ 45,283 | \$ 38,692 | \$ 39,976 | \$ 40,099 | \$ 42,488 |
| Total net debt applicable to the limit as a percentage of debt limit | 29.47% | 24.64% | 62.78% | 57.43% | 40.53% | 32.58% | 33.38% | 29.58% | 26.00% | 20.95% |

Legal Debt Margin Calculation for Fiscal Year 2012

| | City of Fort Wayne | Park District | Redev District |
|--|---------------------|---------------------|---------------------|
| Assessed adjusted value (Civil City) | \$ 2,687,408 (A) | \$ 2,652,738 (A) | \$ 2,687,408 (A) |
| Assessed adjusted value (Park District) | | | \$ 2,687,408 (A) |
| Assessed adjusted value (Redevelopment District) | | | 53,748 |
| Total Assessed adjusted value | \$ 2,687,408 | \$ 2,652,738 | \$ 2,687,408 |
| Debt limit (2% of assessed adjusted value) | 53,748 | 53,055 | 53,748 |
| Debt applicable to limit: | | | |
| General obligation bonds | 38,695 | 2,245 | 11,260 |
| Special obligation bonds | - | 4,090 | - |
| Less: Amount set aside for repayment of debt | - | - | - |
| Total net debt applicable to limit | 38,695 | 6,335 | 11,260 |
| Legal debt margin | \$ 15,053 | \$ 46,720 | \$ 42,488 |

(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.
(C) Increase in debt is due to additional Special Obligation Bonds issued by Community Development.

Note: The City of Fort Wayne fully implemented GASB Statement 34 in 2002.
In addition, the City of Fort Wayne is reporting the Legal Debt Margin, by Taxing District.

Schedule 12
City of Fort Wayne
Direct and Overlapping Governmental Activities Debt,
As of December 31, 2012
(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 | \$ 47,295 | 63.60% | \$ 30,079 |
| Allen County | 48,172 | 63.60% | 30,637 |
| Southwest Allen School District | 57,525 | 52.72% | 30,328 |
| East Allen School District | 53,880 | 14.25% | 7,676 |
| Fort Wayne Community Schools | 87,382 | 92.41% | 80,750 |
| Northwest Allen School District | 104,465 | 23.60% | 24,655 |
| Subtotal, overlapping debt | | | <u>\$ 204,125</u> |
| City direct debt | | | |
| General Obligation Bonds | | | 2,245 |
| Special Obligation Bonds | | | 54,045 |
| Total City direct debt | | | <u>\$ 56,290</u> |
| Total direct and overlapping debt | | | <u>\$ 260,415</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 Ten 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 | First Mortgage Bonds | Capital Leases | Loans Payable | Mortgages Payable | Revenue Bonds | Capital Leases | | | | Loans Payable |
| 2003 | 12,680 | 29,860 | 9,450 | 8,421 | 1,954 | 42 | 72,145 | - | 15,288 | 149,840 | 2.39% (C) | 712 |
| 2004 | 8,720 | 25,230 | 7,870 | 11,887 | 1,181 | 42 | 65,707 | - | 23,564 | 144,201 | 2.21% (C) | 654 |
| 2005 | 7,725 | 75,490 (A) | 10,490 | 12,368 | 993 | 42 | 75,045 | 3,700 | 24,066 | 209,919 | 3.09% (C) | 948 |
| 2006 | 6,680 | 70,030 | 29,445 | 16,425 | 879 | 42 | 85,380 | 3,381 | 73,171 | 285,433 | 4.00% (C) | 1,269 |
| 2007 | 5,555 | 63,865 | 27,495 | 23,910 | 2,259 | - | 102,435 | 3,051 | 83,031 | 311,601 | 3.82% (C) | 1,246 |
| 2008 | 3,085 | 56,080 | 24,765 | 35,511 (D) | 11,870 (E) | - | 94,325 | 2,710 | 84,052 | 312,398 | 3.58% (G) | 1,242 (G) |
| 2009 | 3,100 | 77,710 (F) | 39,875 (F) | 57,829 (F) | 11,260 | - | 85,795 | 2,359 | 110,802 (F) | 388,730 | 4.46% (G) | 1,545 |
| 2010 | 2,805 | 68,555 | 38,420 | 56,159 | 10,621 | - | 118,545 | 1,996 | 109,249 | 406,350 | 4.66% | 1,588 |
| 2011 | 2,530 | 61,450 | 36,260 | 57,386 | 9,622 | - | 148,400 | 2,522 | 134,356 | 452,526 | 5.23% | 1,784 |
| 2012 | 2,245 | 54,045 | 34,015 | 56,431 | 7,861 | - | 209,290 | 2,549 | 134,950 | 501,386 | 5.61% | 1,976 |

(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 16 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
(C) Years 2003-2006 have been revised on the 2007 Schedule 13.
(D) The Harrison Square Parking Garage lease increased by \$13.4 million in 2008.
(E) The City borrowed \$6.25 million from the U.S. Dept. of Housing and Urban Development for use in developing the mixed-use Renaissance Project. \$2.5 million was borrowed by the City for use by the Barrett Law Dept. and \$1.1 million was borrowed by the City to use in purchasing land located at 2300 West Jefferson Blvd, Fort Wayne, IN.
(F) Refer to Note 5 (Long-term debt) of the 2009 financial statements for an explanation of increase.
(G) Revised in 2009 based on actual 2008 information.

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.

Schedule 14
City of Fort Wayne
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years
(dollars in thousands, except per capita)

| Fiscal Year | General Bonded Debt Outstanding | | | Less: Funds Restricted for Debt Service | Net General Bonded Debt | (A) | (B) |
|-------------|---------------------------------|--------------------------|--------|---|-------------------------|--|------------|
| | General Obligation Bonds | Special Obligation Bonds | Total | | | Percentage of Actual Taxable Value of Property | Per Capita |
| 2003 | 12,680 | 29,860 | 42,540 | 8,046 | 34,494 | 0.46% | 156.45 |
| 2004 | 8,720 | 25,230 | 33,950 | 5,735 | 28,215 | 0.36% | 127.39 |
| 2005 | 7,725 | 75,490 | 83,215 | 6,505 | 76,710 | 1.03% | 341.07 |
| 2006 | 6,680 | 70,030 | 76,710 | 7,290 | 69,420 | 0.90% | 277.58 |
| 2007 | 5,555 | 63,865 | 69,420 | 8,965 | 60,455 | 0.62% | 240.62 |
| 2008 | 3,085 | 56,080 | 59,165 | 8,310 | 50,855 | 0.50% | 202.13 |
| 2009 | 3,100 | 77,710 | 80,810 | 9,450 | 71,360 | 0.82% | 278.87 |
| 2010 | 2,805 | 68,555 | 71,360 | 7,380 | 63,980 | 0.75% | 252.20 |
| 2011 | 2,530 | 61,450 | 63,980 | 7,690 | 56,290 | 0.69% | 221.88 |
| 2012 | 2,245 | 54,045 | 56,290 | 6,755 | 49,535 | 0.61% | 195.26 |

(A) See Schedule 7 for property value data.

(B) Population data can be found in Schedule 16 and updated with the most current information .

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.

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

| Fiscal Year | Water Revenue Bonds | | | | | Sewer Revenue Bonds | | | | | | |
|-------------|-------------------------|--------------------------|-----------------------|-----------------------|----------|-------------------------|--------------------------|-----------------------|-----------------------|----------|-------|------|
| | Utility Service Charges | Less: Operating Expenses | Net Available Revenue | | Coverage | Utility Service Charges | Less: Operating Expenses | Net Available Revenue | | Coverage | | |
| | | | Principal | Debt Service Interest | | | | Principal | Debt Service Interest | | | |
| 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 |
| 2007 | 30,122 | 22,280 | 7,842 | 1,480 | 952 | 3.22 | 34,681 | 22,489 | 12,192 | 4,705 | 2,195 | 1.77 |
| 2008 | 31,593 | 24,173 | 7,420 | 1,530 | 898 | 3.06 | 34,109 | 23,786 | 10,323 | 4,920 | 1,616 | 1.58 |
| 2009 | 31,275 | 25,237 | 6,038 | 1,585 | 842 | 2.49 | 36,113 | 26,442 | 9,671 | 5,960 | 2,485 | 1.15 |
| 2010 | 33,511 | 26,673 | 6,838 | 1,645 | 784 | 2.82 | 42,532 | 28,653 | 13,879 | 5,625 | 2,240 | 1.76 |
| 2011 | 33,289 | 28,008 | 5,291 | 1,705 | 722 | 2.16 | 51,105 | 30,132 | 20,973 | 5,470 | 1,989 | 2.81 |
| 2012 | 33,483 | 28,844 | 4,639 | 1,775 | 652 | 1.91 | 52,708 | 33,269 | 19,439 | 11,430 | 4,610 | 1.21 |

| Fiscal Year | Civic Center Parking Garage-1979 (C) | | | | | Parking Garage Addition-2001 | | | | | | |
|-------------|--------------------------------------|--------------------------|-----------------------|-----------------------|----------|------------------------------|--------------------------|-----------------------|-----------------------|----------|------|--------|
| | Parking Garage Charges | Less: Operating Expenses | Net Available Revenue | | Coverage | Parking Garage Charges | Less: Operating Expenses | Net Available Revenue | | Coverage | | |
| | | | Principal | Debt Service Interest | | | | Principal | Debt Service Interest | | | |
| 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) |
| 2007 | 715 | 653 | 62 | - | - | - | 150 | 41 | 109 | 70 | 77 | 0.74 |
| 2008 | 705 | 907 (E) | (202) | - | - | - | 60 | 19 | 41 | 75 | 74 | 0.28 |
| 2009 | 773 | 715 | 58 | - | - | - | 80 | 42 | 38 | 75 | 71 | 0.26 |
| 2010 | 722 | 754 | (32) | - | - | - | 80 | 42 | 38 | 80 | 67 | 0.26 |
| 2011 | 674 | 827 | (153) | - | - | - | 89 | 42 | 47 | 85 | 63 | 0.32 |
| 2012 | 668 | 638 | 30 | - | - | - | - | 42 | (42) (F) | 90 | 59 | (0.28) |

| Fiscal Year | Stormwater Revenue Bond-2006 (D) | | | | |
|-------------|----------------------------------|--------------------------|-----------------------|-----------------------|----------|
| | Utility Service Charges | Less: Operating Expenses | Net Available Revenue | | Coverage |
| | | | Principal | Debt Service Interest | |
| 2003 | 5,064 | 4,723 | 341 | - | - |
| 2004 | 5,243 | 5,129 | 114 | - | - |
| 2005 | 5,843 | 5,456 | 387 | - | - |
| 2006 | 9,440 | 6,192 | 3,248 | 292 | 11.12 |
| 2007 | 9,387 | 7,949 | 1,438 | 845 | 666 |
| 2008 | 9,639 | 9,145 | 494 | 875 | 634 |
| 2009 | 9,838 | 8,533 | 1,305 | 910 | 602 |
| 2010 | 9,656 | 6,385 | 3,271 | 945 | 567 |
| 2011 | 10,866 | 6,246 | 4,620 | 985 | 532 |
| 2012 | 9,766 | 6,061 | 3,705 | 1,020 | 495 |

(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 Center. However, an increase in monthly users has increased the revenue in 2007.
(C) The Plaza Parking Garage debt was paid off in 2006.
(D) The Stormwater Revenue Bond of 2006 was not reported on the 2006 CAFR Schedule 15.
(E) The increase in operating expenses is a combination of an increase in depreciation expenses, maintenance expense of the garage, cost of salt, snow removal, and administrative expenses.
(F) The revenue for this parking was deposited to a pooled parking fund. Refer to non-major special revenue income statement parking fund.

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.

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

| Year | (A) Population | (B) Personal Income (thousands of dollars) | (C) Per Capita Personal Income | (D) Unemployment Rate |
|-------------|---------------------------|---|---|--------------------------------------|
| 2003 | 220,486 | 6,536,307 | 29,645 | 6.9% |
| 2004 | 221,479 | 6,791,432 | 30,664 | 6.8% |
| 2005 | 224,913 | 7,134,690 | 31,722 | 5.6% |
| 2006 | 250,086 | 8,167,309 | 32,658 | 5.3% |
| 2007 | 251,247 (E) | 8,466,521 | 33,698 | 4.8% |
| 2008 | 251,591 (F) | 8,718,131 | 34,652 | 6.4% |
| 2009 | 255,890 (G) | 8,720,219 | 34,078 | 10.7% |
| 2010 | 253,691 (H) | 8,647,819 | 34,088 | 10.9% |
| 2011 | 253,691 (I) | 8,929,670 | 35,199 | 9.0% |
| 2012 | 253,691 (J) | N/A | N/A | 8.2% |

(A) Population numbers for years 2002 through 2005 were derived from the 2000 census.
Population number for 2006 was certified by the Office of the Governor of Indiana.

(B) Personal income information is a total for the year calculated by multiplying per capita personal income by population.

(C) Source: U.S. Department of Commerce, Bureau of Economic Analysis for Allen Co..
There is no available data by the "City of Fort Wayne" only.

(D) Unemployment rate information is a yearly average from the Indiana Dept. of Workforce Development for the City of Fort Wayne and updated with the most current information .

(E) From US Census 2007 estimate. This is a revision to the population estimate provided for the 2007 CAFR Schedule 16.

(F) From US Census 2008 estimate. This is a revision to the population estimate provided for the 2008 CAFR Schedule 16.

(G) From US Census 2009 estimate. This is a revision to the population estimate provided for the 2009 CAFR Schedule 16.

(H) From US Census 2010 estimate. This is a revision to the population estimate provided for the 2010 CAFR Schedule 16.

(I) From US Census 2010 estimate. This is a revision to the population estimate provided for the 2011 CAFR Schedule 16.

(J) From US Census 2010 estimate. Used the latest population estimate available.

N/A - Not available at time of 2012 CAFR production.

Notes : The City of Fort Wayne fully implemented GASB Statement 34 in 2002.

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

| <u>Employer</u> | 2012 | | | 2003 | | |
|---|---------------|------|----------------------|---------------|------|----------------------|
| | Employees | Rank | (A) % of Total | Employees | Rank | (A) % of Total |
| Parkview Health Systems (Formerly Parkview Memorial Hospital) | 4,710 | 1 | 2.61% | 3,648 | 1 | 2.19% |
| Lutheran Health Network (Formerly Lutheran Hospital) | 4,301 | 2 | 2.38% | 2,889 | 4 | 1.73% |
| Fort Wayne Community Schools | 4,230 | 3 | 2.34% | 3,445 | 2 | 2.06% |
| General Motors Truck & Bus Group | 3,880 | 4 | 2.15% | 3,050 | 3 | 1.83% |
| City of Fort Wayne | 2,003 | 5 | 1.11% | 1,671 | 7 | 1.00% |
| Lincoln Financial Group (Formerly Lincoln National Corporation) | 1,970 | 6 | 1.09% | 2,108 | 6 | 1.26% |
| Allen County Government | 1,605 | 7 | 0.89% | 1,585 | 8 | 0.95% |
| BFGoodrich Tire Manufacturing | 1,580 | 8 | 0.87% | --- | --- | --- |
| Frontier Communications Corp. | 1,564 | 9 | 0.87% | --- | --- | --- |
| IPFW | 1,255 | 10 | 0.69% | --- | --- | --- |
| Scott's Food Stores, Inc. - Supervalu | --- | --- | --- | 1,575 | 10 | 0.94% |
| Verizon Telephone (Formerly General Telephone) | --- | --- | --- | 2,214 | 5 | 1.33% |
| Shambaugh & Sons | --- | --- | --- | 1,580 | 9 | 0.95% |
| Total | 27,098 | | 15.00% | 23,765 | | 14.24% |

(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 as maintained by the Community Research Institute thru 4/20/2012.

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

| Function/Program | Full-time Equivalent Employees as of December 31 | | | | | | | | | |
|---------------------------------|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|--------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| General Government | 110 | 110 | 111 | 118 | 119 | 119 | 129 | 104 | 108 | 116 |
| Public Safety | | | | | | | | | | |
| Police | 415 | 406 | 434 | 429 | 453 | 446 | 450 | 421 | 451 | 468 |
| Fire | 350 | 357 | 364 | 356 | 369 | 356 | 367 | 359 | 349 | 342 |
| Civilians | 250 | 243 | 214 | 226 | 215 | 211 | 201 | 199 | 198 | 194 |
| Highways and streets | 179 | 161 | 176 | 165 | 183 | 178 | 156 | 148 | 153 | 143 |
| Health and welfare | 31 | 34 | 35 | 35 | 37 | 40 | 37 | 41 | 43 | 42 |
| Culture and recreation | 172 | 164 | 161 | 147 | 148 | 153 | 147 | 129 | 129 | 144 |
| Urban redevelopment and housing | 19 | 18 | 42 | 43 | 44 | 48 | 43 | 58 | 54 | 57 |
| Internal Services | 8 | 7 | 7 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Solid Waste | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 |
| City Utilities | | | | | | | | | | |
| Water | 129 | 123 | 123 | 119 | 119 | 122 | 115 | 119 | 118 | 118 |
| Sewage | 78 | 83 | 88 | 88 | 86 | 90 | 92 | 99 | 98 | 97 |
| Storm Water | 23 | 24 | 22 | 21 | 19 | 23 | 21 | 22 | 22 | 19 |
| Planning and Design | 23 | 21 | 24 | 29 | 32 | 34 | 37 | 40 | 42 | 43 |
| Engineering | 17 | 20 | 18 | 18 | 18 | 16 | 13 | 10 | 11 | 11 |
| Customer Relations | 34 | 32 | 34 | 27 | 27 | 30 | 27 | 34 | 29 | 29 |
| Administrative | 22 | 22 | 20 | 21 | 20 | 22 | 29 | 25 | 26 | 27 |
| Total | 1,857 | 1,825 | 1,872 | 1,852 | 1,896 | 1,895 | 1,874 | 1,818 | (A) 1,841 | 1,861 |

Source: City of Fort Wayne Payroll Department
(A) Retirees were significant in 2010

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

The City of Fort Wayne fully implemented GASB Statement 34 in 2002.

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

| Function/Program | Fiscal Year | | | | | | | | | |
|---|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| General Government | | | | | | | | | | |
| Board of Public Works | | | | | | | | | | |
| Emerging business enterprise applicants | | | | | | | | | | |
| Worksite visits | 12 | 10 | 7 | 11 | 10 | 6 | 9 | 8 | 11 | 7 |
| Wage violations | 40 | 20 | 40 | 40 | 35 | 30 | 15 | 25 | 21 | 9 |
| Compliance workshops | 32 | 25 | 53 | 22 | 39 | 14 | 18 | 18 | 57 (B) | 26 |
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Calls for service | 2 | 2 | 3 | 3 | 3 | 0 | 0 | 4 | 4 | 2 |
| Fire Department | 169,768 | 170,535 | 171,263 | 182,912 | 188,011 | 198,634 | 184,111 | 186,667 | 201,344 | 194,648 |
| Emergency medical runs | 7,914 | 7,697 | 6,474 | 6,433 | 6,830 | 7,142 | 6,581 | 6,627 | 6,794 | 7,029 |
| Fire rescue runs | 7,528 | 7,800 | 10,574 | 10,566 | 11,291 | 14,127 | 12,113 | 12,574 | 11,771 | 13,281 |
| Weight & Measures | | | | | | | | | | |
| Scales inspected | 1,158 | 1,254 | 1,257 | 1,257 | 1,278 | 1,447 | 1,362 | 1,949 | 1,384 | 1,723 |
| Measuring devices inspected | 4,145 | 5,589 | 6,318 | 5,851 | 4,910 | 6,840 | 5,046 | 6,043 | 6,004 | 6,088 |
| Calibrations and tests conducted | 758 | 491 | 2,039 | 2,506 | 14,281 | 20,512 | 22,026 | 22,240 | 21,503 | 18,890 |
| Highways and streets | | | | | | | | | | |
| Street Department | | | | | | | | | | |
| Paving - miles of maintenance | 18 | 15 | 15 | 16 | 16 | 14 | 12 | 15 | 13 | 14 |
| Chip and seal - miles of maintenance | 14 | 14 | 14 | 14 | 14 | 12 | 10 | 13 | 12 | 11 |
| Crack sealing - miles of maintenance | 75 | 75 | 75 | 96 | 79 | 55 | 81 | 80 | 68 | 78 |
| Traffic Engineering | | | | | | | | | | |
| Accident records and analysis | 9,105 | 8,813 | 9,300 | 9,500 | 9,348 | 9,478 | 8,055 | 8,858 | 8,951 | 9,033 |
| Fatal accident investigation | 8 | 10 | 12 | 8 | 9 | 14 | 14 | 9 | 9 | 16 |
| Development & Buildg. Plans Processed | N/A | N/A | 234 | 208 | 218 | 161 | 145 | 111 | 112 | 124 |
| Traffic counts conducted | 36 | 45 | 30 | 50 | 40 | 46 | 32 | 49 | 44 | 43 |
| Traffic studies conducted | 142 | 180 | 180 | 190 | 200 | 200 | 200 | 250 | 250 | 250 |
| Traffic investigations (complaints) | 218 | 260 | 250 | 325 | 350 | 380 | 380 | 425 | 425 | 450 |
| Traffic Signal Division | | | | | | | | | | |
| New signals installed | 7 | 3 | 5 | 6 | 5 | 7 | 6 | 3 | 5 | 2 |
| Signals modernized | 28 | 5 | 4 | 14 | 16 | 14 | 14 | 7 | 23 | 6 |
| Signal accident repairs | 40 | 23 | 50 | 36 | 31 | 34 | 34 | 29 | 20 | 34 |
| Signal bulbs replaced (emergency/non-emergency) | 9,743 | 9,820 | 1,004 | 10 | 54 | 29 | 7 | 26 | 7 | 43 |

Continued on next page

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

| Function/Program | Fiscal Year | | | | | | | | | |
|--|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Sign & Marking Division | | | | | | | | | | |
| Signs manufactured | 4,158 | 4,746 | 4,724 | 5,169 | 4,065 | 6,548 | 4,008 | 4,370 | 3,701 | 2,266 |
| Street lanes marked - painted (miles) | 596 | 633 | 657 | 719 | 759 | 755 | 881 | 690 | 529 | 655 |
| Curb parking marked (feet) | 12,995 | 29,566 | 23,663 | 21,037 | 12,271 | 14,029 | 9,555 | 14,963 | 20,976 | 7,381 |
| Crosswalks marked | 644 | 636 | 760 | 849 | 913 | 902 | 865 | 807 | 818 | 721 |
| Lane arrows marked | 483 | 795 | 883 | 822 | 950 | 1,076 | 1,006 | 988 | 1,210 | 1,065 |
| Health and welfare | | | | | | | | | | |
| Animals handled | 13,756 | 13,871 | 14,023 | 15,919 | 15,719 | 16,608 | 15,805 | 15,791 | 15,863 | 14,994 |
| Animals adopted | 1,614 | 1,488 | 1,733 | 1,920 | 2,132 | 2,529 | 2,540 | 2,265 | 2,382 | 2,748 |
| Animals euthanized | 10,241 | 10,445 | 10,164 | 11,508 | 11,397 | 11,444 | 10,286 | 9,742 | 10,693 | 9,203 |
| Animals returned to owners | 1,545 | 1,571 | 1,574 | 1,692 | 1,712 | 1,810 | 1,620 | 1,854 | 2,056 | 2,019 |
| Bite cases | 659 | 817 | 673 | 915 | 829 | 901 | 980 | 665 | 850 | 837 |
| Education programs contacts | 346,991 | 343,579 | 335,016 | 282,442 | 626,390 | 735,450 | 867,079 | 832,735 | 768,581 | 244,526 |
| Urban redevelopment and housing | | | | | | | | | | |
| Neighborhood Code Enforcement | | | | | | | | | | |
| Emergency orders to repair | 485 | 606 | 874 | 1,286 | 1,133 | 976 | 612 | 1,519 | 1,530 | 1,288 |
| Emergency orders to demolish | 71 | 55 | 173 | 93 | 56 | 31 | 5 | 6 | 8 | 10 |
| Boardings | 295 | 366 | 455 | 729 | 629 | 600 | 369 | 926 | 744 | 734 |
| Demolitions - hearing affirmed | 52 | 31 | 107 | 19 | 136 | 43 | 26 | 124 | 125 | 52 |
| Water | | | | | | | | | | |
| New connects | 874 | 737 | 776 | 649 | 128 | 142 | 121 | 74 | 71 | 797 |
| Consumption (millions of gallons) | 8,581 | 8,241 | 8,639 | 8,310 | 8,408 | 8,391 | 8,069 | 8,214 | 8,270 | 8,712 |
| Wastewater | | | | | | | | | | |
| New connects | 1,336 | 1,153 | 1,145 | 843 | 611 | 642 | 534 | 340 | 651 | 225 |
| Sewage treatment (millions of gallons) | 8,031 | 7,843 | 8,085 | 7,724 | 7,780 | 7,488 | 7,177 | 8,620 | 8,616 | 8,768 |

- (A) Increased due to new contractors to monitor projects, requirement for federally funded projects, and follow-up to worker proper wage rate allegations.
- (B) Increased due to new reporting model based on wage violations per individual instead of counting projects.
- (C) Decreased - 2010 had a higher than normal amount of reinspections
- (D) Sewer increase largely due to Allen County Regional Water and Sewer District

Notes:
The City of Fort Wayne fully implemented GASB Statement 34 in 2002.

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

| Function/Program | Fiscal Year | | | | | | | | | |
|--|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Division outposts | - | - | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Training academies | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire | | | | | | | | | | |
| Fire stations | 16 | 16 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| Training academies | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 |
| Safety Village | | | | | | | | | 1 | 1 |
| Highways and streets | | | | | | | | | | |
| Number of street lights | 30,646 | 30,825 | 31,382 | 32,594 | 33,174 | 33,354 | 33,592 | 33,725 | 33,896 | 33,923 |
| Miles of streets | 943 | 943 | 990 | 1,130 | 1,144 | 1,144 | 1,149 | 1,217 | 1,161 | 1,160 |
| Health and welfare | | | | | | | | | | |
| Animal Control | | | | | | | | | | |
| Animal care centers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol districts | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Culture and recreation | | | | | | | | | | |
| Acres for parks and recreational areas | 2,429 | 2,429 | 2,429 | 2,625 | 2,631 | 2,805 | 2,805 | 2,805 | 2,805 | 2,805 |
| Parks and recreational areas | 84 | 84 | 84 | 84 | 85 | 86 | 86 | 86 | 86 | 86 |
| Golf courses | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 |
| Swimming pools | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 3 | 3 | 3 |
| Water | | | | | | | | | | |
| Miles of water lines | 976 | 992 | 998 | 1,010 | 1,024 | 1,153 | 1,157 | 1,159 | 1,160 | 1,164 |
| Treatment capacity (million gallons/day) | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 |
| Wastewater | | | | | | | | | | |
| Miles of sewer/stormwater mains | 1,604 | 1,657 | 1,683 | 1,715 | 1,727 | 1,802 | 1,830 | 1,861 | 1,856 | 1,880 |
| Treatment capacity (million gallons/day) | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 70 |

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.



The City of Fort Wayne

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