

# ***City of Fort Wayne, Indiana***

## **2007 Comprehensive Annual Financial Report**



Graham A. Richard  
Mayor

Patricia A. Roller CPA  
Controller

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**City of Fort Wayne, Indiana  
Year Ended December 31, 2007**



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

**Valerie A. Ahr  
Deputy Controller**

**Mark Knepper  
Deputy Director of Financial Operations**

# INTRODUCTION



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# CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

June 26, 2008

Dear Citizens:

I am pleased to present to you the 2007 Comprehensive Annual Financial Report for the City of Fort Wayne. This is an in-depth account of the financial status of the City. This report demonstrates our commitment to provide you with a full and detailed explanation for the use of your tax dollars. We are committed to fiscally conservative management of your tax dollars.

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

Sincerely,

A handwritten signature in cursive script that reads "Thomas C. Henry".

Thomas C. Henry  
Mayor





# CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

June 26, 2008

## **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, 2007. This is the nineteenth CAFR prepared by the City's financial staff. The eighteen 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 has been presented as a blended component unit because the financial statements would be misleading if data from this component unit was not included.

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An Equal Opportunity Employer

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

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

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

The oversight body for the Civil City (governmental operations) is the Common Council of the City of Fort Wayne. The Council is composed of nine elected Council members who serve four-year terms, six of whom represent geographic councilmanic districts and three of whom are elected at-large. The oversight body for the City Utilities of Fort Wayne is the Board of Public Works. The Board of Public Works, as of December 31, 2007, 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 254,062 Fort Wayne remains the second largest city in Indiana. For the last decade, the Fort Wayne area (Allen County) has consistently maintained a lower unemployment level than the nation or the State of Indiana, until 2001 when the area's rates began to match the State's. During the past decade the area has seen a decline in manufacturing jobs offset by an increase in service jobs. Per capita income has also grown each year, primarily by the rate of inflation.

Almost two-thirds of the area's jobs are evenly distributed between the manufacturing, service and retail sectors. The remaining one-third comes from the construction, finance and government sectors. Job growth continues to be seen primarily from expansion of existing businesses. In 2007, 83 economic development projects were announced that represent nearly \$125 million in new investment, the retention of over 2,800 jobs and addition of over 1,200 jobs to Fort Wayne and Allen County.

In early 2000, the City's economic development objectives were refocused on gaining higher quality jobs in the manufacturing, service and technology sectors. The City, in collaboration with Allen County and the Greater Fort Wayne Chamber of Commerce, created the Fort Wayne - Allen County Economic Development Alliance. Over the last seven years, The Alliance has been responsible for marketing the county's assets, which include a high quality of life, existing commercial building sites and an

outstanding workforce, to new and expanding businesses. Since its inception, the Alliance has been involved in over 180 projects that have retained over 14,000 jobs and created over 6,600 new jobs.

The Northeast Indiana Innovation Center (NIIC), a technology business incubator, dedicated its new facility in the fall of 2005. Beginning in 2001, in former Raytheon facilities, NIIC has programs to assist the business entrepreneur as well as emerging technology businesses through business incubation, business counseling, and financing. In 2007, PearlDiver, a provider of intelligence, data and analytics to the musculoskeletal industry, established its operations at the NIIC.

The City is strategically located just 200 miles from most of the larger Midwest cities --- Chicago, Detroit, Indianapolis, Columbus, Cleveland, Cincinnati, Dayton, Louisville and Toledo. This location positions the community well for distribution businesses as well as manufacturing/service businesses that require proximity to customers in the Midwest, northeastern United States and southern Canada. In 2007, UPS announced that it would invest over \$11 million to expand its Fort Wayne package hub in Centennial Industrial Park.

### **Long Term Financial Planning**

The City Utilities tentatively 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. The City Utilities committed to combined sewer overflow reductions that require an approximate investment of \$240.0 million in infrastructure solutions over the next eighteen years. The City Utilities also agreed to eliminate three sanitary sewer overflows by 2014 at an estimated cost of \$31.0 million.

On February 12, 2008, the City Utilities paid Aqua Indiana \$16.9 million for their North Assets, which increased its customer base by 9,000 new retail water customers and 1,600 new retail sewer customers. The purchase price, which is currently being contested by Aqua Indiana, was financed with a 12 month Bond Anticipation Note. City Utilities will need to obtain permanent financing once the final purchase price is confirmed.

In 2008, the City of Fort Wayne plans to issue \$30.0 million in capital improvement bonds in order to finance future infrastructure improvements. These bonds will have a ten year maturity and be repaid with County Economic Development Income Taxes (CEDIT).

### **Major Initiatives**

Since taking office in January 2000, Mayor Richard's initiatives have focused on three key areas:

- Attracting high quality jobs to the City.

- Making Fort Wayne one of the safest cities of its size.

- Providing better customer service and more effective government to the community

The city has added "ready-to-go" business sites to support expanding and new businesses. Summit II Industrial Park and Adams Township industrial area, located east of Adams Center Road and north of Paulding Road, continue to be marketed to new and expanding companies. In 2006, city, county and Alliance staff were successful with an application to have a site south of the GM Truck Assembly plant, called Silverado Park, designated as one of the State of Indiana's "Shovel Ready" sites. The Shovel Ready

designation lets businesses know that a site is ready for development. In 2007, Baekgaard, Ltd., a designer of high-quality gift items, announced that it would invest over \$4 million in a new facility at Silverado Park. This is the first company to locate in our area's "Shovel Ready" site. The city continues to work cooperatively with the county and Alliance staff in pursuit of shovel ready designations for other sites.

Mayor Graham Richard decided not to run for re-election in 2007 and a new mayor assumed leadership of Fort Wayne on January 1, 2008. Mayor Richard leaves a broad and lasting legacy which includes such projects as Southtown Centre (including the Public Safety Academy), Harrison Square, and Renaissance Pointe. His Lean Six Sigma initiative, which has helped to reduce expenses and improve customer service in city government, has resulted in an estimated cost savings and/or cost avoidance in excess of \$25 million over his eight years in office. In addition, his commitment to making the City of Fort Wayne a wired and inspired city has led to the city being recognized as one of the most technologically innovative governments in the nation.

The City of Fort Wayne is committed to a fiscally conservative management of citizens' tax dollars. The implementation of the multi-year financial projections has prepared the City of Fort Wayne for the financial challenges that lie ahead. The City will continue to wisely invest citizens' tax dollars.

## **Financial Information**

### **Budgetary Controls**

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

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

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

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

subsequent year's budget.

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

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

### **Internal Controls**

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

It is important that the costs and efforts involved in internal control mechanisms not exceed the benefits received. Accordingly, we believe that the City's internal financial controls adequately safeguard assets and provide reasonable assurance of properly recorded financial transactions at an appropriate level of expense and effort. The City consults with the Indiana State Board of Accounts, not only during the audit, but also throughout the year. As a result, we believe that we have established a proactive, positive relationship with our auditor that works to increase the quality of the City's financial reporting and internal control system.

### **External Audit Function**

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

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

### **Internal Audit Department**

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

responsibilities to the Common Council and the City Controller.

### **Audit Committee**

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

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

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

### **Pension Plans**

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

Police personnel hired prior to May 1, 1977 are members of the Police Pension Fund established in 1925 by the State of Indiana. Fire Department personnel hired prior to May 1, 1977 are members of the Fire Pension Fund established in 1937 by the State of Indiana. Utility personnel who retired prior to July 1, 1976 are members of the Municipal Pension Plan. Finally, Board of Health personnel who were employed by the City of Fort Wayne before the Board of Health became a county function on April 1, 1982 are members of the Sanitary Officers' Pension Plan. There are substantially no assets available to fund the liabilities of these four plans. They are funded on a pay-as-you-go basis, with unfunded liabilities currently totaling more than \$238 million. However, in 2008, the State of Indiana passed House Bill 1001. This bill includes a provision that will provide 100% pension relief from the state in future years for Indiana's cities and towns.

Related to the pension benefits, the City also provides health care benefits to a number of retired police officers, firefighters, and certain other employees. These benefits are provided under a self-funded plan administered by a Third Party Administrator. The unfunded liability for these health care benefits is

currently approximately \$40 million.

Note 11 and note 23 of the basic financial statements as well as the required supplementary information provide further discussion of the City's pension and health care benefit plans.

### **Risk Management**

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

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

### **Cash Management**

All cash temporarily idle in 2007 was invested by the City in short-term investments in conformance with Indiana statutes governing investment of public funds. Those statutes limit the investment media that can be utilized by the City of Fort Wayne to certificates of deposit of local financial institutions, U. S. Treasury securities, and U. S. agency securities backed by the full faith and credit of the U. S. Government having a term to maturity of two years or less. This statutory limitation severely constrains the return the City is able to achieve. The objective is to attain the highest possible return consistent with the City's liquidity needs and desired level of risk. All excess funds are deposited daily and all accounts are interest bearing.

### **Certificate of Achievement for Excellence in Financial Reporting**

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

This comprehensive annual financial report is the nineteenth published by the City of Fort Wayne. The 1989-2006 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 nineteenth Certificate.

## **Acknowledgments**

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

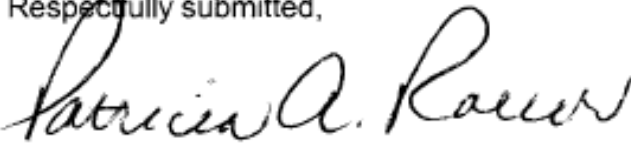
The City Controller and Deputy Controller are not able to produce a report of this type and magnitude alone. A number of people are part of the team effort that produces the City's CAFR.

We acknowledge and thank the following City employees:

**Randy Rowe**, Financial Analyst  
**Jay Bigham**, Senior Financial Accountant  
**Ed Shick**, Senior Financial Accountant  
**Greg Weisser**, Financial Accountant  
**Bonnie Dannenberg**, 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.

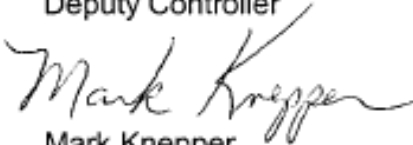
Respectfully submitted,



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



Valerie Ahr  
Deputy Controller



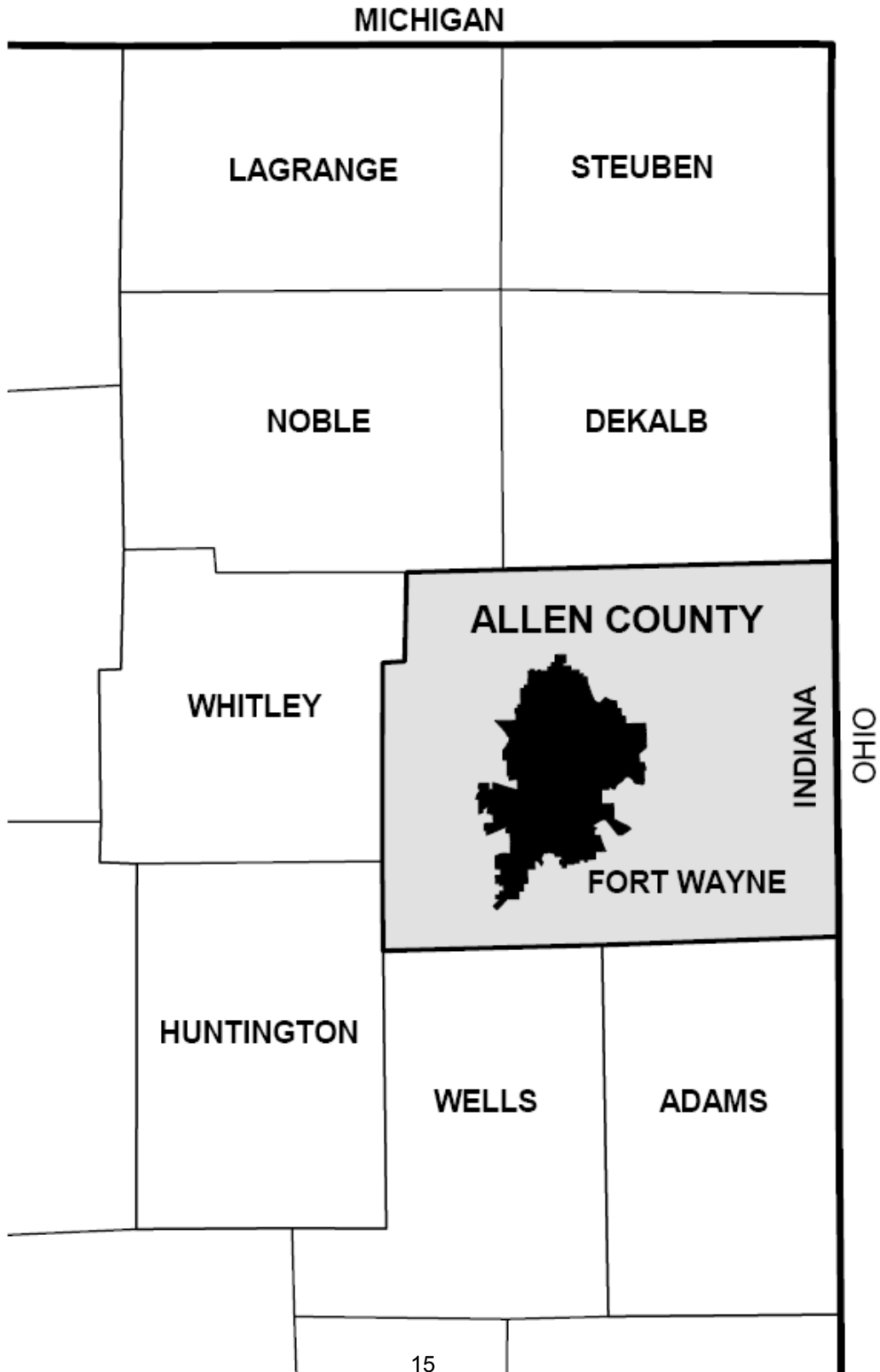
Mark Knepper  
Deputy Director of Financial Operations



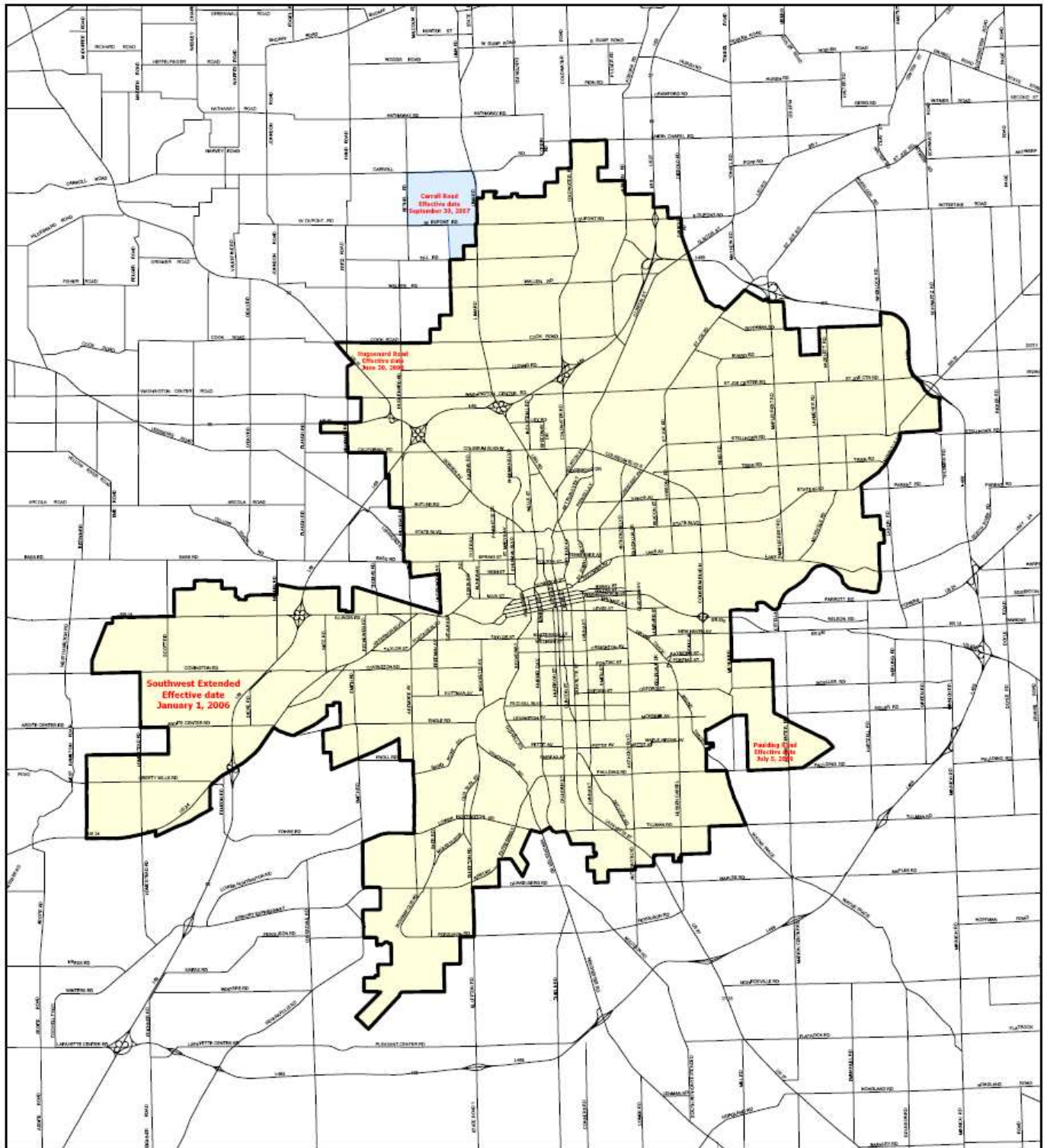
# Midwest Locator Map



# Northeast Indiana Locator Map





# Fort Wayne Future/Recent Annexations



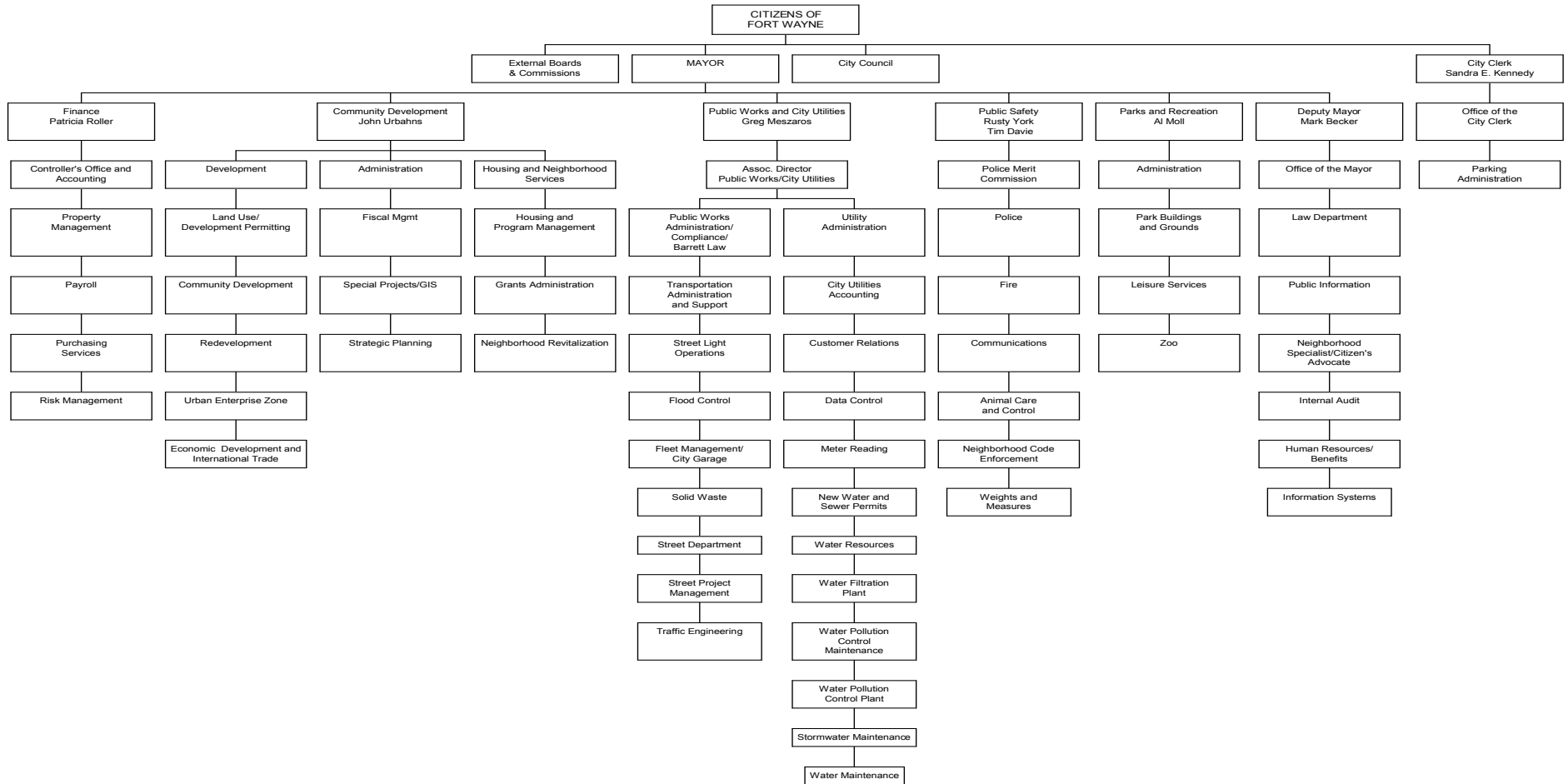
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 Updated on May 1, 2007  
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 Layout: WEBSITE DEN  
 Prepared By Fort Wayne Community Development

## Legend

-  Fort Wayne City Limits
-  Future Annexations



City of Fort Wayne  
2007 Organization Chart



**CITY OF FORT WAYNE  
LIST OF PRINCIPAL OFFICIALS  
December 31, 2007**

<u>NAME</u>	<u>TITLE</u>	<u>YEARS OF SERVICE WITH CITY</u>
<b>Elected Officials:</b>		
Graham Richard	Mayor	8
Sandra E. Kennedy	City Clerk	28
Samuel J. Talarico, Jr.	Council Member	8
John N. Crawford	Council Member	12
Glynn A. Hines	Council Member	8
Thomas Smith	Council Member	8
Thomas E. Hayhurst	Council Member	12
Timothy M. Pape	Council Member	8
Donald J Schmidt	Council Member	37
John Shoaff	Council Member	4
Thomas Didier	Council Member	4
<b>Division Directors:</b>		
Mark Becker	Deputy Mayor	7
John Urbahns	Director of Community and Economic Development	9
Alvin R. Moll, Jr.	Director of Parks and Recreation	6
Greg Meszaros	Director of Utilities/ Director of Public Works	22
Russell York	Director of Public Safety	30
Timothy Davie	Director of Public Safety	26
Patricia A. Roller	Director of Finance and Administration	4
Tim Manges	City Attorney	8
<b>Civil City Department Directors:</b>		
Belinda Lewis	Animal Control - Manager	19
David Ross	City Engineer	18
Steve Smith	Communications - District Chief	28
Greg Leatherman	CD - Deputy Director of Development	9
Heather Presley	CD - Deputy Director of Housing & Neighborhood Services	14
Sherry Early-Aden	CD - OHNS Housing Program Administrator	1
Pam Holocher	CD - Director of Planning	29
Greg Leatherman	CD - Executive Director of Redevelopment	9
Cheryl Schuster	CD/CDC - Manager	2
Clifford Clarke	Chief Technology Officer	3
Karen Aiken	Controller's Office - Deputy Controller	28
Valerie Ahr	Controller's Office - Deputy Controller	12
Timothy Davie	Fire Department - Chief	26
Larry Campbell	City Garage - Fleet Manager	5
Chloretha Davie	Human Resources Director	7
Lynn Trittipio	Internal Audit - Director	7
Gerald Foday	Metropolitan Human Relations - Director	7
Thomas Bander	Neighborhood Code Enforcement - Administrator	23
Garry Morr	Parks & Recreation - Associate Director of Admin	15
Susan VanEvery	Payroll - Supervisor	20
Russell York	Police - Chief	30
Dan Brenner	Property Management - Manager	5
John Perlich	Public Information Office - Director	5

**CITY OF FORT WAYNE  
LIST OF PRINCIPAL OFFICIALS  
December 31, 2007  
(Continued)**

<u>NAME</u>	<u>TITLE</u>	<u>YEARS OF SERVICE WITH CITY</u>
<b>Civil City Department Directors continued:</b>		
Bob Kennedy	Public Works - Associate Director	23
Jim Howard	Purchasing/Administrative Services - Director	7
Nancy McAfee	Risk Management - Manager	3
Wendy Barrott	Solid Waste - Manager	1
Brad Baumgartner	Street Department - Director	27
Mario Trevino	Transportation Engineering Services - Director	28
Steve Davis	Traffic/Street Light Engineering & Traffic/Street Light Operations Director	24
Terry McCaffrey	Urban Enterprise Association - Business Development Specialist	10
Gary Brown	Weights & Measures - Inspector	5
<b>City Utilities Department Directors:</b>		
Steve Martin	City Utilities Accounting - General Accounting Manager	33
Maggie Fiedler	City Utilities Customer Svc - Manager	7
Sally Clem	City Utilities Data Control - Manager	15
Chet Shastri	Filtration Plant - Superintendent	16
Kevin Holle	GIS - Manager	22
Patrick Faherty	Meter Reading - Manager	14
Judy Black	New Water & Sewer Permits - Supervisor	26
Michael Thomson	Storm Planning & Design - Program Manager	17
Gary Merriman	Stormwater Maintenance - Assistant Superintendent	32
Greg Meszaros	Utility Administration - Director	22
Len Poehler	Utility Administration - Associate Director of Finance	4
Phil Giaquinta	Utility Services Manager	8
Ron Shepperd	Engineering Support Services	19
Mary Jane Slaton	Planning and Design Services	15
Jerry Schoenle	Water Maintenance/Service - Superintendent	37
Mark Gensic	Planning and Design Services - Manager	8
Jeffrey Morris	WPC Maintenance - Interim Superintendent	30
Cheryl Cronin	WPC Plant - Interim Superintendent	20

# **CITY OF FORT WAYNE**

## **DEPARTMENT DETAILS**

### **OFFICE OF THE MAYOR**

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

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

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

#### **Public Information Office**

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

#### **Neighborhoods and Citizen's Advocate Office**

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

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

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

## **Department of Law**

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

## **Human Resources Department**

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

## **Information Systems Department**

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

## **Internal Audit Department**

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

## **OFFICE OF THE CITY CLERK AND COMMON COUNCIL**

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

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



## **FINANCE AND ADMINISTRATION DIVISION**

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

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

### **Payroll Department**

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

### **Purchasing Department**

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

### **Property Management**

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

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

### **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.

## **UTILITY ADMINISTRATION**

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

### **General Accounting**

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

### **Customer Relations**

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

### **Data Control**

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

### **Meter Reading**

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

### **New Water & Sewer Permits**

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

## **Water Resources**

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

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

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

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

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

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

### **Three Rivers Filtration Plant**

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

### **Water Maintenance and Service**

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

service.

### **Water Pollution Control Plant**

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

### **Water Pollution Control Maintenance/Stormwater Maintenance**

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

## **DIVISION OF COMMUNITY DEVELOPMENT**

### **Vision Statement**

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

### **Mission Statement**

“To develop and implement creative community-based strategies to enhance economic opportunity, build strong neighborhoods, and ensure a dynamic framework for quality growth and development.”

### **Director's Office**

The Director's Office provides coordination and overall direction for the Division comprised of by the following departments: Finance, Special Projects/GIS, Strategic Planning, Community Development Corporation of Northeast Indiana, Redevelopment, Housing Programs, Grants Administration, Neighborhood Revitalization, 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 and investment and job creation.

**Strategic Projects** – Encourage and facilitate strategic projects that will develop, revitalize, and strengthen the Fort Wayne Community.

Community Collaboration – Pursue a stronger commitment with citizens, neighborhoods, businesses and organizations to collaborate as strategic partners in achieving 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 Planning, and Policy**

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

#### **Special Projects/GIS**

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

#### **Strategic Planning**

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

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

### **Deputy Director of Development**

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

#### **The Community Development Corporation of Northeast Indiana**

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

#### **Redevelopment**

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

are Tax Incremental Financing (TIF) and Redevelopment General Obligation Bonds.

**Deputy Director of Housing and Neighborhood Services**

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

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

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

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

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

**Director of Neighborhood Code Enforcement**

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

**METROPOLITAN HUMAN RELATIONS**

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

**PUBLIC WORKS**

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

**Office of the Director**

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

## **Barrett Law**

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

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

## **Contract Compliance Office**

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

## **Solid Waste Management**

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

## **City Engineer**

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

## **Flood Control**

Flood Control administers the City's responsibilities for the Army Corps of Engineers Flood Control Project; as well as planning, construction, and maintenance of the City's existing Flood Control system.

## **Transportation Engineering Services**

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

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

### **Traffic Engineering**

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

### **Street Lighting**

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

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

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

### **Street Department**

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

### **Fleet Management**

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



## **PARKS AND RECREATION**

The Parks and Recreation Department maintains over 2,800 acres of public park land and provides numerous recreation facilities, programs, and services for the Fort Wayne community. The Fort Wayne Parks Department was created in 1905 when the Indiana General Assembly adopted the Cities and Towns Law. The Parks and Recreation Department is administered by a four member bipartisan Board of Park Commissioners. Each commissioner is appointed by the Mayor and serves a four-year term. The Park Board reviews and approves the annual budget, approves expenditures, holds regular public meetings as required by law and approves the awarding of all contracts.

### **Administration/Marketing**

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

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

### **Headwaters Park**

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

### **Parks/Horticulture**

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

### **Leisure Services**

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

### **Fort Wayne Children's Zoo**

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

## **PUBLIC SAFETY**

### **Department of Public Safety**

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

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

### **Police Department**

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

### **Fire Department**

It is the mission of the Fort Wayne Fire Department to prevent the loss of life and to control or reduce the loss to property. 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.

### **Communications**

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

### **Animal Care and Control**

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

### **Neighborhood Code Enforcement**







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






### **Weights & Measures**

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

### Fort Wayne at a Glance

As of December 31, 2007

Date Founded	October 22, 1794	
Date of Incorporation	February 22, 1840	
Population	254,397	
Area in Square Miles	110.5	
Miles of Streets	1,145	
Number of Street Lights	33,019 	
Miles of Water lines	1,016	
Miles of Sewer/Stormwater Mains	1,725	
Number of City Employees	1,844	
<b>Labor Statistics: (September '06)</b>		
Fort Wayne Metropolitan Service Area - Allen		
Labor Force	217,150	
Employed	207,070	
Unemployed	10,080	
Unemployment Rate	4.7	
<b>Building Permits for Ft Wayne &amp; Allen County - Dec. '07</b>		
	2006	2007
Total New Construction - Number of Permits	876	932
- Estimated Assessed Value	\$ 88,686,897	\$95,898,910
Total Construction Permits - Number of Permits	3,495	4,147
- Estimated Assessed Value	\$147,483,100	\$187,811,801
Relative Size	2nd largest city in Indiana	
Form of Government	Elected Mayor, Clerk, Councilperson (9)	
Airports	Fort Wayne International, Smith Field 	
Rail Service	Norfolk Southern, Chicago Fort Wayne Eastern Railroad 	
Motor Carriers	35 	
Public Transportation Route	12	
Taxi Service	3 cab companies, 11 limousine companies	
Bank Holding Companies	3	
Banks/Finance Companies	41	
Credit Unions	15	
Museums	7	
Media	2 monthly, 2 weekly, 2 daily newspapers; 8 TV stations;  11 cable & satellite systems, 19 radio stations	
Market Location	Area within 250 miles of Fort Wayne includes a population of 45.3 million, or  17% of the total U.S. population; 70th Largest City in United States	

Parks & Recreation	 	84 parks & playgrounds covering 2,429.41 acres, including: 19 rental pavilions, 13 open shelters (not reserved), 1 ice arena, 3 public/18 hole golf courses, 2 Frisbee golf courses, 21 soccer fields, 1 skateboard rink, 38 baseball/softball diamonds, 4 swimming pools, 4 Spray parks, 1 campground, 1 ice arena 16 tennis courts, 26 basketball courts, 1 outdoor theater Solomon Farm Learning Ctr., The Old Fort, 1 Life Time Sports Center
Water System		Municipally owned, treatment capacity of 72 million gallons/day
Sewage System		Municipally owned, treatment capacity of 60 million gallons/day
Electric Utility		3 - American Electric Power, Northeastern REMC, United REMC
Natural Gas		Northern Indiana Public Service Co., Vectron Energy
Telephone		Verizon, Comcast, Century Tel, Budget Phone, Bitec, 1 Communications, Media Com
Garbage Service		City residents charged: \$9.75/mo. user fee for single family dwelling; \$19.50/mo. user fee for duplex, 3- or 4-plex. Services presently contracted with Nat'l Serv-All.
Yard Waste Collection		
Gross Income Tax		3.4%
County Option Income Tax		0.6%
County Economic Development Income Tax		0.4%
State Sales and Use Tax		6.0%
Allen County Food & Beverage Tax		1.0%
Property Tax Rate:		<b>\$3.2601**</b> per \$100 assessed value - 2006 pay (Fort Wayne - Wayne Township) 2007: City's portion is \$1.0195
Annual Wheel Tax		Rate by vehicle class \$7.50 to \$25.00
State Excise Tax		Cigarettes - 55.5 cents/pkg of 20, 69.375 cents/pkg of 25 Gasoline - 18 cents/gallon Auto - various class rates
Hospitals		6 (1,463 beds)
Churches		390
Number of Schools		Fort Wayne Community Schools 53 Northwest Allen County Schools 8 East Allen County Schools 18 Southwest Allen County Schools 9 Parochial & Other 34 Higher Education 12

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Fort Wayne  
Indiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2006

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.



*Charles S. Cox*

President

*Jeffrey R. Emmer*

Executive Director

# FINANCIAL SECTION



This Page Not Numbered

**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

State Board of Accounts  
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Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

**INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Fort Wayne (City), as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of three of the six discretely presented component units, Fort Wayne Urban Enterprise Association Inc., Fort Wayne-Allen County Convention and Tourism Authority, and Fort Wayne Public Transportation Corporation, which represent 46.84 percent and 90.88 percent, respectively, of the assets and revenues of the discretely presented component units. Other auditors whose reports thereon have been furnished to us audited those financial statements. Our opinion, insofar as it relates to the amounts included for the three discretely presented component units, is based solely upon the reports of the other auditors.

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

In our opinion, based on our audit and the reports of the other auditors, the respective financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, 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 have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with Government Auditing Standards, we have also issued a report dated June 26, 2008, on our consideration of the City's internal control structure and a report dated June 26, 2008, on its compliance with laws and regulations.

*State Board of Accounts*

STATE BOARD OF ACCOUNTS

June 26, 2008



# 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, 2007. 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 2007 by \$1,035 million. Of this amount, (\$51.2) million is considered unrestricted. The unrestricted net assets of the City's governmental activities are (\$2.4) million and the unrestricted net assets of the City's business-type activities are (\$48.8) million.

- The City's total net assets increased \$47.3 million in 2007. The net assets of the City's business-type activities increased \$20.9 million (or 4.9 percent from 2006). The net assets of the City's governmental activities increased \$26.4 million (or 4.7 percent from 2006).
- At the end of 2007, the City's governmental funds reported a combined ending fund balance of \$100.9 million. The combined governmental funds' fund balance decreased by \$19.4 million from the prior year ending fund balance. Approximately \$64.4 million of the \$100.9 million fund balance is considered unreserved at December 31, 2007.
- At the end of 2007, unreserved fund balance for the general fund was \$13.7 million or 17.8 percent of the 2007 general fund expenditures.
- The City's total debt increased by \$24.1 million (or 6.2 percent) during 2007.

## **Overview of the Financial Statements**

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

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

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

The statement of activities presents information on all of the City's revenues and expenses, showing how the government's general expenses less the program revenues equal net expenses for the most recent fiscal year. General revenues are then subtracted from net expenses to get the change in net assets. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid. Thus, revenue and expenses reported in this statement for some items will

only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

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

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

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

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

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

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

within the governmental activities section of the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 61-63 of this report.

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

**Notes to the financial statements.** The notes are a required part of the basic financial statements that provide necessary information for the understanding of the City's financial report. The notes to the financial statements can be found on pages 69-111 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 114-118 of this report.

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

	Governmental activities		Business-type activities		Total		Component Units	
	2007	2006	2007	2006	2007	2006	2007	2006
Assets	\$ 149,271	\$ 138,585	\$ 134,278	\$ 117,793	\$ 283,549	\$ 256,378	\$ 95,824	\$ 43,734
Capital assets	697,039	658,452	518,373	485,071	\$ 1,215,412	\$ 1,143,523	51,791	47,133
Total assets	846,310	797,037	652,651	602,864	1,498,961	1,399,901	147,615	90,867
Liabilities	259,360	236,448	204,618	175,763	463,978	412,211	110,366	65,103
<b>Net assets</b>	<b>\$ 586,950</b>	<b>\$ 560,589</b>	<b>\$ 448,033</b>	<b>\$ 427,101</b>	<b>\$ 1,034,983</b>	<b>\$ 987,690</b>	<b>\$ 37,249</b>	<b>\$ 25,764</b>
Invested in capital assets, net of related debt	\$ 589,350	\$ 533,703	\$ 386,420	\$ 320,404	\$ 975,770	\$ 854,107	\$ 25,692	\$ 19,975
Restricted	-	-	110,424	96,921	110,424	96,921	-	-
Unrestricted	(2,400)	26,886	(48,811)	9,776	(51,211)	36,662	11,557	5,789
<b>Total net assets</b>	<b>\$ 586,950</b>	<b>\$ 560,589</b>	<b>\$ 448,033</b>	<b>\$ 427,101</b>	<b>\$ 1,034,983</b>	<b>\$ 987,690</b>	<b>\$ 37,249</b>	<b>\$ 25,764</b>

## Government-wide Financial Analysis

The City's (primary government) assets exceeded liabilities by \$1,035 million at the close of 2007. The largest portion of the City's net assets (total assets less total liabilities), which amounts to \$975.8 million (or 94.3 percent), reflects its investment in capital assets (e.g., land, distribution and collection, roads, buildings and improvements, machinery and equipment, construction in progress, and net investment in joint venture), less any outstanding debt used to acquire these assets. These assets are designated as invested in capital assets because they are used to provide the everyday services the citizens of the City expect; they are not liquid and are not available for future spending. The debt associated with these capital assets must be paid from sources other than the capital assets themselves because, as stated before, they cannot be used as a liquid asset.

The remainder of the City's net assets is designated as either restricted or unrestricted. The restricted portion, which totals \$110.4 million (or 10.6 percent), are dollars that are subject to an external restriction and cannot be spent on everyday operations. The unrestricted portion of the net assets is (\$51.2) million (or (4.9%) percent).

At the end of 2007, the City shows a positive net asset figure as a whole as well as in the governmental and business-type activities sections individually. This shows that the City has been able to make sound financial decisions over the past several years leaving them with a solid equity base on which to build.

In 2007, the City's net assets increased by \$47.3 million. There was an increase in the City's net asset figure for the business-type activities of \$20.9 million and a net increase for the governmental activities of \$26.4 million.

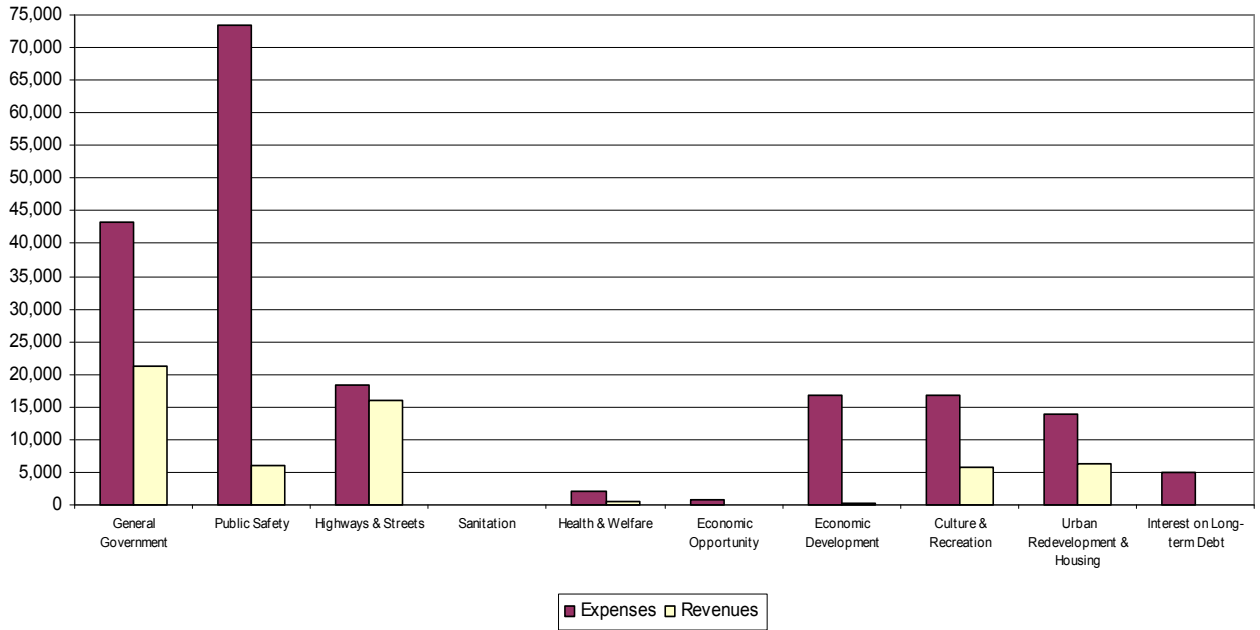
The City's component units showed assets exceeding liabilities by \$37.2 million at the end of 2007. Of the net assets (total assets less total liabilities), \$25.7 million reflects its investment in capital assets less any debt used to acquire these assets that is still outstanding. These assets are 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. \$11.6 million is designated as unrestricted net assets. These assets may be used by the City's component units for normal operations.

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

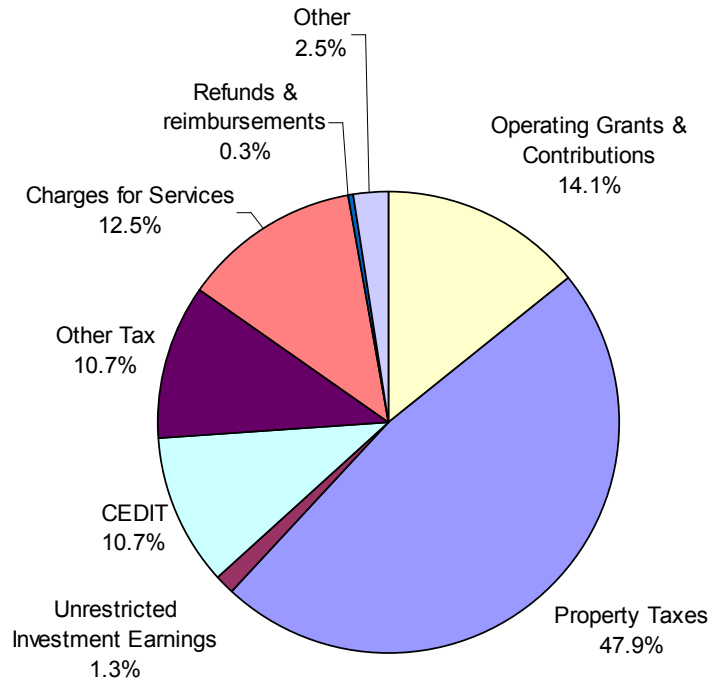
	Governmental Activities		Business-type Activities		Total		Component Units	
	2007	2006	2007	2006	2007	2006	2007	2006
<b>Revenues-</b>								
Program revenues:								
Charges for services	\$ 26,526	\$ 25,716	\$ 86,171	\$ 75,718	\$ 112,697	\$ 101,434	\$ 2,818	\$ 1,523
Operating grants and contributions	29,824	24,136	-	-	29,824	24,136	3,740	-
Capital grants and contributions	-	83,828	2,262	4,812	2,262	88,640	2,503	1,891
General revenues:								
Property taxes	101,531	81,710	-	-	101,531	81,710	-	-
CEDIT	22,640	18,559	-	-	22,640	18,559	-	-
Local assessments and taxes	-	-	-	-	-	-	4,200	-
Indiana room tax	-	-	-	-	-	-	3,060	2,644
Other taxes	22,722	19,465	-	-	22,722	19,465	-	-
Investment earnings	2,648	3,502	6,925	5,872	9,573	9,374	587	307
Refunds and reimbursements	554	-	-	-	554	-	31	-
Other	5,330	5,215	-	6	5,330	5,221	1,815	107
<b>Total revenues</b>	<b>211,775</b>	<b>262,131</b>	<b>95,358</b>	<b>86,408</b>	<b>307,133</b>	<b>348,539</b>	<b>18,754</b>	<b>6,472</b>
<b>Expenses:</b>								
General government	43,293	34,267	-	-	43,293	34,267	-	-
Public safety	73,323	85,875	-	-	73,323	85,875	-	-
Highways and streets	18,421	16,622	-	-	18,421	16,622	-	-
Health and welfare	2,062	2,048	-	-	2,062	2,048	-	-
Economic opportunity	677	634	-	-	677	634	-	-
Economic development	16,882	14,281	-	-	16,882	14,281	-	-
Culture and recreation	16,713	15,148	-	-	16,713	15,148	-	-
Urban redevelopment and housing	13,926	12,275	-	-	13,926	12,275	-	-
Interest on long-term debt	5,059	3,345	-	-	5,059	3,345	-	-
Water	-	-	23,967	22,098	23,967	22,098	-	-
Wastewater	-	-	25,070	25,819	25,070	25,819	-	-
Stormwater	-	-	8,524	6,790	8,524	6,790	-	-
Parking garages	-	-	871	857	871	857	-	-
Solid waste	-	-	9,685	9,198	9,685	9,198	-	-
Other	-	-	601	548	601	548	-	-
HANDS	-	-	-	-	-	-	-	241
Summit	-	-	-	-	-	-	6	-
UEA	-	-	-	-	-	-	442	466
C&TA	-	-	-	-	-	-	6,061	5,871
RA	-	-	-	-	-	-	1,499	-
PTC	-	-	-	-	-	-	11,103	-
<b>Total expenses</b>	<b>190,356</b>	<b>184,495</b>	<b>68,718</b>	<b>65,310</b>	<b>259,074</b>	<b>249,805</b>	<b>19,111</b>	<b>6,578</b>
Inc(Dec) in net assets before transfers	21,419	77,636	26,640	21,098	48,059	98,734	(357)	(106)
Transfers	4,942	5,069	(4,942)	(5,069)	-	-	-	-
Inc(Dec) in net assets before cumulative effect of change in accounting estimate	26,361	82,705	21,698	16,029	48,059	98,734	(357)	(106)
Cumulative effect of change in accounting estimate (See Note 18)	-	-	(766)	-	(766)	-	-	-
Inc(Dec) in net assets after cumulative effect of change in accounting estimate	26,361	82,705	20,932	16,029	47,293	98,734	(357)	(106)
<b>Net asset -- January 1st</b>	<b>560,589</b>	<b>477,884</b>	<b>427,101</b>	<b>411,072</b>	<b>987,690</b>	<b>888,956</b>	<b>37,606</b>	<b>25,870</b>
<b>Net asset -- December 31st</b>	<b>\$ 586,950</b>	<b>\$ 560,589</b>	<b>\$ 448,033</b>	<b>\$ 427,101</b>	<b>\$ 1,034,983</b>	<b>\$ 987,690</b>	<b>\$ 37,249</b>	<b>\$ 25,764</b>

**Governmental Activities.** The governmental activities accounted for a \$26.4 million increase in the City's total net assets in 2007. The increase was mainly attributed to the City's annexation of Aboite Township; which provided a higher tax base, and in turn, higher tax revenues for 2007.

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

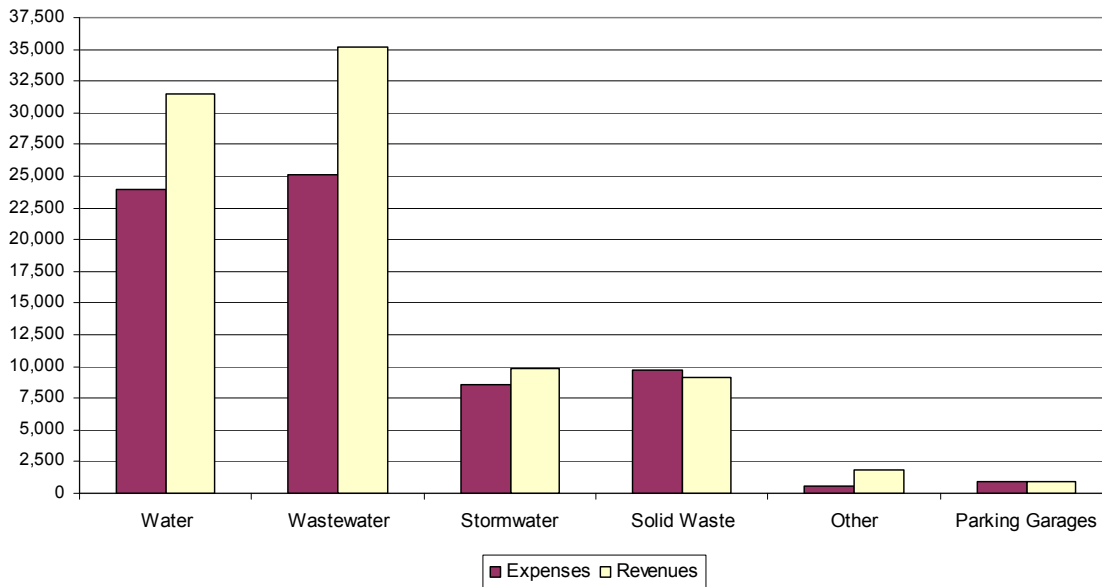


**Revenues by Source - Governmental Activities**

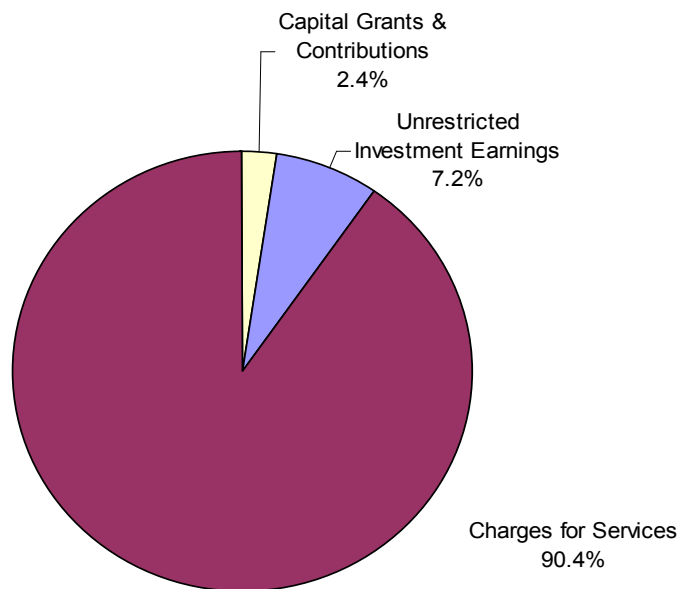


**Business-type Activities.** The business-type activities of the City increased net assets by \$20.9 million or 44.3 percent of the total increase in the City's net assets of \$47.3 million. Business-type activities represent 31 percent of the Primary Government's revenues and 26.5 percent of the expenses. The City's Water and Wastewater utilities account for 75.4 percent of the business-type activities' program revenues and 71.4 percent of the expenses. The majority of the net assets increase was due to a 25% water rate increase that was effective September 1, 2006 and a 25% wastewater rate increase that was effective March 1, 2007.

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



**Revenues by Source - Business-type Activities**



## Financial Analysis of the Government's Funds

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

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

At the end of 2007, the City's governmental funds reported combined ending fund balances of \$100.9 million, a decrease of \$19.4 million in comparison with the prior year. Of that total about \$64.4 million (or 63.8 percent) is unreserved fund balance. The remaining \$36.5 million (or 36.2 percent) is reserved for prior commitments. The reserved amount is for encumbrances of \$21.2 million, non-current loans receivable of \$0.9 million, and assets held for resale of \$14.4 million.

The largest portion of the City's governmental fund totals is made up of the General fund, the City's chief operating fund. At the end of 2007, the General fund had an unreserved fund balance of \$13.7 million and a total fund balance of \$14.5 million. As a measure of the General fund's liquidity, you can compare the total fund balance and unreserved fund balance to the total fund expenditures. The General fund expenditures for fiscal year ended 2007 were \$77.1 million. The total fund balance represents 18.8 percent of General fund expenditures, while the unreserved fund balance is 17.8 percent of that same amount.

The fund balance of the City's General fund increased by \$3.5 million during fiscal year ended 2007. During 2007, the General fund expenditures were mostly in line with revenues received. However, the City also received transfers in of \$3.445 million from City Utilities for their annual Contributions in Lieu of Taxes payments, which accounts for the majority of the increase in the General fund balance.

The City has five other funds that meet the major fund criteria: the Highways and Streets, CEDIT, Parks, Fire, and Redevelopment. The combined fund balance at the end of 2007 for the other five major funds is \$66.2 million. This results in a net decrease in fund balances for the major funds of 14.4 million from the prior year. The major reasons for this decrease are:

- The Highways and Streets fund balance increased by \$1 million to \$6.5 million at the end of 2007. This was primarily due to the transfer in of an additional \$752,000 from the Solid Waste fund to cover leaf pick up expenses for 2007.
- The CEDIT fund balance decreased by \$9.0 million to \$8.8 million at the end of 2007. This was due to the spending down of the 2005 CEDIT Bond fund for various Board of Works projects.
- The Parks fund balance decreased by \$3.5 million to \$8.9 million at the end of 2007. This was due mainly to increased spending in the amount of \$3.9 million for capital outlays from the 2005 Park Bond fund.
- The Fire fund balance increased by \$0.1 million to \$2.9 million at the end of 2007. This was due to receiving slightly higher tax revenues over what was anticipated, and lower than expected actual expenditures, especially personal services costs, which were \$426,000 less than budgeted.
- The Redevelopment fund balance decreased by \$3 million to \$39.1 million at the end of 2007. This decrease was due to expenditures incurred for infrastructure and improvement projects, including brownfield projects, the Harrison Square project, the Jefferson Point TIF project, and other projects paid for with 2005 redevelopment bond funds.

The non-major governmental funds have a combined decrease of \$8.6 million to a fund balance of \$20.2 million at the end of 2007.



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

Net assets of the City's proprietary funds at the end of 2007 were \$448 million. Of that total, they had restricted net assets of \$110.4 million, invested in capital assets of \$386.4 million, and unrestricted net assets of (\$48.8) million. This is a total increase of about \$20.9 million, and was almost entirely reinvested in additional capital assets. In May, 2007, a new revenue bond in the amount of \$24.2 million was issued by the Sewer Utility for the purpose of funding certain improvements to the City's sewer system. \$14.1 million in loans were drawn in 2007 from the State of Indiana's Wastewater Revolving Loan Program. The funds are designated for upgrades of the water and wastewater treatment plants. Other details are also covered in the business-type activities section of the government-wide financial statement section of this MD&A.

### **General Fund Budgetary Highlights**

The differences between the original adopted budget and the final amended budget were immaterial; the original budget was increased \$2 thousand (or 0.002 percent). The difference is summarized as follows:

- \$ 3 thousand decrease in general government's appropriation
- \$145 thousand decrease in public safety's appropriation
- \$113 thousand increase in highway and streets appropriation
- \$ 18 thousand increase in economic opportunity's appropriation
- \$ 15 thousand increase in economic development's appropriation

The actual expenditures were \$3.627 million lower than budgeted, while the revenues of the general fund were \$2.335 million lower than budgeted. For the year, the general fund balance increased by \$3.523 million.

The 2007 final approved budget was \$80.735 million; actual expenditures amounted to \$77.108 million, leaving a \$3.627 million positive variance. The variance is summarized as follows:

- \$ 688 thousand for general government
- \$2,179 thousand for public safety
- \$ 334 thousand for highway and streets
- \$ 151 thousand for health and welfare
- \$ 72 thousand for economic opportunity
- \$ 203 thousand for economic development

Of the \$3.627 million position variance, \$1.779 million was in personnel services. This variance was primarily due to unfilled positions as a result of resignations, retirements, and/or terminations. The remaining \$1.848 million positive variance consisted of \$553 thousand for supplies expense, \$1,306 thousand for other services and charges, and (\$11) 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, 2007, are equal to \$1,215.4 million (net of accumulated depreciation). Capital assets include land, distribution and collection, roads, buildings and improvements, machinery and equipment, construction in progress, and net investment in joint venture. The total increase in the City's capital assets for the current fiscal year was \$71.9 million or 6.3 percent (a 5.9 percent increase for governmental activities and a 6.9 percent increase for business-type activities).

**Governmental activities.** Capital assets for the governmental activities total \$773 million with an

accumulated depreciation figure of \$76 million for a net book value of \$697 million. The amount includes \$40.4 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 2006, the City had a pavement condition index rating of "Good" (76). The City has maintained a "Good" (75) rating in 2007. The City maintains there are no material variances between the needed expenditures and the actual expenditures for the maintenance of infrastructure for 2007.

More information regarding the modified approach can be found on pages 116 and 119-121 in the Required Supplementary Information (RSI) section of this report.

**Business-type activities.** Capital assets for the business-type activities total \$750.9 million with an accumulated depreciation figure of \$232.5 million for a net book value of \$518.4 million. The amount also includes \$79 million in construction in progress reflecting capital projects in various stages of completion.

Major projects include: Phase II for the replacement of the preliminary wastewater treatment facilities, upgrading the secondary facilities at the Water Pollution Control Plant, continue work on projects to reduce the number of Combined Sewer Overflows (CSO's) and the volume of discharges directly to the rivers, Combined Sewer Capacity improvements to reduce the risk of basement backups, replacement of six miles of water mains per year, increasing finished water storage capacity, and the development of emergency electrical back-up systems for key pump stations and the treatment plants. During 2007, approximately \$48.9 million was spent on capital projects.

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

	Governmental activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 33,736	\$ 26,588	\$ 5,323	\$ 4,993	\$ 39,059	\$ 31,581
Distribution and collection	-	-	403,429	388,360	403,429	388,360
Roads	507,272	503,470	-	-	507,272	503,470
Buildings and improvements	133,268	133,034	124,288	122,435	257,556	255,469
Machinery and equipment	54,497	51,154	138,787	133,066	193,284	184,220
Construction in progress	40,382	10,030	79,025	54,531	119,407	64,561
Net investment in joint venture	3,872	3,808	-	-	3,872	3,808
Less: Accumulated depreciation	(75,988)	(69,632)	(232,479)	(218,314)	(308,467)	(287,946)
<b>Total</b>	<b>\$ 697,039</b>	<b>\$ 658,452</b>	<b>\$ 518,373</b>	<b>\$ 485,071</b>	<b>\$ 1,215,412</b>	<b>\$ 1,143,523</b>

Additional information regarding the City's capital assets can be found in Note 3 on pages 81-83 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 \$199.3 million. Of this amount \$96.9 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 \$102.4 million is revenue bonds that are paid for from the revenues earned by the business-type fund that is responsible for the debt.

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

	Governmental activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
General obligation bonds	\$ 5,555	\$ 6,680	\$ -	\$ -	\$ 5,555	\$ 6,680
Special obligation bonds	63,865	70,030	-	-	63,865	70,030
First mortgage bonds	27,495	29,445	-	-	27,495	29,445
Capital leases	23,910	16,425	3,051	3,381	26,961	19,806
Notes & loans payable	2,259	879	83,030	73,171	85,289	74,050
Mortgages payable	-	42	-	-	-	42
Net pension obligation	91,648	94,418	-	-	91,648	94,418
Compensated absences	8,749	8,377	2,069	1,993	10,818	10,370
Other post-employment ben liab	327	-	-	-	327	-
Other long-term liabilities	-	-	26	119	26	119
Revenue bonds	-	-	102,435	85,380	102,435	85,380
<b>Total</b>	<b>\$ 223,808</b>	<b>\$ 226,296</b>	<b>\$ 190,611</b>	<b>\$ 164,044</b>	<b>\$ 414,419</b>	<b>\$ 390,340</b>

The City's total debt increased \$24.1 million during the current fiscal year, including additions of \$58.8 million and reductions of \$34.7 million. This increase was due mainly to the issuance of a \$24.2 million revenue bond by the City's Sewer Utility and \$14.1 million in loans from the State of Indiana's Wastewater Revolving Loan Program.

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 84-93 of this report.

**Economic Factors and Next Year's Budgets and Rates**

The unemployment rate for the City is currently 4.9 percent, which is up from a rate of 4.8 percent a year ago. This is slightly above the state average unemployment rate of 4.7 percent and the national average of 4.8 percent.

The City's population has increased due to annexation; therefore, the City will be entitled to a larger percentage of the COIT and CEDIT tax dollars distributed to the county in 2008.

The Fort Wayne City Council has frozen the 2008 property tax levy at the 2007 rate, which will cause a revenue shortfall in 2008. Due to the passage of House Bill 1001, starting in 2008, the amount of property taxes collected will be substantially reduced, causing a shortfall in City revenues. The new law also places permanent property tax caps on real estate values, which will limit future property tax revenues. The City is currently reviewing its options as to where it can curtail expenditures and seeking solutions for replacing the current and future lost revenues.

On February 12, 2008, City Utilities paid Aqua Indiana \$16.9 million and took possession of their North Assets, adding 9,000 new retail water customers and 1,600 new retail sewer customers. This purchase was financed by a 12 month bond anticipation note, which will be replaced by permanent financing at a later date.

These factors along with others were considered when preparing the City's budget for the 2008 fiscal year.

**Request for Information**

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

# BASIC FINANCIAL STATEMENTS



CITY OF FORT WAYNE  
STATEMENT OF NET ASSETS  
December 31, 2007

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<u>Assets</u>				
Cash and cash equivalents-unrestricted	\$ 104,295,328	\$ 10,719,292	\$ 115,014,620	\$ 3,649,335
Investments-unrestricted	5,893,267	-	5,893,267	3,561,167
Receivables (net of allowances for uncollectibles):				
Accounts	-	8,429,697	8,429,697	394,006
Taxes	10,173,785	-	10,173,785	-
Interest	38,205	101,773	139,978	-
Intergovernmental	5,513,834	-	5,513,834	4,765,147
Loans	1,260,540	-	1,260,540	131,114
Miscellaneous	3,031,087	9,731	3,040,818	1,622,312
Assessments receivable	901,826	149,655	1,051,481	-
Internal balances	(200,437)	200,437	-	-
Due from Redevelopment Commission	-	-	-	11,567,834
Inventories	870,561	1,085,488	1,956,049	172,896
Prepaid expense	324,938	152,433	477,371	75,109
Assets held for resale	14,376,492	-	14,376,492	893,273
Deferred debits	1,785,367	2,060,042	3,845,409	1,310,823
Net investment in direct financing lease	487,347	-	487,347	34,971,033
Net pension asset	518,852	805,951	1,324,803	-
Restricted assets:				
Cash and cash equivalents-restricted	-	75,393,441	75,393,441	32,710,558
Investments-restricted	-	35,170,089	35,170,089	-
Capital assets:				
Land, roads and construction in progress	581,390,594	84,348,153	665,738,747	1,494,330
Other capital assets, net of depreciation	115,648,344	434,025,305	549,673,649	50,296,262
Total assets	<u>846,309,930</u>	<u>652,651,487</u>	<u>1,498,961,417</u>	<u>147,615,199</u>
<u>Liabilities</u>				
Accounts payable	7,674,860	5,592,964	13,267,824	564,208
Accrued group insurance benefits	1,898,938	-	1,898,938	-
Contracts payable	3,641,093	-	3,641,093	377,565
Retainage payable	1,058,315	-	1,058,315	-
Due to Redevelopment Authority (RA)	11,567,834	-	11,567,834	-
Accrued interest payable	972,115	-	972,115	-
Customer deposits	-	-	-	-
Unearned revenue	342,311	-	342,311	-
Other current liabilities	2,087,441	4,630,291	6,717,732	1,271,416
Current liabilities payable from restricted assets:				
Accrued interest payable - due in one year	-	2,257,293	2,257,293	659,830
Revenue bonds payable - due in one year	-	8,105,000	8,105,000	845,000
Loans payable - due in one year	-	4,426,571	4,426,571	-
Customer deposits	-	1,139,752	1,139,752	39,657
Noncurrent liabilities:				
Due within one year:				
Compensated absences payable	6,934,319	1,024,846	7,959,165	-
Capital leases payable	5,609,546	340,371	5,949,917	777,382
Notes and loans payable	6,238,615	-	6,238,615	-
General obligation bonds payable	1,180,000	-	1,180,000	-
Special obligation bonds payable	7,785,000	-	7,785,000	-
First mortgage bonds payable	2,730,000	-	2,730,000	-

CITY OF FORT WAYNE  
STATEMENT OF NET ASSETS  
December 31, 2007

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Due in more than one year:				
Compensated absences	1,815,257	1,043,691	2,858,948	-
Capital leases payable	18,300,095	2,710,444	21,010,539	29,499,006
Notes and loans payable	2,020,000	78,603,987	80,623,987	-
Mortgage payable	-	-	-	824,153
General obligation bonds payable (net)	4,372,634	-	4,372,634	-
Special obligation bonds payable (net)	56,391,321	-	56,391,321	-
First mortgage bonds payable (net)	24,765,315	-	24,765,315	-
Revenue bonds payable (net)	-	94,722,496	94,722,496	-
Lease rental revenue bonds payable (net)	-	-	-	75,472,911
Net pension obligation	91,647,838	-	91,647,838	-
Other postemployment benefits liability	327,334	-	327,334	35,200
Other noncurrent liabilities	-	20,484	20,484	-
<b>Total liabilities</b>	<b>259,360,181</b>	<b>204,618,190</b>	<b>463,978,371</b>	<b>110,366,328</b>
<b>Net assets</b>				
Invested in capital assets, net of related debt	589,350,242	386,420,190	975,770,432	25,692,152
Restricted for:				
Debt service	-	9,670,736	9,670,736	-
Capital projects	-	65,573,250	65,573,250	-
Community trust	-	35,179,792	35,179,792	-
Unrestricted	(2,400,493)	(48,810,671)	(51,211,164)	11,556,719
<b>Total net assets</b>	<b>\$ 586,949,749</b>	<b>\$ 448,033,297</b>	<b>\$ 1,034,983,046</b>	<b>\$ 37,248,871</b>

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, 2007

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating	Capital	Primary Government			
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	Total	
<b>Primary government:</b>								
<b>Governmental activities:</b>								
General government	\$ 43,293,115	\$ 15,541,243	\$ 5,726,756	\$ -	\$ (22,025,116)	\$ -	\$ (22,025,116)	\$ -
Public safety	73,322,973	3,669,870	2,427,157	-	(67,225,946)	-	(67,225,946)	-
Highways and streets	18,421,359	2,796,825	13,226,291	-	(2,398,243)	-	(2,398,243)	-
Sanitation	-	-	3,202	-	3,202	-	3,202	-
Health and welfare	2,061,814	402,630	229,869	-	(1,429,315)	-	(1,429,315)	-
Economic opportunity	676,725	-	1,200	-	(675,525)	-	(675,525)	-
Economic development	16,881,930	294,763	62,579	-	(16,524,588)	-	(16,524,588)	-
Culture and recreation	16,713,524	3,629,892	2,045,496	-	(11,038,136)	-	(11,038,136)	-
Urban redevelopment and housing	13,925,691	191,034	6,101,219	-	(7,633,438)	-	(7,633,438)	-
Interest on long-term debt	5,059,418	-	-	-	(5,059,418)	-	(5,059,418)	-
<b>Total governmental activities</b>	<b>190,356,549</b>	<b>26,526,257</b>	<b>29,823,769</b>	<b>-</b>	<b>(134,006,523)</b>	<b>-</b>	<b>(134,006,523)</b>	<b>-</b>
<b>Business-type activities:</b>								
Water	23,967,328	30,122,226	-	1,340,779	-	7,495,677	7,495,677	-
Wastewater	25,070,120	34,681,439	-	512,650	-	10,123,969	10,123,969	-
Stormwater	8,524,119	9,386,794	-	408,092	-	1,270,767	1,270,767	-
Parking garages	870,496	941,558	-	-	-	71,062	71,062	-
Solid waste	9,685,013	9,191,668	-	-	-	(493,345)	(493,345)	-
Other (Electric, Yardwaste)	601,180	1,847,590	-	-	-	1,246,410	1,246,410	-
<b>Total business-type activities</b>	<b>68,718,256</b>	<b>86,171,275</b>	<b>-</b>	<b>2,261,521</b>	<b>-</b>	<b>19,714,540</b>	<b>19,714,540</b>	<b>-</b>
<b>Total primary government</b>	<b>\$ 259,074,805</b>	<b>\$ 112,697,532</b>	<b>\$ 29,823,769</b>	<b>\$ 2,261,521</b>	<b>(134,006,523)</b>	<b>19,714,540</b>	<b>(114,291,983)</b>	<b>-</b>
<b>Component units:</b>								
HANDS	\$ -	\$ -	\$ -	\$ -	-	-	-	-
Summit	5,934	-	-	-	-	-	-	(5,934)
UEA	442,002	203,288	-	-	-	-	-	(238,714)
C&TA	6,060,810	1,527,910	-	1,861,973	-	-	-	(2,670,927)
RA	1,498,522	-	-	-	-	-	-	(1,498,522)
PTC	11,103,876	1,086,984	3,739,753	640,711	-	-	-	(5,636,428)
<b>Total component units</b>	<b>\$ 19,111,144</b>	<b>\$ 2,818,182</b>	<b>\$ 3,739,753</b>	<b>\$ 2,502,684</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,050,525)</b>
<b>General revenues:</b>								
Property taxes	-	-	-	-	101,530,616	-	101,530,616	-
CEDIT	-	-	-	-	22,639,824	-	22,639,824	-
COIT	-	-	-	-	12,621,139	-	12,621,139	-
Excise taxes	-	-	-	-	7,405,965	-	7,405,965	-
Sur/Wheel taxes	-	-	-	-	1,993,312	-	1,993,312	-
FIT	-	-	-	-	701,520	-	701,520	-
Local assessments and taxes	-	-	-	-	-	-	-	4,200,238
Indiana room tax income	-	-	-	-	-	-	-	3,060,505
Unrestricted investment earnings	-	-	-	-	2,648,235	6,925,750	9,573,985	587,194
Refunds and reimbursements	-	-	-	-	554,435	-	554,435	30,593
Other	-	-	-	-	5,329,916	-	5,329,916	1,814,735
Transfers	-	-	-	-	4,941,910	(4,941,910)	-	-
<b>Total general revenues and transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>160,366,872</b>	<b>1,983,840</b>	<b>162,350,712</b>	<b>9,693,265</b>
<b>Change in net assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,360,349</b>	<b>21,698,380</b>	<b>48,058,729</b>	<b>(357,260)</b>
<b>Net assets - beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>560,589,400</b>	<b>427,100,884</b>	<b>987,690,284</b>	<b>37,606,131</b>
<b>Cumulative effect of change in accounting estimate (Note 18)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(765,967)</b>	<b>(765,967)</b>	<b>-</b>
<b>Net assets - beginning - restated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>560,589,400</b>	<b>426,334,917</b>	<b>986,924,317</b>	<b>37,606,131</b>
<b>Net assets - ending</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 586,949,749</b>	<b>\$ 448,033,297</b>	<b>\$ 1,034,983,046</b>	<b>\$ 37,248,871</b>

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



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CITY OF FORT WAYNE  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2007

	General	Highways and Streets	CEDIT	Parks
<u>Assets</u>				
Cash and cash equivalents	\$ 14,281,430	\$ 5,572,805	\$ 9,578,199	\$ 9,712,826
Investments	-	-	-	-
Receivables (net of allowances for uncollectibles):				
Interest	-	-	-	-
Taxes	3,744,413	-	1,462,561	574,015
Assessments	-	-	-	-
Intergovernmental	318,001	1,604,272	-	258
Loans	-	-	240,500	-
Miscellaneous	1,646,737	186,340	-	211,928
Interfund receivable - pooled cash	-	-	-	-
Due from other funds	167,578	37,416	1,052,538	3,165
Net investment in direct financing lease	487,347	-	-	-
Assets held for resale	-	-	-	-
<b>Total assets</b>	<b><u>\$ 20,645,506</u></b>	<b><u>\$ 7,400,833</u></b>	<b><u>\$ 12,333,798</u></b>	<b><u>\$ 10,502,192</u></b>
 <u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 1,664,818	\$ 192,509	\$ 507,326	\$ 684,963
Contracts payable	-	77,681	1,487,888	178,839
Retainage payable	-	9,241	32,300	82,610
Notes payable	-	-	-	-
Interfund payable - pooled cash	-	-	-	-
Due to other funds	227,487	-	65,000	40,864
Due to Redevelopment Authority	-	-	-	-
Accrued interest payable	-	-	-	-
Deferred revenue	4,231,760	655,935	1,462,561	574,273
Unearned revenue	-	-	-	1,310
<b>Total liabilities</b>	<b><u>6,124,065</u></b>	<b><u>935,366</u></b>	<b><u>3,555,075</u></b>	<b><u>1,562,859</u></b>
Fund balances:				
Reserved for:				
Encumbrances	773,156	2,398,694	1,891,614	4,533,666
Noncurrent loans receivable	-	-	120,834	-
Assets held for resale	-	-	-	-
Unreserved, reported in:				
General fund	13,748,285	-	-	-
Special revenue funds	-	4,066,773	-	4,405,667
Capital projects funds	-	-	6,766,275	-
<b>Total fund balances</b>	<b><u>14,521,441</u></b>	<b><u>6,465,467</u></b>	<b><u>8,778,723</u></b>	<b><u>8,939,333</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 20,645,506</u></b>	<b><u>\$ 7,400,833</u></b>	<b><u>\$ 12,333,798</u></b>	<b><u>\$ 10,502,192</u></b>

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

Continued on next page

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CITY OF FORT WAYNE  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2007

	Fire	Redevelopment	Non-major Governmental Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 2,977,991	\$ 47,802,800	\$ 9,701,525	\$ 99,627,576
Investments	-	-	5,893,267	5,893,267
Receivables (net of allowances for uncollectibles):				
Interest	-	-	38,205	38,205
Taxes	1,860,261	32,114	2,500,421	10,173,785
Assessments	-	-	901,826	901,826
Intergovernmental	1,096	37	3,590,170	5,513,834
Loans	-	215,000	805,040	1,260,540
Miscellaneous	21,962	3,382	878,100	2,948,449
Interfund receivable - pooled cash	-	-	1,476,816	1,476,816
Due from other funds	-	300	-	1,260,997
Net investment in direct financing lease	-	-	-	487,347
Assets held for resale	-	11,733,967	2,642,525	14,376,492
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 4,861,310</u>	<u>\$ 59,787,600</u>	<u>\$ 28,427,895</u>	<u>\$ 143,959,134</u>
 <u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 87,243	\$ 1,168,378	\$ 2,817,361	\$ 7,122,598
Contracts payable	-	1,300,661	596,024	3,641,093
Retainage payable	-	461,536	472,628	1,058,315
Notes payable	-	6,000,000	-	6,000,000
Interfund payable - pooled cash	-	-	1,476,816	1,476,816
Due to other funds	2,331	139,022	1,240,977	1,715,681
Due to Redevelopment Authority	-	11,567,834	-	11,567,834
Accrued interest payable	-	59,742	-	59,742
Deferred revenue	1,860,261	32,114	1,305,772	10,122,676
Unearned revenue	-	-	341,001	342,311
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>1,949,835</u>	<u>20,729,287</u>	<u>8,250,579</u>	<u>43,107,066</u>
Fund balances:				
Reserved for:				
Encumbrances	228,866	5,908,273	5,474,470	21,208,739
Noncurrent loans receivable	-	-	778,440	899,274
Assets held for resale	-	11,733,967	2,642,525	14,376,492
Unreserved, reported in:				
General fund	-	-	-	13,748,285
Special revenue funds	2,682,609	-	3,994,797	15,149,846
Capital projects funds	-	21,416,073	7,287,084	35,469,432
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances	<u>2,911,475</u>	<u>39,058,313</u>	<u>20,177,316</u>	<u>100,852,068</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances	<u>\$ 4,861,310</u>	<u>\$ 59,787,600</u>	<u>\$ 28,427,895</u>	<u>\$ 143,959,134</u>

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

**City of Fort Wayne, Indiana**  
**Reconciliation of the Balance Sheet to the Statement of Net Assets**  
**Governmental Funds**  
**December 31, 2007**

Total **fund balances** for governmental funds \$ 100,852,068

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

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

Those assets consist of:

Land	33,708,727	
Roads accounted for using the modified approach	507,272,338	
Construction in progress	40,382,252	
Buildings, net of \$24,183,133 accumulated depreciation	33,321,603	
Improvements other than buildings, net of \$17,301,777 accumulated depreciation	57,943,919	
Machinery and equipment, net of \$33,018,541 accumulated depreciation	20,942,780	
Net investment in joint venture, net of \$968,889 accumulated depreciation	<u>2,903,008</u>	
Total capital assets		696,474,627

Bond issuance costs associated with new debt issued by the City in 2007 were reported as expenditures in the governmental funds when the debt was issued, whereas bond issuance costs are deferred in the statement of net assets. Deferred bond issuance costs are amortized, over the life of the debt issued, as an adjustment to interest expense in the statement of activities. 1,785,367

Some assets are not available to pay for current-period expenditures and therefore, are deferred in the funds. 1,154,996

Net pension asset from the PERF Pension Plan is considered an asset of the general government. 518,852

Internal services funds are used by the City to account for the financing of goods or services provided by one department or agency to other City departments or agencies, generally on a cost reimbursement basis. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service fund net assets are: 1,047,226

City tax collections related to 2007 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. 7,673,364

State shared revenue appropriated during the State of Indiana's fiscal year ended June 30, 2007 will be collected by the City in calendar year 2008. Revenue and a corresponding receivable for the amount appropriated but not received by December 31, 2007 are included in the government-wide statements. 1,441,796

Some of the City's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore, are deferred in the funds. 1,007,516

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

Balances at December 31, 2007 are:

Bonds payable	(96,915,000)	
Bond interest payable	(599,223)	
Unamortized loss on refunding	28,327	
Unamortized discount	81,347	
Unamortized premium	(418,944)	
Leases payable	(23,909,641)	
Lease interest payable	(52,469)	
Loans payable	(2,258,615)	
Loan interest payable	(260,681)	
Compensated absences payable	(8,725,992)	
Other postemployment benefits liability	<u>(327,334)</u>	
Total long-term liabilities		(133,358,225)

Net pension obligations, including the 1925 Police Officers' Pension Plan, the 1937 Firefighters' Pension Plan, and the Sanitary Officers' Pension Plan are not due and payable in the current period and therefore, are not reported in the funds, but are included in the government-wide statements. (91,647,838)

Total **net assets** of governmental activities \$ 586,949,749

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

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CITY OF FORT WAYNE  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2007

	General	Highways and Streets	CEDIT	Parks
<b>Revenues:</b>				
Taxes	\$ 66,200,909	\$ 1,993,311	\$ 18,930,885	\$ 10,113,788
Special assessments	-	-	-	-
Licenses and permits	1,965,593	-	-	52,247
Intergovernmental	3,250,413	10,130,759	-	-
Charges for services	3,641,017	3,885,979	51,005	3,468,249
Fines and forfeits	1,545,460	-	-	-
Other	998,165	395,914	494,806	2,542,204
<b>Total revenues</b>	<b>77,601,557</b>	<b>16,405,963</b>	<b>19,476,696</b>	<b>16,176,488</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	14,096,810	-	-	-
Public safety	52,766,639	-	-	-
Highways and streets	5,136,069	16,469,122	-	-
Health and welfare	2,226,955	-	-	-
Economic opportunity	676,725	-	-	-
Economic development	2,204,806	-	-	-
Culture and recreation	-	-	-	20,682,816
Urban redevelopment and housing	-	-	-	-
<b>Debt service:</b>				
Principal	-	-	5,905,000	-
Interest	-	-	2,336,736	-
Capital outlay	-	-	15,829,669	-
<b>Total expenditures</b>	<b>77,108,004</b>	<b>16,469,122</b>	<b>24,071,405</b>	<b>20,682,816</b>
Excess (deficiency) of revenues over (under) expenditures	493,553	(63,159)	(4,594,709)	(4,506,328)
<b>Other financing sources (uses):</b>				
Transfers in	3,444,645	1,172,088	3,845,745	1,175,818
Transfers out	(415,145)	(131,000)	(9,793,955)	(134,953)
Loans issued	-	-	1,500,000	-
Capital leases issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>3,029,500</b>	<b>1,041,088</b>	<b>(4,448,210)</b>	<b>1,040,865</b>
<b>Net change in fund balances</b>	<b>3,523,053</b>	<b>977,929</b>	<b>(9,042,919)</b>	<b>(3,465,463)</b>
Fund balances - beginning	10,998,388	5,487,538	17,821,642	12,404,796
<b>Fund balances - ending</b>	<b>\$ 14,521,441</b>	<b>\$ 6,465,467</b>	<b>\$ 8,778,723</b>	<b>\$ 8,939,333</b>

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

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CITY OF FORT WAYNE  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2007

	Fire	Redevelopment	Non-major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 32,698,897	\$ 9,840,159	\$ 3,589,239	\$ 143,367,188
Special assessments	-	-	1,100,821	1,100,821
Licenses and permits	-	-	900,802	2,918,642
Intergovernmental	-	-	7,643,655	21,024,827
Charges for services	11,422	880	771,430	11,829,982
Fines and forfeits	17,840	-	672,076	2,235,376
Other	52,884	2,515,930	4,808,515	11,808,418
<b>Total revenues</b>	<b>32,781,043</b>	<b>12,356,969</b>	<b>19,486,538</b>	<b>194,285,254</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	-	-	2,681,896	16,778,706
Public safety	32,572,444	-	2,992,078	88,331,161
Highways and streets	-	-	-	21,605,191
Health and welfare	-	-	228,802	2,455,757
Economic opportunity	-	-	-	676,725
Economic development	-	-	408,502	2,613,308
Culture and recreation	-	-	-	20,682,816
Urban redevelopment and housing	-	19,591,276	4,282,003	23,873,279
<b>Debt service:</b>				
Principal	-	1,250,532	1,950,000	9,105,532
Interest	-	605,512	1,278,789	4,221,037
Capital outlay	-	-	27,374,448	43,204,117
<b>Total expenditures</b>	<b>32,572,444</b>	<b>21,447,320</b>	<b>41,196,518</b>	<b>233,547,629</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>208,599</b>	<b>(9,090,351)</b>	<b>(21,709,980)</b>	<b>(39,262,375)</b>
<b>Other financing sources (uses):</b>				
Transfers in	-	6,615,749	8,269,890	24,523,935
Transfers out	(105,822)	(5,308,523)	(3,692,627)	(19,582,025)
Loans issued	-	-	-	1,500,000
Capital leases issued	-	4,827,727	8,560,000	13,387,727
<b>Total other financing sources (uses)</b>	<b>(105,822)</b>	<b>6,134,953</b>	<b>13,137,263</b>	<b>19,829,637</b>
<b>Net change in fund balances</b>	<b>102,777</b>	<b>(2,955,398)</b>	<b>(8,572,717)</b>	<b>(19,432,738)</b>
<b>Fund balances - beginning</b>	<b>2,808,698</b>	<b>42,013,711</b>	<b>28,750,033</b>	<b>120,284,806</b>
<b>Fund balances - ending</b>	<b>\$ 2,911,475</b>	<b>\$ 39,058,313</b>	<b>\$ 20,177,316</b>	<b>\$ 100,852,068</b>

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, 2007**

Net change in **fund balances** - total governmental funds \$ (19,432,738)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets, which meet capitalization requirements, is capitalized. The cost of the depreciable assets is allocated over the estimated useful lives and reported as depreciation expense (functionalized). The following governmental activities capital assets do not include internal service assets, since the net revenue/ (expense) of the internal service funds are included as a separate reconciling item:

Capital assets not being depreciated:			
Land		7,147,658	
Roads accounted for using the modified approach		3,802,125	
Construction in progress		30,352,804	
Total change in capital assets not being depreciated		41,302,587	
Capital assets being depreciated:			
Buildings, net of \$1,644,394 depreciation expense		(1,644,394)	
Improvements other than buildings, net of \$1,972,518 depreciation expense		(1,738,287)	
Machinery and equipment, net of \$4,663,305 depreciation expense		729,077	
Net investment in joint venture, net of \$93,425 depreciation expense		(30,012)	
Total change in capital assets being depreciated		(2,683,616)	
Total changes in capital assets			38,618,971

The issuance of long-term debt provides current financial resources to governmental funds, but increases the long-term liabilities on the statement of net assets. Repayment of principal for long-term debt consumes the current financial resources of governmental funds, but reduces long-term liabilities in the statement of net assets. This is the amount by which repayments exceed issuance proceeds. 417,748

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. (172,109)

Some expenses were deferred as assets in the statement of net assets and therefore were not reported in the statement of activities, but were reported as expenditures in the governmental funds. (183,223)

Net pension obligations, including the 1925 Police Officers' Pension Plan, the 1937 Firefighters' Pension Plan and the Sanitary Officers' Pension Plan are considered long-term obligations of the general government, but are not current expenditures. 2,770,053

Net pension asset from the PERF Pension Plan is considered an asset of the general government, but is not current revenues. (405,654)

Other postemployment benefits liability is considered a long-term obligation of the general government, but is not a current expenditure. (327,334)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. 5,498,712

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. (376,770)

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. (47,307)

Changes in **net assets** of governmental activities \$ 26,360,349

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



CITY OF FORT WAYNE  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
December 31, 2007

	Business-type Activities - Enterprise Funds				Totals	Governmental
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds		Internal Service Funds
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 193,798	\$ 6,014,972	\$ 3,270,156	\$ 1,240,368	\$ 10,719,294	\$ 4,667,752
Receivables:						
Interest receivable	-	101,773	-	-	101,773	-
Accounts receivable (net of allowance for uncollectibles)	2,874,714	4,429,772	1,088,828	36,383	8,429,697	-
Miscellaneous receivable	-	-	-	9,729	9,729	82,821
Due from other funds	257,649	69,295	65,371	1,979,553	2,371,868	254,247
Inventories	1,039,562	45,926	-	-	1,085,488	40,396
Prepaid expenses	85,384	63,688	990	2,371	152,433	107
Total current assets	4,451,107	10,725,426	4,425,345	3,268,404	22,870,282	5,045,323
Noncurrent assets:						
Restricted cash and cash equivalents	30,378,301	37,440,495	7,400,966	173,679	75,393,441	-
Restricted investments	-	-	-	35,170,089	35,170,089	-
Net pension asset	325,605	323,992	156,354	-	805,951	-
Assessments receivable	-	149,655	-	-	149,655	-
Unamortized issuance cost	747,023	918,651	344,629	49,739	2,060,042	-
Capital assets:						
Land, improvements to land and construction in progress	23,058,243	50,655,053	9,526,352	1,108,505	84,348,153	27,277
Other capital assets (net of accumulated depreciation)	136,437,361	221,151,338	67,162,552	9,274,054	434,025,305	537,034
Total noncurrent assets	190,946,533	310,639,184	84,590,853	45,776,066	631,952,636	564,311
Total assets	195,397,640	321,364,610	89,016,198	49,044,470	654,822,918	5,609,634
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	1,445,314	2,686,572	712,599	748,479	5,592,964	552,445
Due to other funds	695,333	951,146	518,994	5,958	2,171,431	-
Compensated absences payable - current portion	509,928	372,453	139,334	3,131	1,024,846	23,584
Accrued group insurance benefits payable	-	-	-	-	-	1,898,938
Capital lease payable - current portion	-	-	-	340,371	340,371	134,149
Customer deposits payable	1,139,752	-	-	-	1,139,752	-
Revenue bonds and loans payable - current portion	3,195,000	8,118,000	875,000	343,571	12,531,571	-
Accrued interest payable	174,785	1,741,837	264,318	76,353	2,257,293	-
Other current liabilities	522,195	3,475,124	43,706	589,266	4,630,291	1,953,292
Total current liabilities	7,682,307	17,345,132	2,553,951	2,107,129	29,688,519	4,562,408
Noncurrent liabilities:						
Compensated absences payable	649,566	309,171	84,177	777	1,043,691	-
Capital lease payable	-	-	-	2,710,444	2,710,444	-
Loans payable	28,690,000	48,546,130	-	1,367,857	78,603,987	-
Revenue bonds payable (net of discounts/ premiums)	21,360,180	56,639,035	15,353,281	1,370,000	94,722,496	-
Other noncurrent liabilities	-	-	-	20,484	20,484	-
Total noncurrent liabilities	50,699,746	105,494,336	15,437,458	5,469,562	177,101,102	-
Total liabilities	58,382,053	122,839,468	17,991,409	7,576,691	206,789,621	4,562,408
<b>Net assets</b>						
Invested in capital assets, net of related debt	135,347,784	179,195,034	67,577,317	4,300,055	386,420,190	564,311
Restricted for:						
Debt service	441,036	8,436,823	628,901	163,976	9,670,736	-
Capital projects	29,797,513	29,003,672	6,772,065	-	65,573,250	-
Community trust	-	-	-	35,179,792	35,179,792	-
Unrestricted	(28,570,746)	(18,110,387)	(3,953,494)	1,823,956	(48,810,671)	482,915
Total net assets	\$ 137,015,587	\$ 198,525,142	\$ 71,024,789	\$ 41,467,779	\$ 448,033,297	\$ 1,047,226

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

CITY OF FORT WAYNE  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
For The Year Ended December 31, 2007

	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	\$ 30,122,226	\$ 34,681,439	\$ 9,386,794	\$ 10,206,490	\$ 84,396,949	\$ 5,963,269
Leases	-	-	-	1,774,326	1,774,326	-
City contributions	-	-	-	-	-	20,245,171
Employee contributions	-	-	-	-	-	1,926,778
Total operating revenues	<u>30,122,226</u>	<u>34,681,439</u>	<u>9,386,794</u>	<u>11,980,816</u>	<u>86,171,275</u>	<u>28,135,218</u>
Operating expenses:						
Personnel services	7,233,698	5,411,306	1,424,924	217,973	14,287,901	633,172
Contractual services	1,319,464	1,998,063	154,695	9,044,684	12,516,906	4,230,943
Utilities	1,189,660	1,225,070	-	49,542	2,464,272	57,463
Chemicals	1,999,120	379,854	-	-	2,378,974	-
Administrative services	2,929,208	3,978,073	2,338,616	43,700	9,289,597	-
Other supplies and services	2,645,553	2,496,946	2,350,762	589,961	8,083,222	2,558,031
Insurance claims and premiums	-	-	-	4,427	4,427	21,066,549
Depreciation	4,963,183	7,000,224	1,679,839	984,420	14,627,666	40,683
Total operating expenses	<u>22,279,886</u>	<u>22,489,536</u>	<u>7,948,836</u>	<u>10,934,707</u>	<u>63,652,965</u>	<u>28,586,841</u>
Operating income (loss)	<u>7,842,340</u>	<u>12,191,903</u>	<u>1,437,958</u>	<u>1,046,109</u>	<u>22,518,310</u>	<u>(451,623)</u>
Nonoperating revenues (expenses):						
Interest and investment revenue	1,643,504	1,459,392	786,714	3,036,140	6,925,750	63,583
Miscellaneous revenue	-	-	-	-	-	340,733
Interest expense	(1,574,870)	(2,460,701)	(530,110)	(177,261)	(4,742,942)	-
Amortization of debt issuance costs	(112,572)	(119,883)	(45,173)	(3,553)	(281,181)	-
Miscellaneous expense	-	-	-	(41,168)	(41,168)	-
Total nonoperating revenue (expenses)	<u>(43,938)</u>	<u>(1,121,192)</u>	<u>211,431</u>	<u>2,814,158</u>	<u>1,860,459</u>	<u>404,316</u>
Income (loss) before contributions and transfers	<u>7,798,402</u>	<u>11,070,711</u>	<u>1,649,389</u>	<u>3,860,267</u>	<u>24,378,769</u>	<u>(47,307)</u>
Capital contributions	1,340,779	512,650	408,092	-	2,261,521	-
Transfers in	-	1,211,794	-	417,235	1,629,029	-
Transfers out	<u>(1,345,437)</u>	<u>(2,099,208)</u>	<u>(1,211,794)</u>	<u>(1,914,500)</u>	<u>(6,570,939)</u>	<u>-</u>
Change in net assets before cumulative effect of change in accounting estimate	<u>7,793,744</u>	<u>10,695,947</u>	<u>845,687</u>	<u>2,363,002</u>	<u>21,698,380</u>	<u>(47,307)</u>
Cumulative effect of change in accounting estimate (See Note 18)	<u>(5,559,352)</u>	<u>4,184,134</u>	<u>607,551</u>	<u>1,700</u>	<u>(765,967)</u>	<u>-</u>
Change in net assets after cumulative effect of change in accounting estimate	<u>2,234,392</u>	<u>14,880,081</u>	<u>1,453,238</u>	<u>2,364,702</u>	<u>20,932,413</u>	<u>(47,307)</u>
Total net assets - beginning	<u>134,781,195</u>	<u>183,645,061</u>	<u>69,571,551</u>	<u>39,103,077</u>	<u>427,100,884</u>	<u>1,094,533</u>
Total net assets - ending	<u>\$ 137,015,587</u>	<u>\$ 198,525,142</u>	<u>\$ 71,024,789</u>	<u>\$ 41,467,779</u>	<u>\$ 448,033,297</u>	<u>\$ 1,047,226</u>

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

CITY OF FORT WAYNE  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For The Year Ended December 31, 2007

	Business-type Activities - Enterprise Funds				Total	Governmental
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds		Activities - Internal Service Funds
<b>Cash flows from operating activities:</b>						
Receipts from customers and users	\$ 30,134,616	\$ 35,107,752	\$ 9,218,811	\$ 9,480,445	\$ 83,941,624	\$ 28,435,915
Receipts from leases	-	-	-	1,740,000	1,740,000	-
Payments to suppliers	(10,885,766)	(7,177,878)	(4,064,760)	(9,035,142)	(31,163,546)	(26,595,626)
Payments to employees	(7,135,563)	(5,318,162)	(1,422,318)	(222,004)	(14,098,047)	(628,154)
Other receipts (payments)	16,618	(1,417,575)	(75,053)	-	(1,476,010)	-
<b>Net cash provided by operating activities</b>	<b>12,129,905</b>	<b>21,194,137</b>	<b>3,656,680</b>	<b>1,963,299</b>	<b>38,944,021</b>	<b>1,212,135</b>
<b>Cash flows from noncapital financing activities:</b>						
Transfer from other funds	-	-	-	417,235	417,235	-
Transfer to other funds	(1,345,437)	(2,099,208)	-	(1,914,500)	(5,359,145)	-
<b>Net cash used by noncapital financing activities</b>	<b>(1,345,437)</b>	<b>(2,099,208)</b>	<b>-</b>	<b>(1,497,265)</b>	<b>(4,941,910)</b>	<b>-</b>
<b>Cash flows from capital and related financing activities:</b>						
Acquisition and construction of capital assets	(13,251,733)	(22,804,668)	(9,287,964)	(95,295)	(45,439,660)	(8,522)
Proceeds from capital debt	-	38,241,167	-	-	38,241,167	-
Bond discount and premium addition	-	(31,409)	-	-	(31,409)	-
Debt issuance costs	(13,682)	(261,119)	-	-	(274,801)	-
Principal paid on capital debt	(3,025,000)	(7,113,000)	(845,000)	(673,312)	(11,656,312)	(15,851)
Interest paid on capital debt	(2,188,766)	(3,426,400)	(656,694)	(178,669)	(6,450,529)	-
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(18,479,181)</b>	<b>4,604,571</b>	<b>(10,789,658)</b>	<b>(947,276)</b>	<b>(25,611,544)</b>	<b>(24,373)</b>
<b>Cash flows from investing activities:</b>						
Proceeds from sales and maturities of investments	-	-	-	2,283,018	2,283,018	-
Purchase of investments	-	-	-	(5,147,376)	(5,147,376)	-
Investment income received	1,643,504	1,416,187	786,714	2,611,390	6,457,795	63,583
<b>Net cash provided (used) by investing activities</b>	<b>1,643,504</b>	<b>1,416,187</b>	<b>786,714</b>	<b>(252,968)</b>	<b>3,593,437</b>	<b>63,583</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(6,051,209)</b>	<b>25,115,687</b>	<b>(6,346,264)</b>	<b>(734,210)</b>	<b>11,984,004</b>	<b>1,251,345</b>
<b>Cash and cash equivalents, January 1</b>	<b>36,623,308</b>	<b>18,339,780</b>	<b>17,017,386</b>	<b>2,148,257</b>	<b>74,128,731</b>	<b>3,416,407</b>
<b>Cash and cash equivalents, December 31</b>	<b>\$ 30,572,099</b>	<b>\$ 43,455,467</b>	<b>\$ 10,671,122</b>	<b>\$ 1,414,047</b>	<b>\$ 86,112,735</b>	<b>\$ 4,667,752</b>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>						
Operating income (loss)	\$ 7,842,340	\$ 12,191,903	\$ 1,437,958	\$ 1,046,109	\$ 22,518,310	\$ (451,623)
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>						
Nonoperating revenue	-	-	-	-	-	340,733
Depreciation expense	4,963,183	7,000,224	1,679,839	984,420	14,627,666	40,683
Allowance for uncollectible accounts	(11,849)	(1,471,174)	(14,462)	-	(1,497,485)	-
<b>(Increase) decrease in assets:</b>						
Accounts receivable	12,390	426,313	(167,983)	-	270,720	-
Miscellaneous receivable	-	-	-	(24,720)	(24,720)	(29,559)
Due from other funds	-	-	-	(735,652)	(735,652)	(10,662)
Inventories	-	-	-	-	-	(11,204)
Prepaid items	-	-	-	(109)	(109)	1,746
Other assets	28,467	53,599	(60,591)	-	21,475	-
<b>Increase (decrease) in liabilities:</b>						
Accounts payable	(704,626)	2,993,272	781,919	109,609	3,180,174	175,783
Accrued group insurance benefits	-	-	-	-	-	152,574
Compensated absence payable	-	-	-	(213)	(213)	5,017
Contracts payable	-	-	-	583,855	583,855	-
Other current liabilities	-	-	-	-	-	998,647
<b>Total adjustments</b>	<b>4,287,565</b>	<b>9,002,234</b>	<b>2,218,722</b>	<b>917,190</b>	<b>16,425,711</b>	<b>1,663,758</b>
<b>Net cash provided by operating activities</b>	<b>\$ 12,129,905</b>	<b>\$ 21,194,137</b>	<b>\$ 3,656,680</b>	<b>\$ 1,963,299</b>	<b>\$ 38,944,021</b>	<b>\$ 1,212,135</b>
<b>Noncash investing, capital and financing activities:</b>						
Capital assets included in accounts payable	\$ 699,138	\$ 1,748,982	\$ 618,287	\$ -	\$ 3,066,407	\$ -
Contributions of capital assets from government	1,340,778	512,650	408,092	-	2,261,520	-
Interfund fixed asset contribution	-	1,211,794	(1,211,794)	49,733	49,733	-
Capitalized interest added to capital assets	700,790	1,048,562	113,132	-	1,862,484	-
Unrealized gain on investments	-	-	-	586,098	586,098	-

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

CITY OF FORT WAYNE  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
December 31, 2007

	Pension Trust Funds	Agency Funds
	<u>                    </u>	<u>                    </u>
<u>Assets</u>		
Cash and cash equivalents	\$ 5,337,141	\$ 4,451,562
Receivables:		
Taxes	547,135	-
Miscellaneous	147	4,084
Loans	-	541,914
Investments at fair value:		
Participation in investment pools of other governments	681,125	-
Certificates of deposit	<u>-</u>	<u>5,000</u>
 Total assets	 <u>6,565,548</u>	 <u>\$ 5,002,560</u>
<u>Liabilities</u>		
Accounts payable	-	\$ 684,379
Accrued payroll and deductions	<u>76,242</u>	<u>4,318,181</u>
 Total liabilities	 <u>76,242</u>	 <u>\$ 5,002,560</u>
 <u>Net assets</u>		
Held in trust for:		
Employees' pension benefits	<u>\$ 6,489,306</u>	

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

CITY OF FORT WAYNE  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
For The Year Ended December 31, 2007

	<u>Pension Trust Funds</u>
<u>Additions</u>	
Contributions:	
Employer	\$ 18,758,088
Plan members	28,768
Other	8,751
Investment income:	
Interest	<u>54,737</u>
 Total additions	 <u>18,850,344</u>
 <u>Deductions</u>	
Benefits and refunds paid to plan members and beneficiaries	16,099,151
Administrative expenses	<u>36,419</u>
 Total deductions	 <u>16,135,570</u>
 Changes in net assets	 2,714,774
Net assets - beginning	<u>3,774,532</u>
Net assets - ending	<u>\$ 6,489,306</u>

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

CITY OF FORT WAYNE  
 COMBINING STATEMENT OF NET ASSETS  
 DISCRETELY PRESENTED COMPONENT UNITS  
 December 31, 2007

	HANDS	Summit	UEA	C&TA	RA	PTC	Totals
<b>Assets</b>							
Cash and cash equivalents	\$ -	\$ 84,203	\$ 999,154	\$ 1,584,657	\$ -	\$ 981,321	\$ 3,649,335
Investments	-	-	-	3,561,167	-	-	3,561,167
Receivables (net of allowances for uncollectibles):							
Accounts	-	-	587	393,419	-	-	394,006
Intergovernmental	-	-	-	4,108,828	-	656,319	4,765,147
Loans	-	-	131,114	-	-	-	131,114
Miscellaneous	-	-	2,983	89,824	20,327	1,509,178	1,622,312
Inventories	-	-	-	-	-	172,896	172,896
Prepaid expense	-	-	-	-	-	75,109	75,109
Assets held for resale	893,273	-	-	-	-	-	893,273
Deferred debits	-	-	-	-	1,310,823	-	1,310,823
Due from Redevelopment Commission	-	-	-	-	11,567,834	-	11,567,834
Net investment in direct financing lease (Note 19)	-	-	-	-	34,971,033	-	34,971,033
Restricted assets:							
Cash and cash equivalents	-	-	-	-	29,628,439	3,082,119	32,710,558
Capital assets:							
Land and construction in progress	-	-	103,900	975,000	-	415,430	1,494,330
Other capital assets, net of depreciation	-	-	736,538	44,287,872	-	5,271,852	50,296,262
<b>Total assets</b>	<b>893,273</b>	<b>84,203</b>	<b>1,974,276</b>	<b>55,000,767</b>	<b>77,498,456</b>	<b>12,164,224</b>	<b>147,615,199</b>
<b>Liabilities</b>							
Accounts payable	-	-	57,140	337,222	-	169,846	564,208
Contracts payable	-	-	-	-	377,565	-	377,565
Accrued interest payable	-	-	-	-	659,830	-	659,830
Customer deposits	-	-	-	39,657	-	-	39,657
Other current liabilities	-	-	-	-	-	1,271,416	1,271,416
Noncurrent liabilities:							
Due within one year:							
Capital lease payable	-	-	-	777,382	-	-	777,382
Lease rental revenue bonds payable	-	-	-	-	845,000	-	845,000
Due in more than one year:							
Capital lease payable	-	-	-	29,499,006	-	-	29,499,006
Mortgages payable	824,153	-	-	-	-	-	824,153
Lease rental revenue bonds payable (net of premium) (Note 19)	-	-	-	-	75,472,911	-	75,472,911
Other postemployment benefits liability	-	-	-	-	-	35,200	35,200
<b>Total liabilities</b>	<b>824,153</b>	<b>-</b>	<b>57,140</b>	<b>30,653,267</b>	<b>77,355,306</b>	<b>1,476,462</b>	<b>110,366,328</b>
<b>Net assets</b>							
Invested in capital assets, net of related debt	69,120	-	840,438	19,095,312	-	5,687,282	25,692,152
Unrestricted	-	84,203	1,076,698	5,252,188	143,150	5,000,480	11,556,719
<b>Total net assets</b>	<b>\$ 69,120</b>	<b>\$ 84,203</b>	<b>\$ 1,917,136</b>	<b>\$ 24,347,500</b>	<b>\$ 143,150</b>	<b>\$ 10,687,762</b>	<b>\$ 37,248,871</b>

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, 2007

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	HANDS	Summit	UEA	C&TA	RA	PTC	Totals
Component units:											
HANDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Summit	5,934	-	-	-	-	(5,934)	-	-	-	-	(5,934)
UEA	442,002	203,288	-	-	-	-	(238,714)	-	-	-	(238,714)
C&TA	6,060,810	1,527,910	-	1,861,973	-	-	-	(2,670,927)	-	-	(2,670,927)
RA	1,498,522	-	-	-	-	-	-	-	(1,498,522)	-	(1,498,522)
PTC	11,103,876	1,086,984	3,739,753	640,711	-	-	-	-	-	(5,636,428)	(5,636,428)
<b>Total component units</b>	<b>\$ 19,111,144</b>	<b>\$ 2,818,182</b>	<b>\$ 3,739,753</b>	<b>\$ 2,502,684</b>	<b>-</b>	<b>(5,934)</b>	<b>(238,714)</b>	<b>(2,670,927)</b>	<b>(1,498,522)</b>	<b>(5,636,428)</b>	<b>(10,050,525)</b>
General revenues:											
Local assessments and taxes	-	-	-	-	-	-	-	-	-	4,200,238	4,200,238
Indiana room tax income	-	-	-	-	-	-	3,060,505	-	-	-	3,060,505
Unrestricted investment earnings	-	-	-	-	-	601	52,900	335,768	42,172	155,753	587,194
Reimbursement	-	-	-	-	-	-	30,593	-	-	-	30,593
Miscellaneous	-	-	-	-	69,120	-	20,042	-	1,599,500	126,073	1,814,735
<b>Total general revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,120</b>	<b>601</b>	<b>103,535</b>	<b>3,396,273</b>	<b>1,641,672</b>	<b>4,482,064</b>	<b>9,693,265</b>
Change in net assets	-	-	-	-	69,120	(5,333)	(135,179)	725,346	143,150	(1,154,364)	(357,260)
Net assets - beginning	-	-	-	-	-	89,536	2,052,315	23,622,154	-	11,842,126	37,606,131
<b>Net assets - ending</b>	<b>\$ 69,120</b>	<b>\$ 84,203</b>	<b>\$ 1,917,136</b>	<b>\$ 24,347,500</b>	<b>\$ 143,150</b>	<b>\$ 10,687,762</b>	<b>\$ 37,248,871</b>				

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

# NOTES TO THE FINANCIAL STATEMENTS





CITY OF FORT WAYNE, INDIANA  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2007

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

Blended Component Unit

*The Fort Wayne Municipal Building Corporation* is a significant blended component unit of the primary government. The City created it in 1997 for the sole purpose of financing two fire stations, an animal care building and improvements to the City's Board of Works complex. In 2000, the City entered into a second agreement with the Municipal Building Corporation for the purpose of financing a fire station along with purchasing equipment to finish the new station. In 2002, the City entered into a third agreement with the Municipal Building Corporation for the purpose of financing a street and highway transportation building. In 2005, the City entered into a fourth agreement with the Municipal Building Corporation for the purpose of financing two fire stations, #'s 18 and 19, to serve the 2006 annexed areas. In 2006, the City entered into a fifth agreement with the Municipal Building Corporation for the purpose of financing the Public Safety Academy. The primary government appoints a voting majority of the Municipal Building Corporation's board and a financial benefit/burden relationship exists between the primary government and the Municipal Building Corporation. Although it is legally separate from the primary government, the Fort Wayne Municipal Building Corporation is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government. The Fort Wayne Municipal Building Corporation is reported as the Building Project fund (non-major capital projects fund).

Discretely Presented Component Units

The component units column in the financial statements includes the financial data of the City's other component units.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The City and County each have a 50 percent equity interest in the venture, with each entity having invested approximately \$4.7 million in the project. The City's share of the construction cost was financed primarily from proceeds of a 1995 Tax Incremental Financing bond issue and a \$1.7 million 2001 Parking Garage Revenue bond issue. The City's equity interest was recorded in the City's Capital Assets. The Net Investment in Joint Venture will be increased (decreased) by 50% of the Association's net income (loss) each year. The City's equity interest increased \$63,413 for its share of 2007 net income. Complete separate financial statements for the Association may be obtained from the Controller, City of Fort Wayne, Room 930, One Main Street, Fort Wayne, IN 46802.

#### Related Organizations

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

## B. Government-Wide and Fund Financial Statements

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

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Agency funds, however, report only assets and liabilities. Since, they do not report equity (or changes in equity), they have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The primary government reports the following major governmental funds:

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

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

The CEDIT fund (capital projects) accounts for the financial resources and expenses or projects related to the County Economic Development Income Tax (CEDIT). The CEDIT Income Tax, CEDIT Construction, Economic Development Incentive, Economic Development Infrastructure, Community Development-Marketing, Community Development-Strategic Objective, 2005 CEDIT Bond, and the CEDIT Bond Construction funds have been combined to form the CEDIT fund.

The Parks fund (special revenue) accounts for the financial resources and expenses for the construction, operation and maintenance of the City's park system. The Park and Recreation General, Park Land and Water Conservation, Park Cumulative Building, Park Trust, Park Nonreverting Capital, Park Nonreverting Operating and the 2005 Park Bond funds have been combined to form the Parks fund.

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

The Redevelopment fund (capital projects) accounts for the financial resources and expenses or projects related to redevelopment. The Redevelopment General, 1991 Tax Incremental Financing, 1992 Tax Incremental Financing-Getz Road, Civic Center Urban Renewal 1998, Tax Incremental Financing-Fort Wayne International Airport, 2002 Infrastructure Bond, Grand Wayne Property and Miscellaneous Expenses, Grand Wayne Obligation Lease, Redevelopment Bond, Harrison Square Project, Harrison Square Ban, 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, and the Redevelopment District Capital funds have been combined to form the Redevelopment fund.

The primary 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 primary government reports the following fund types:

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

The pension trust funds (fiduciary) account for the activities of the 1925 Police Officers' Pension 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), Allocated Expense Clearing, Payroll, and Barrett Law Regular Waivered funds.

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

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

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

Proprietary funds distinguish operating revenues from 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 Assets or Equity

##### 1. Deposits and Investments

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

State statute (IC 5-13-9) authorizes the government to invest in securities, including but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

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

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

Open-end mutual funds are reported at fair value.

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

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

The pension trust funds of the City have invested \$681,125 in an external investment pool administered by the Public Employees' Retirement Fund Board of Trustees in accordance with IC 5-11-10.3-4.7. The fair value of the position in the pool is the same as the value of the pool shares. There is no regulatory oversight of the pool.

## 2. Interfund Transactions and Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year to cover deficit cash balances are referred to as "Interfund receivables/payables-pooled cash". All other outstanding balances between funds are reported as "Due from/to other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "Internal balances."

## 3. Property Taxes

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

## 4. Cash and Cash Equivalents

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

## 5. Inventories and Prepaid Items

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

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

## 6. Restricted Assets

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

## 7. Capital Assets

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

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

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

N/A = Information not applicable

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 2007, net interest capitalized was \$700,790 for Water Utility, \$1,048,562 for Wastewater Utility, and \$113,132 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

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

Sick Leave:

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

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

## 10. Unbilled Revenue

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

## 11. Deferred / Unearned Revenues

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

## 12. Long-Term Obligations

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

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

## 13. Fund Equity

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

### Note 2. Deposits and Investments

#### A. Primary Government

##### 1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds; and has a principal office or branch that qualifies to receive public funds of the political subdivision. At December 31, 2007, the bank balance held at Wells Fargo Bank in the amount of \$50,212,115 was collateralized with securities held by the pledging financial institution. The remaining bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories. 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, 2007, the City had the following investments:

Investment Type	Market Value	Investment Maturities (In Years)		Duration
		Less Than 1 Year	More Than 2 Years	
Pension Relief Investment Pool	\$ 476,788	\$ -	\$ 476,788	3.66
Government Sponsored Enterprises	50,212,115	50,212,115	-	-
Mutual Funds	35,170,089	35,170,089	-	-
Totals	<u>\$ 85,858,992</u>	<u>\$ 85,382,204</u>	<u>\$ 476,788</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.

At the option of the City, an additional distribution in a prior year of police or fire pension relief funds was held for investment in an external investment pool (Pension Relief Fund) by the Public Employees' Retirement Fund of Indiana (PERF). These deferred amounts invested in the Fund are available to participating cities and towns at their request. The Pension Relief Fund is invested in external collective trust funds, regulated by the U.S. Office of Comptroller of the Currency. The target investment is 70 percent debt instrument fund and 30 percent domestic stock fund. The fair value of the City's investment in the Fund is the same as the value of pool shares. Domestic stock fair value as of December 31, 2007, was \$204,337. Responsibility of regulatory oversight for the pool is assumed by the PERF governing board, under the direction by statute to "invest its assets with the care, skill, prudence and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." Utilizing external investment managers, the PERF Board diversifies such investments in accordance with prudent investment standards.

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

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City does not have a formal investment policy for custodial credit risk for investments that are uninsured and 1) uncollateralized, 2) collateralized with securities held by the pledging financial institution, or 3) collateralized with securities held by the pledging financial institution's trust department or agent but not in the government's name. At December 31, 2007, the City held investments in the Wells Fargo Bank in the amount of \$50,212,115. These funds were invested by the Wells Fargo trust department in government sponsored enterprises.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City must follow state statute and limit the stated final maturities of the investments to no more than two years. Interest rate risk of the Pension Relief Fund's fixed income external trust fund's pool's portfolio, using the duration approach, is 3.66. 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.

		City of Fort Wayne Investments		
Standard and Poor's Rating	Morningstar Rating	Government Sponsored Enterprise	Pension Relief Investment Pool	Mutual Funds
AAA	-	\$ 50,212,115	\$ -	\$ -
Unrated	-	-	476,788	-
-	Below Average	-	-	1,789,040
-	Average	-	-	12,311,665
-	Above Average	-	-	15,156,620
-	Not Rated	-	-	5,912,764
Total		<u>\$ 50,212,115</u>	<u>\$ 476,788</u>	<u>\$ 35,170,089</u>

Concentration of Credit Risk

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

Foreign Currency Risk

Foreign currency risk relates to adverse affects on the fair value of an investment from changes in exchange rates. The City does not have a formal policy in regards to foreign currency risk. The City's exposure to foreign currency risk derives from their investment at December 31, 2007 in a foreign bond mutual fund with a fair value of \$1,789,040.

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, 2007, the City's discretely presented component units' deposits with financial institutions of \$39,921,060 were entirely insured by federal depository insurance, with the exception of UEA's deposits in the amount of \$802,772. These deposits are collateralized with securities held by the counter party's trust department or agent in the UEA's name.

Note 3. Capital Assets

Capital asset activity for the year ended December 31, 2007 was as follows:

Primary government

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 26,588,346	\$ 7,147,658	\$ -	\$ 33,736,004
Roads accounted for using the modified approach	503,470,213	3,802,125	-	507,272,338
Construction in progress	10,029,448	34,808,228	4,455,424	40,382,252
Total capital assets not being depreciated	<u>540,088,007</u>	<u>45,758,011</u>	<u>4,455,424</u>	<u>581,390,594</u>
Capital assets being depreciated:				
Buildings	58,022,095	-	-	58,022,095
Improvements other than buildings	75,011,465	234,231	-	75,245,696
Machinery and equipment	51,154,270	5,825,931	2,482,856	54,497,345
Net investment in joint venture	3,808,484	63,413	-	3,871,897
Total capital assets being depreciated	<u>187,996,314</u>	<u>6,123,575</u>	<u>2,482,856</u>	<u>191,637,033</u>
Less accumulated depreciation for:				
Buildings	22,619,317	1,660,775	-	24,280,092
Improvements other than buildings	15,329,259	1,972,518	-	17,301,777
Machinery and equipment	30,808,153	4,687,607	2,057,829	33,437,931
Net investment in joint venture	875,464	93,425	-	968,889
Total accumulated depreciation	<u>69,632,193</u>	<u>8,414,325</u>	<u>2,057,829</u>	<u>75,988,689</u>
Total capital assets being depreciated, net	<u>118,364,121</u>	<u>(2,290,750)</u>	<u>425,027</u>	<u>115,648,344</u>
Total governmental activities capital assets, net	<u>\$ 658,452,128</u>	<u>\$ 43,467,261</u>	<u>\$ 4,880,451</u>	<u>\$ 697,038,938</u>

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 27,277	\$ -	\$ -	\$ 27,277
Capital assets being depreciated:				
Buildings	517,359	-	-	517,359
Machinery and equipment	558,756	8,522	(31,254)	536,024
Total capital assets being depreciated	<u>1,076,115</u>	<u>8,522</u>	<u>(31,254)</u>	<u>1,053,383</u>
Less accumulated depreciation for:				
Buildings	426,342	16,381	-	442,723
Machinery and equipment	80,578	24,302	(31,254)	73,626
Total accumulated depreciation	<u>506,920</u>	<u>40,683</u>	<u>(31,254)</u>	<u>516,349</u>
Total capital assets being depreciated, net	<u>569,195</u>	<u>(32,161)</u>	<u>-</u>	<u>537,034</u>
Total internal service capital assets, net	<u>\$ 596,472</u>	<u>\$ (32,161)</u>	<u>\$ -</u>	<u>\$ 564,311</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 4,993,029	\$ 329,600	\$ -	\$ 5,322,629
Construction in progress	54,531,363	44,612,583	20,118,422	79,025,524
Total capital assets not being depreciated	<u>59,524,392</u>	<u>44,942,183</u>	<u>20,118,422</u>	<u>84,348,153</u>
Capital assets being depreciated:				
Distribution and collection	388,359,849	15,270,591	201,609	403,428,831
Buildings and improvements	122,435,082	1,863,859	11,243	124,287,698
Equipment and machinery	133,065,529	6,931,379	1,209,632	138,787,276
Total capital assets being depreciated	<u>643,860,460</u>	<u>24,065,829</u>	<u>1,422,484</u>	<u>666,503,805</u>
Less accumulated depreciation for:				
Distribution and collection	99,929,277	6,290,283	199,298	106,020,262
Buildings and improvements	49,160,998	3,119,260	11,243	52,269,015
Equipment and machinery	69,223,715	5,984,090	1,018,582	74,189,223
Total accumulated depreciation	<u>218,313,990</u>	<u>15,393,633</u>	<u>1,229,123</u>	<u>232,478,500</u>
Total capital assets being depreciated, net	<u>425,546,470</u>	<u>8,672,196</u>	<u>193,361</u>	<u>434,025,305</u>
Total business-type activities capital assets, net	<u>\$ 485,070,862</u>	<u>\$ 53,614,379</u>	<u>\$ 20,311,783</u>	<u>\$ 518,373,458</u>

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Discretely presented component units:</u>				
Capital assets not being depreciated:				
Land	\$ 1,390,430	\$ 103,900	\$ -	\$ 1,494,330
Capital assets being depreciated:				
Buildings and improvements	53,602,251	669,297	-	54,271,548
Equipment and machinery	13,430,341	331,552	142,698	13,619,195
Total capital assets being depreciated	67,032,592	1,000,849	142,698	67,890,743
Less accumulated depreciation for:				
Buildings and improvements	6,738,489	1,328,605	-	8,067,094
Equipment and machinery	8,606,432	959,753	38,798	9,527,387
Total accumulated depreciation	15,344,921	2,288,358	38,798	17,594,481
Total capital assets being depreciated, net	51,687,671	(1,287,509)	103,900	50,296,262
Total discretely presented component units capital assets, net	<u>\$ 53,078,101</u>	<u>\$ (1,183,609)</u>	<u>\$ 103,900</u>	<u>\$ 51,790,592</u>

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

Governmental activities:

General government	\$ 546,808
Public safety	3,317,698
Highways and streets	2,373,168
Health and welfare	103,512
Urban redevelopment and housing	101,395
Culture and recreation	1,931,061
Internal Service Funds*	40,683

Total depreciation expense - governmental activities \$ 8,414,325

Business-type activities:

Water	\$ 4,963,183
Wastewater	7,000,224
Stormwater	1,679,839
Parking garages	390,382
Solid waste	386,477
Other	207,561
Cumulative effect of change in accounting estimate	765,967

Total depreciation expense - business-type activities \$ 15,393,633

\*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

The City of Fort Wayne, acting on behalf of the Redevelopment District of the City of Fort Wayne, authorized the issuance and sale of bond anticipation notes for \$18,000,000. The bond anticipation notes were issued in the expectation of the sale and issuance of bonds to be used for the construction costs of the Harrison Square Project.

	<u>Balance 1/1/2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>
Bond anticipation notes	\$ -	\$ 18,000,000	\$ 12,000,000	\$ 6,000,000

Note 5. Long-term Debt

A. Changes in Long-term Debt

During the year ended December 31, 2007, the following changes occurred in liabilities reported on the Statement of Net Assets:

	<u>Balance, 1/1/2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, 12/31/2007</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
General obligation bonds	\$ 6,680,000	\$ -	\$ 1,125,000	\$ 5,555,000	\$ 1,180,000
Special obligation bonds	70,030,000	-	6,165,000	63,865,000	7,785,000
Compensated absences	8,377,157	3,711,818	3,339,399	8,749,576	6,934,319
First mortgage bonds	29,445,000	-	1,950,000	27,495,000	2,730,000
Capital leases	16,424,857	13,387,727	5,902,943	23,909,641	5,609,546
Notes and loans payable	879,147	1,500,000	120,532	2,258,615	238,615
Mortgages payable	42,000	-	42,000	-	-
Other postemployment benefits liability	-	327,334	-	327,334	-
Net pension obligation	94,417,891	-	2,770,053	91,647,838	-
<b>Totals</b>	<u>\$ 226,296,052</u>	<u>\$ 18,926,879</u>	<u>\$ 21,414,927</u>	<u>\$ 223,808,004</u>	<u>\$ 24,477,480</u>
<b>Business-type Activities:</b>					
Revenue bonds	\$ 85,380,000	\$ 24,155,000	\$ 7,100,000	\$ 102,435,000	\$ 8,105,000
Compensated absences	1,993,497	1,582,098	1,507,058	2,068,537	1,024,846
Capital leases	3,380,556	-	329,741	3,050,815	340,371
Notes and loans payable	73,170,963	14,086,166	4,226,571	83,030,558	4,426,571
Other long-term liabilities	118,758	3,816	96,945	25,629	5,145
<b>Totals</b>	<u>\$ 164,043,774</u>	<u>\$ 39,827,080</u>	<u>\$ 13,260,315</u>	<u>\$ 190,610,539</u>	<u>\$ 13,901,933</u>



Discretely presented component units:

Lease rental revenue					
bonds payable	\$ 31,985,000	\$ 43,870,000	\$ 735,000	\$ 75,120,000	\$ 845,000
Capital leases	<u>30,927,973</u>	<u>-</u>	<u>651,585</u>	<u>30,276,388</u>	<u>777,382</u>
Totals	<u>\$ 62,912,973</u>	<u>\$ 43,870,000</u>	<u>\$ 1,386,585</u>	<u>\$ 105,396,388</u>	<u>\$ 1,622,382</u>

B. Description of Bond Issues

Primary government:

<u>Governmental Activities:</u>	<u>Balance,</u>	<u>Due Within</u>	<u>Premium</u>	<u>Due In More</u>
<u>General Obligation Bonds:</u>	<u>12/31/2007</u>	<u>One Year</u>	<u>(Discount)</u>	<u>Than One Year</u>
\$8,580,000 1998 Redevelopment District Refunding and Improvement Bonds due in installments of \$270,000 to \$1,020,000 plus interest through February 1, 2010; interest at 4.5 percent to 6.45 percent.	\$ 2,265,000	\$ 975,000	\$ (2,366)	\$ 1,287,634
\$4,500,000 1999 Park District Improvement Bonds due in installments of \$205,000 to \$360,000 plus interest through July 1, 2019; interest at 5.6 percent to 6.05 percent.	<u>3,290,000</u>	<u>205,000</u>	<u>-</u>	<u>3,085,000</u>
Total General Obligation Bonds	<u>\$ 5,555,000</u>	<u>\$ 1,180,000</u>	<u>\$ (2,366)</u>	<u>\$ 4,372,634</u>

Special Obligation Bonds:	Balance, 12/31/2007	Due Within One Year	Premium (Discount)	Due In More Than One Year
\$16,500,000 2001 Economic Development Income Tax Revenue Bonds due in installments of \$1,050,000 to \$1,170,000 plus interest through December 1, 2010; interest at 4.25 percent.	\$ 6,660,000	\$ 2,120,000	\$ (27,214)	\$ 4,512,786
\$10,225,000 2002 Infrastructure Bonds due in installments of \$485,000 to \$595,000 plus interest through December 1, 2012; interest at 4.0 percent to 4.25 percent.	5,395,000	985,000	(35,133)	4,374,867
\$25,000,000 2005 Economic Development Income Tax Revenue Bonds due in installments of \$1,070,000 to \$1,510,000 plus interest through December 1, 2016; interest at 4.0 percent to 4.25 percent.	22,925,000	2,160,000	292,450	21,057,450
\$3,310,000 Redevelopment District Revenue Bonds, Series 2005 A-1 due in installments of \$90,000 to \$155,000 through June 1, 2021; interest at 4.0 percent to 5.0 percent.	3,220,000	180,000	45,508	3,085,508
\$6,690,000 Redevelopment District Revenue Bonds, Series 2005 A-2 due in installments of \$175,000 to \$330,000 through June 1, 2021; interest at 4.44 percent to 5.24 percent.	6,520,000	355,000	-	6,165,000
\$10,000,000 Redevelopment District Revenue Bonds, Series 2005 B due in installments of \$435,000 to \$595,000 through December 1, 2016; interest at 3.5 percent to 4.125 percent.	9,145,000	880,000	35,710	8,300,710
\$10,000,000 2005 Park District Improvement Bonds due in installments of \$1,105,000 to \$1,415,000 plus interest through July 15, 2015; interest at 3.0 percent to 3.75 percent.	10,000,000	1,105,000	-	8,895,000
<b>Total Special Obligation Bonds</b>	<b>\$ 63,865,000</b>	<b>\$ 7,785,000</b>	<b>\$ 311,321</b>	<b>\$ 56,391,321</b>

First Mortgage Bonds:	Balance, 12/31/2007	Due Within One Year	Premium (Discount) (Deferral of loss on refunding)	Due In More Than One Year
\$2,400,000 2000A First Mortgage Bonds due in installments of \$290,000 to \$325,000 plus interest through January 15, 2010; interest at 4.75 percent.	\$ 920,000	\$ 290,000	\$ (3,699)	\$ 626,301
\$1,035,000 2002 First Mortgage Bonds due in installments of \$100,000 to \$125,000 plus interest through January 1, 2012; interest at 4.2 percent to 4.7 percent.	565,000	100,000	(12,935)	452,065
\$6,555,000 2003 First Mortgage Refunding Bonds due in one installment of \$1,400,000 plus interest through January 15, 2008; interest at 3.25 percent.	1,400,000	1,400,000	16,949	16,949
\$4,215,000 2005 First Mortgage Bonds due in installments of \$115,000 to \$185,000 plus interest through December 1, 2020; interest at 3.75 percent to 4.5 percent.	3,785,000	230,000	-	3,555,000
\$20,825,000, 2006 First Mortgage Bonds due in installments of \$710,000 to \$1,895,000 plus interest through December 15, 2022; interest at 4.1 percent to 5.01 percent.	20,825,000	710,000	-	20,115,000
<b>Total First Mortgage Bonds</b>	<b>\$ 27,495,000</b>	<b>\$ 2,730,000</b>	<b>\$ 315</b>	<b>\$ 24,765,315</b>

Business-type Activities:

Revenue Bonds:	Balance, 12/31/2007	Due Within One Year	Premium (Discount)	Due In More Than One Year
\$7,100,000 1997 Water Works Revenue Bonds, interest rates range from 4.5 percent to 4.75 percent and mature serially in amounts ranging from \$575,000 to \$680,000, redeemable at 100 percent beginning in 2005.	\$ 2,510,000	\$ 575,000	\$ (9,460)	\$ 1,925,540
\$10,640,000 1998 Sewage Works Junior Revenue Bonds, Series A due in installments of \$795,000 to \$975,000 plus interest through August 1, 2012; interest at 4.25 percent to 5.0 percent.	4,410,000	795,000	(3,196)	3,611,804
\$16,760,000 1998 Sewage Works Junior Revenue Bonds, Series B due in installments of \$1,290,000 to \$1,535,000 plus interest through August 1, 2012; interest at 4.0 percent to 4.5 percent.	7,030,000	1,290,000	(3,063)	5,736,937

<u>Business-type Activities(continued):</u> Revenue Bonds:	<u>Balance, 12/31/2007</u>	<u>Due Within One Year</u>	<u>Premium (Discount)</u>	<u>Due In More Than One Year</u>
\$1,700,000 2001 Parking Garage Revenue Bonds due in installments of \$70,000 to \$140,000 plus interest through January 15, 2021; interest at 4.55 percent to 5.59 percent.	1,440,000	70,000	-	1,370,000
\$19,080,000 2002 Sewage Works Junior Refunding Revenue Bonds, Series B due in installments of \$1,760,000 to \$1,100,000 plus interest through 2017; interest at 3.5 percent to 5.5 percent.	12,710,000	1,760,000	247,392	11,197,392
\$5,750,000 2002 Sewage Works Junior Revenue Bonds, Series C due in installments of \$345,000 to \$500,000 plus interest through 2017; interest at 1.3 percent to 4.55 percent.	4,160,000	345,000	-	3,815,000
\$5,800,000 2003 Water Works Revenue Bond due in installments of \$350,000 to \$505,000 plus interest through 2017; interest at 2.0 percent to 4.25 percent.	4,195,000	350,000	20,685	3,865,685
\$12,350,000 2003 Sewage Works Junior Revenue Bonds due in installments of \$730,000 to \$1,045,000 plus interest through 2018; interest at 2.0 percent to 3.8 percent.	9,565,000	730,000	28,364	8,863,364
\$16,700,000 2005 Water Works Revenue Bond due in installments of \$605,000 to \$2,345,000 plus interest through 2019; interest at 2.7 percent to 4.4 percent.	16,105,000	605,000	68,955	15,568,955
\$17,000,000 2006 Stormwater Management District Revenue Bond due in installments of \$875,000 to \$1,500,000 plus interest through 2021; interest at 3.75 percent to 4.0 percent.	16,155,000	875,000	73,281	15,353,281
\$24,155,000 2007 Sewage Works Revenue Bonds of 2007, due in installments of \$710,000 to \$1,775,000 plus interest through 2027; interest at 4.25 percent to 4.75 percent.	<u>24,155,000</u>	<u>710,000</u>	<u>(30,462)</u>	<u>23,414,538</u>
Total Revenue Bonds	<u>\$ 102,435,000</u>	<u>\$ 8,105,000</u>	<u>\$ 392,496</u>	<u>\$ 94,722,496</u>

Discretely presented component units:

Lease Rental Revenue Bonds:	<u>Balance, 12/31/2007</u>	<u>Due Within One Year</u>	<u>Premium (Discount)</u>	<u>Due In More Than One Year</u>
\$31,985,000 Fort Wayne Redevelopment Authority Lease Rental Revenue Bonds due in installments of \$845,000 to \$2,170,000 plus interest through February 1, 2028; interest at 2.75 percent to 5.0 percent.	\$ 31,250,000	\$ 845,000	\$ 1,109,108	\$ 31,514,108
\$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 4.5 percent to 5.25 percent.	25,635,000	-	155,402	25,790,402
\$18,235,000 2007B Fort Wayne Redevelopment Authority Lease Rental Revenue Bonds due in installments of \$15,000 to \$1,450,000 plus interest through February 1, 2020; interest at 4.5 percent to 5.8 percent.	<u>18,235,000</u>	<u>-</u>	<u>(66,599)</u>	<u>18,168,401</u>
<b>Total Lease Rental Revenue Bonds</b>	<b><u>\$ 75,120,000</u></b>	<b><u>\$ 845,000</u></b>	<b><u>\$ 1,197,911</u></b>	<b><u>\$ 75,472,911</u></b>

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

The special obligation bonds and first mortgage bonds are not backed by the full faith and credit of the City of Fort Wayne. The 2002, 2005 Series B, and 2005 Infrastructure Bonds, and in addition, the 2001 and 2005 Economic Development Income Tax Revenue Bonds, special obligation bonds, are secured by a pledge of the City's Economic Development Income Tax revenues. The 2000A, 2002, 2003, 2005 and 2006 First Mortgage Bonds are secured by the pledge of the mortgaged property. The special obligation bond section also includes the 2005 Series A-1 and A-2 redevelopment district revenue bonds that are an obligation of the redevelopment district whose boundaries and taxing district are within the City.

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

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

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

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
2008	\$ 1,180,000	\$ 272,709	\$ 1,452,709	\$ 7,785,000	\$ 2,561,259	\$ 10,346,259
2009	1,235,000	215,332	1,450,332	8,095,000	2,255,155	10,350,155
2010	495,000	173,300	668,300	8,430,000	1,931,707	10,361,707
2011	235,000	154,423	389,423	6,355,000	1,617,242	7,972,242
2012	250,000	141,262	391,262	6,620,000	1,360,608	7,980,608
2013-2017	1,460,000	477,060	1,937,060	23,425,000	3,138,712	26,563,712
2018-2022	700,000	63,960	763,960	3,155,000	320,885	3,475,885
<b>Total</b>	<b>\$ 5,555,000</b>	<b>\$ 1,498,046</b>	<b>\$ 7,053,046</b>	<b>\$ 63,865,000</b>	<b>\$ 13,185,568</b>	<b>\$ 77,050,568</b>

Year Ended December 31	First Mortgage			Revenue		
	Principal	Interest	Totals	Principal	Interest	Totals
2008	\$ 2,730,000	\$ 1,202,665	\$ 3,932,665	\$ 8,105,000	\$ 4,232,247	\$ 12,337,247
2009	1,385,000	1,123,636	2,508,636	8,535,000	4,000,011	12,535,011
2010	1,455,000	1,064,131	2,519,131	8,295,000	3,658,487	11,953,487
2011	1,585,000	1,008,998	2,593,998	8,245,000	3,316,626	11,561,626
2012	1,655,000	940,940	2,595,940	8,595,000	2,972,853	11,567,853
2013-2017	8,700,000	3,630,053	12,330,053	34,225,000	10,324,716	44,549,716
2018-2022	9,985,000	1,438,015	11,423,015	18,305,000	3,819,067	22,124,067
2023-2027	-	-	-	8,130,000	1,192,963	9,322,963
<b>Total</b>	<b>\$ 27,495,000</b>	<b>\$ 10,408,438</b>	<b>\$ 37,903,438</b>	<b>\$ 102,435,000</b>	<b>\$ 33,516,970</b>	<b>\$ 135,951,970</b>

Discretely presented component units:

Year Ended December 31	Lease Rental Revenue		
	Principal	Interest	Totals
2008	\$ 845,000	\$ 2,847,482	\$ 3,692,482
2009	595,000	3,732,643	4,327,643
2010	1,775,000	3,689,243	5,464,243
2011	2,700,000	3,585,448	6,285,448
2012	2,435,000	3,461,458	5,896,458
2013-2017	15,630,000	15,161,593	30,791,593
2018-2022	20,130,000	10,406,081	30,536,081
2023-2027	21,945,000	5,185,981	27,130,981
2028-2032	7,560,000	1,069,847	8,629,847
2033-2034	1,505,000	75,875	1,580,875
<b>Total</b>	<b>\$ 75,120,000</b>	<b>\$ 49,215,651</b>	<b>\$ 124,335,651</b>

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:

Description	Carrying Value
Machinery and Equipment	\$ 1,892,744
Equipment	3,950,000
Street Maintenance Equipment	1,176,000
Equipment	2,700,000
Street Maintenance Equipment	200,000
Equipment	2,100,000
Fire Trucks	2,725,000
Street Maintenance Equipment	850,000
Equipment	2,943,540
Street Maintenance Equipment	1,000,000
Computer and Office Equipment	1,220,000
Financial System	810,000
Street Maintenance Equipment	825,000
Equipment	2,425,000
Fire Trucks	2,750,000
Equipment	4,550,000
Street Maintenance Equipment	835,000
Furniture	3,175,000
Parking Garage	4,827,727
<b>Totals</b>	<b>\$ 40,955,011</b>
<u>Business-type Activities:</u>	

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

Discretely presented component units:

In 2003, the Fort Wayne-Allen County Convention and Tourism Authority entered into a \$33,455,248 capital lease for expansion of the Grand Wayne Center.

The following is a schedule of minimum future lease payments and present values of the net minimum lease payments under these capital leases as of December 31, 2007:

Year Ended December 31	Primary Government		Discretely Presented Component Units
	Governmental Activities	Business-type Activities	
2008	\$ 6,238,118	\$ 435,237	\$ 2,406,188
2009	5,908,592	435,237	2,117,950
2010	5,437,026	435,237	2,845,550
2011	5,171,029	435,237	3,079,300
2012	3,595,158	435,237	2,498,050
2013-2017	3,276,234	1,305,711	12,225,500
2018-2022	-	-	12,223,500
2023-2027	-	-	11,533,000
2028-2029	-	-	1,485,101
Total minimum lease payments	29,626,157	3,481,896	50,414,139
Less amount representing interest	5,716,516	431,081	20,137,751
Present value of net minimum lease payments	<u>\$ 23,909,641</u>	<u>\$ 3,050,815</u>	<u>\$ 30,276,388</u>

E. Loans Payable

<u>Governmental Activities:</u>	<u>Balance, 12-31-07</u>
The City borrowed \$500,000 in 1999. The final payment is due in an installment of \$28,615 plus interest at 2.5 percent on February 15, 2008. This loan is payable from the Redevelopment Fund.	\$ 28,615
The City borrowed \$1,140,000 in 1999. Payments are due in installments of \$60,000 to \$105,000 plus interest 4.3 to 5.2 percent through August 1, 2016. This loan is payable from the Community Development Block Grant Fund (non-major special revenue fund).	730,000
The City borrowed \$1,500,000 in 2007. Payments are due in installments of \$150,000 to \$900,000 plus interest of 5.1 percent through July 1, 2012.	<u>1,500,000</u>
Total	<u>\$ 2,258,615</u>
 <u>Business-type Activities:</u>	
During 2002 and 2005 the City entered into a finance assistance agreement with the State of Indiana's Wastewater Revolving Loan program that allows for a maximum of \$23,500,000 and \$40,000,000 in 2002 and 2005, respectively, for improvements at the Wastewater treatment facility. At December 31, 2007, \$23,454,351 and \$33,926,779 had been drawn down against the 2002 and 2005 agreements, respectively; \$6,073,221 remains to be drawn on the 2005 agreement. The City does not intend to draw any more funds against the 2002 agreement. Payments are due in installments of \$854,000 to \$1,663,000 plus interest at 4.0 percent through 2023 for the 2002 agreement. Payments are due in installments of \$1,475,000 to \$2,635,000 plus interest at 3.1 percent through 2025 for the 2005 agreement. The following debt service requirements to maturity reflect the anticipated loan payments after the loans have been drawn down 100%.	\$ 51,034,130
During 2006, the city participated in a shared loan arrangement through State of Indiana's State Revolving Fund Pooled Loan program. This program allows Indiana municipalities to collectively borrow funds under the AAA rating of the State of Indiana's creditworthiness as well as receive other financial benefits. Under this program, the City received \$31,900,000 to invest in improvements to the Water Utility's infrastructure. Payments are due in installments of \$1,665,000 to \$2,755,000 plus interest at 3.95 percent through 2021.	30,355,000
On July 15, 2004 the City purchased for \$1,915,000 the 50% interest in Phase II of the Civic Parking Garage owned by the Fort Wayne Public Transportation Corporation. The City financed the purchase with a seven-year non-interest bearing loan. Payments are due in annual installments of \$273,571 from 2007 through 2013.	<u>1,641,428</u>
Total	<u>\$ 83,030,558</u>



Annual debt service requirements to maturity for the loans as of December 31, 2007, are as follows:

Year Ended December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	(Anticipated) Principal	(Anticipated) Interest	Totals
2008	\$ 238,615	\$ 110,471	\$ 349,086	\$ 4,426,571	\$ 3,152,098	\$ 7,578,669
2009	215,000	100,358	315,358	4,578,572	3,000,895	7,579,467
2010	220,000	90,225	310,225	4,737,572	2,844,095	7,581,667
2011	225,000	79,670	304,670	4,896,571	2,681,420	7,577,991
2012	980,000	68,690	1,048,690	5,068,571	2,512,870	7,581,441
2013-2017	380,000	49,988	429,988	26,996,571	9,808,593	36,805,164
2018-2022	-	-	-	29,117,000	4,552,607	33,669,607
2023-2027	-	-	-	9,282,351	546,710	9,829,061
Unissued	-	-	-	(6,073,221)	-	(6,073,221)
<b>Total</b>	<b>\$ 2,258,615</b>	<b>\$ 499,402</b>	<b>\$ 2,758,017</b>	<b>\$ 83,030,558</b>	<b>\$ 29,099,288</b>	<b>\$ 112,129,846</b>

#### Note 6. Operating Leases

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

The City has a lease agreement with Allen County for space in the City-County Building. Rent is figured on a percentage of the total City-County building maintenance and operations cost based on the square footage occupied. The lease provides for annual adjustments based on the change in the consumer price index. The City's cost of this lease for 2007 amounted to \$1,180,449. Of the \$1,180,449 the City Utilities portion for leasing the City-County Building was \$275,740.

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

The City has a lease with the McMillen Foundation, commencing October 1, 2004 and terminating September 30, 2009 for \$200,000 annually. The lease is for the entire building at 1320 E. Creighton Avenue, which houses the Police Operations Center. The City may renew the lease for two five-year successive periods with 360 days notice. The renewal provides for an annual rental payment of \$200,000.

#### Note 7. Deficit Fund Balances – Deficit Net Assets

The following funds have deficit fund balances at December 31, 2007:

Primary government:

Governmental funds - Deficit fund balances:

Non-major Special Revenue funds:

Parking Meter	\$ 464,374
Omnibus Crime	17,624
Reimbursable State Grants	7,206
Public Safety Academy	145,708
Domestic Violence	4,619
	<u>4,619</u>

Total Deficit Fund Balances \$ 639,531

The following fund has deficit net assets at December 31, 2007:

Primary Government:

Internal Service funds - Deficit net assets:

General and Auto Liability Insurance \$ 1,253,788

The deficit fund balances listed above will be eliminated in 2008 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, 2007, is as follows:

Due To	Due From										Total
	General	Highways and Streets	CEDIT	Parks	Redevelopment	Water	Wastewater	Stormwater	Non-major Enterprise	Internal Service	
Governmental:											
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,038	\$ 1,078	\$ 371	\$ -	\$ -	\$ 227,487
CEDIT	-	-	-	-	-	-	-	65,000	-	-	65,000
Parks	-	11,584	-	-	-	29,280	-	-	-	-	40,864
Fire	-	-	-	-	-	2,331	-	-	-	-	2,331
Redevelopment	-	20,000	50,805	-	-	-	68,217	-	-	-	139,022
Non-major Governmental	89,244	-	1,001,733	-	-	-	-	-	-	150,000	1,240,977
Proprietary:											
Water	16,169	-	-	3,165	95	-	-	-	625,539	50,365	695,333
Wastewater	56,894	5,283	-	-	129	-	-	-	849,228	39,612	951,146
Stormwater	5,261	549	-	-	76	-	-	-	498,847	14,261	518,994
Non-major Enterprise	10	-	-	-	-	-	-	-	5,939	9	5,958
<b>Totals</b>	<b>\$ 167,578</b>	<b>\$ 37,416</b>	<b>\$ 1,052,538</b>	<b>\$ 3,165</b>	<b>\$ 300</b>	<b>\$ 257,649</b>	<b>\$ 69,295</b>	<b>\$ 65,371</b>	<b>\$ 1,979,553</b>	<b>\$ 254,247</b>	<b>\$ 3,887,112</b>

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 – Pooled Cash

The following are reported in the fund financial statements:

Receivable Fund

Payable Fund

Non-major Governmental:

Non-major Governmental:

Other Non-major Special Revenue \$ 1,476,816

Other Non-major Special Revenue \$ 1,476,816

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

C. Interfund Transfers:

Interfund transfers for the year ended December 31, 2007 in the fund financial statements were as follows:

Transfer From	Transfer To								Total
	General	Highways and Streets	CEDIT	Parks	Redevelopment	Non-major Governmental	Wastewater	Non-major Enterprise	
Governmental:									
General	\$ -	\$ -	\$ -	\$ 9,000	\$ -	\$ 1,145	\$ -	\$ 405,000	\$ 415,145
Highways and Streets	-	-	131,000	-	-	-	-	-	131,000
CEDIT	-	-	3,445,963	1,044,100	835,500	4,468,392	-	-	9,793,955
Parks	-	-	-	122,718	-	-	-	12,235	134,953
Fire	-	-	-	-	-	105,822	-	-	105,822
Redevelopment	-	420,088	267,050	-	4,307,093	314,292	-	-	5,308,523
Non-major Governmental	-	-	1,732	-	1,473,156	2,217,739	-	-	3,692,627
Proprietary:									
Water	1,345,437	-	-	-	-	-	-	-	1,345,437
Wastewater	2,099,208	-	-	-	-	-	-	-	2,099,208
Stormwater	-	-	-	-	-	-	1,211,794	-	1,211,794
Non-major Enterprise	-	752,000	-	-	-	1,162,500	-	-	1,914,500
<b>Total</b>	<b>\$ 3,444,645</b>	<b>\$ 1,172,088</b>	<b>\$ 3,845,745</b>	<b>\$ 1,175,818</b>	<b>\$ 6,615,749</b>	<b>\$ 8,269,890</b>	<b>\$ 1,211,794</b>	<b>\$ 417,235</b>	<b>\$ 26,152,964</b>

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.

A. General and Auto Liability

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

The City is assuming the risk in these three areas up to the Indiana governmental tort liability limit of \$500,000 per occurrence and \$5,000,000 per aggregate. Funding levels are determined by a formula based on actuarially recommended minimums by type of risk. Interfund premiums are billed on a cost allocation basis most appropriate to type of risk involved, and are treated as interfund services provided and used. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

At December 31, 2007, the total of these liabilities was \$1,594,181. 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
2006	\$ 573,933	\$ 493,863	\$ 452,446	\$ 615,350
2007	615,350	2,700,921	1,722,090	1,594,181

B. Group Health Insurance

The City's Group Health Insurance fund, an internal service fund, services the risk of loss related to employee health claims. An excess policy covers individual claims in excess of \$250,000 per year. In addition, the insurance company assumes the risk when total monthly claims exceed an amount based upon an aggregate monthly factor that averaged \$1,941,373 in 2007.

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

At December 31, 2007, the total of these liabilities was \$1,898,938. 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
2006	\$ 1,479,799	\$ 17,676,889	\$ 17,410,324	\$ 1,746,364
2007	1,746,364	17,534,926	17,382,352	1,898,938

### C. Worker's Compensation Insurance

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

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

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

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

At December 31, 2007, the total of these liabilities was \$98,050. 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
2006	\$ 109,013	\$ 122,896	\$ 153,676	\$ 78,233
2007	78,233	321,485	301,668	98,050

Note 10. Segment Information

	Civic Center Parking Garage	2001 Parking Garage Addition	
<u>Types of Good or Services Provided:</u>	Used to account for revenues and expenses in connection with operating the Civic Center Parking Garage.	Used to account for revenues and expenses in connection with the joint City and County parking facility addition.	
<u>Condensed Statement of Net Assets</u>			<u>Totals</u>
Assets:			
Current assets	\$ 740,687	\$ -	\$ 740,687
Restricted assets	-	163,976	163,976
Unamortized bond issuance costs	-	49,739	49,739
Capital assets	4,827,557	1,389,679	6,217,236
Total assets	<u>5,568,244</u>	<u>1,603,394</u>	<u>7,171,638</u>
Liabilities:			
Current liabilities	273,571	104,888	378,459
Noncurrent liabilities	1,367,857	1,370,000	2,737,857
Total liabilities	<u>1,641,428</u>	<u>1,474,888</u>	<u>3,116,316</u>
Net assets:			
Invested in capital assets, net of related debt	3,186,129	(582)	3,185,547
Restricted	-	163,976	163,976
Unrestricted	740,687	(34,888)	705,799
Total net assets	<u>\$ 3,926,816</u>	<u>\$ 128,506</u>	<u>\$ 4,055,322</u>
<u>Condensed Statement of Revenues, Expenses and Changes in Net Assets</u>			
Charges for goods and services	\$ 680,899	\$ 150,000	\$ 830,899
Leases	34,326	-	34,326
Depreciation expense	(337,009)	(40,873)	(377,882)
Other operating expenses	(316,418)	-	(316,418)
Operating income	61,798	109,127	170,925
Nonoperating revenues (expenses):			
Investment earnings	-	3,475	3,475
Interest expense	-	(76,247)	(76,247)
Amortization of bond issuance costs	-	(3,553)	(3,553)
Change in net assets	61,798	32,802	94,600
Total net assets - beginning	<u>3,865,018</u>	<u>95,704</u>	<u>3,960,722</u>
Total net assets - ending	<u>\$ 3,926,816</u>	<u>\$ 128,506</u>	<u>\$ 4,055,322</u>
<u>Condensed Statement of Cash Flows</u>			
Net cash provided (used) by:			
Operating activities	\$ 390,118	\$ 150,000	\$ 540,118
Capital and related financing activities	(273,571)	(147,655)	(421,226)
Investing activities	-	3,475	3,475
Net increase in cash and cash equivalents	116,547	5,820	122,367
Cash and cash equivalents, January 1	<u>613,209</u>	<u>158,156</u>	<u>771,365</u>
Cash and cash equivalents, December 31	<u>\$ 729,756</u>	<u>\$ 163,976</u>	<u>\$ 893,732</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, 2007, the City contributed \$3,520,251 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 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	\$ 3,780,606
Interest on net OPEB obligation	<u>3,492</u>
Annual OPEB cost	3,784,098
Contributions made	<u>3,520,251</u>
Increase in net OPEB obligation	263,847
Net OPEB obligation, beginning of year	<u>63,487</u>
Net OPEB obligation, end of year	<u>\$ 327,334</u>

The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2007 and the two preceding years were as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2007	\$ 3,784,098	93%	\$ 327,334
12/31/2006	3,780,606	98%	63,487
12/31/2005	N/A	N/A	N/A

N/A - Information not available

Funding Status and Funding Progress

As of January 1, 2006, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$39,941,574, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$39,941,574. The covered payroll (annual payroll of active employees covered by the plan) was \$85,576,468, and the ratio of the UAAL to covered payroll was 47%.

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 January 1, 2006, 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 7% after ten years. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2007, was 28 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, 2007, there were 22 series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for 18 series issued after July 1, 1985 was \$72,840,892. The aggregate principal amount payable for the 4 series issued prior to July 1, 1985, could not be determined; however, their original issue amounts totaled \$20,052,000.

#### Note 13. Restricted Assets

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

##### Sinking Fund Accounts

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

The Sewage Works Junior Revenue Refunding Bonds of 2002 A, B, C, 2003, 2005, and 2007 Series require monthly deposits into a sinking fund account of Wastewater Utility net revenues in an amount equal to at least 1/12<sup>th</sup> of the following year's principal and interest payments. In addition, a 10 percent surplus of monthly deposits is required. Surety bonds purchased by the Utilities cover the Sewer Works Reserve Account requirements.

Monthly deposits into 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<sup>th</sup> of the next semi-annual interest payments and 1/12<sup>th</sup> of the next annual principal payments. Upon meeting certain minimum balance requirements, transfers may be made to unrestricted cash accounts. Surety bonds purchased by the Utilities cover the Waterworks and Stormwater Reserve Accounts requirements.

The 2001 Parking Garage Revenue Bonds require quarterly distributions in an amount equal to 1/4<sup>th</sup> of each year's debt service payment.

Construction Account

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

Replacement Account

This account, required by the Environmental Protection Agency, exists to provide resources to maintain capacity and performance of the property of the Wastewater Utility. In 1991, the Indiana Department of Environmental Management concluded that the account was underfunded. The Wastewater Utility agreed to fund the account over the remaining life of the equipment acquired under the grant. It was anticipated the desired balance of \$6,880,000 would be fully funded by December 31, 1997. However, the City Council capped the account at \$6,657,609 as of June 10, 1997. In 2007, the Wastewater Utility spent \$1,086,000 from this Replacement Account. The Account will be replenished from future operating revenues on an annual straight-line basis over the useful life of the assets acquired.

Depreciation Account

The Water Utility is required to maintain a Depreciation Account in an amount not less than \$1,000,000. However, in the event moneys are withdrawn from the Depreciation Account leaving a balance of less than \$1,000,000, the deficiency shall be restored within eighteen months. On December 31, 2007, the Water Utility's Operating Fund borrowed \$1,000,000 from the Depreciation Account, leaving no moneys in the Depreciation 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

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

Tank Painting Account

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

Community Trust

See Note 15.

Restricted assets at year-end consisted of the following:

Asset Type/Account	Enterprise Funds				Totals
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-Major Enterprise	
Cash and cash equivalents					
Sinking account	\$ 441,036	\$ 8,436,823	\$ 628,901	\$ 163,976	\$ 9,670,736
Construction account	28,350,337	19,773,157	6,772,065	-	54,895,559
Replacement account	-	5,571,609	-	-	5,571,609
Customer deposits	1,139,752	-	-	-	1,139,752
Connection fees	-	3,658,906	-	-	3,658,906
Tank painting	447,176	-	-	-	447,176
Community trust	-	-	-	9,703	9,703
<b>Totals</b>	<b>\$ 30,378,301</b>	<b>\$ 37,440,495</b>	<b>\$ 7,400,966</b>	<b>\$ 173,679</b>	<b>\$ 75,393,441</b>
Investments					
Community trust	-	-	-	35,170,089	35,170,089
<b>Total restricted assets</b>	<b>\$ 30,378,301</b>	<b>\$ 37,440,495</b>	<b>\$ 7,400,966</b>	<b>\$ 35,343,768</b>	<b>\$ 110,563,530</b>



Note 14. Lease of Electric Utility

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

Amount	Five-Year Period	Totals	Received	Rentals
\$ 1,440,000	03-01-1975 to 02-29-1980	\$ 7,200,000	\$ 7,200,000	\$ -
1,490,000	03-01-1980 to 02-28-1985	7,450,000	7,450,000	-
1,540,000	03-01-1985 to 02-28-1990	7,700,000	7,700,000	-
1,590,000	03-01-1990 to 02-28-1995	7,950,000	7,950,000	-
1,640,000	03-01-1995 to 02-28-2000	8,200,000	8,200,000	-
1,690,000	03-01-2000 to 02-28-2005	8,450,000	8,450,000	-
1,740,000	03-01-2005 to 02-28-2010	8,700,000	4,930,000	3,770,000
	Totals	<u>\$ 55,650,000</u>	<u>\$ 51,880,000</u>	<u>\$ 3,770,000</u>

Note 15. City of Fort Wayne Community Trust

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

Note 16. Net Investment in Direct Financing Lease

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

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

Year	Amount
2008	\$ 69,947
2009	69,947
2010	69,947
2011	69,947
2012	69,947
2013-2016	<u>250,644</u>
Total Minimum Lease Payments	600,379
Less: Unearned Interest Income	<u>(113,032)</u>
Net Investment in Direct Financing Lease	<u>\$ 487,347</u>

Note 17. Deferred Revenue – Unearned Revenue

The City reports the following deferred or unearned revenue balances in the governmental funds as of December 31, 2007:

Deferred revenue:	Taxes	Direct Financing Lease	Assessments	Inter-governmental	Miscellaneous Other	Total
	General	\$ 3,744,413	\$ 487,347	\$ -	\$ -	\$ -
Highways and Streets	-	-	-	655,935	-	655,935
CEDIT	1,462,561	-	-	-	-	1,462,561
Parks	574,015	-	-	258	-	574,273
Fire	1,860,261	-	-	-	-	1,860,261
Redevelopment	32,114	-	-	-	-	32,114
Other Non-major Governmental	-	-	520,169	785,603	-	1,305,772
<b>Total</b>	<b>\$ 7,673,364</b>	<b>\$ 487,347</b>	<b>\$ 520,169</b>	<b>\$ 1,441,796</b>	<b>\$ -</b>	<b>\$ 10,122,676</b>
<u>Unearned revenue:</u>						
Parks	\$ -	\$ -	\$ -	\$ -	\$ 1,310	\$ 1,310
Other Non-major Governmental	-	-	-	341,001	-	341,001
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 341,001</b>	<b>\$ 1,310</b>	<b>\$ 342,311</b>

Note 18. Change in Accounting Estimate

Effective January 1, 2007, City Utilities changed their method of depreciation from a pooled asset straight-line depreciation method to an individual asset straight-line method. The pooled method, while simpler to maintain, did not properly account for newly purchased assets nested in aging asset pools, nor did it properly account for the partial retirement of aging infrastructure. The cumulative effect of the change in accounting estimate as of January 1, 2007 is as follows:

	<u>Increase (decrease) net assets</u>				Total
	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Stormwater Utility</u>	<u>Yard Waste Fund</u>	
Cumulative effect of change in accounting estimate as of January 1, 2007	\$ (5,559,352)	\$ 4,184,134	\$ 607,551	\$ 1,700	\$ (765,967)

The Electric Utility was not affected by the change in the method of depreciation.

Note 19. Redevelopment Authority

Grand Wayne Center Expansion Project

The Redevelopment Authority (RA) was established by the Fort Wayne Redevelopment Commission (a department of the City of Fort Wayne) 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 Fort Wayne-Allen County Convention and Tourism Authority (C&TA) (a discretely presented component unit of the City of Fort Wayne). The City of Fort Wayne does not directly benefit from the expansion, but the expansion is an integral part of the revitalization of City of Fort Wayne’s downtown.

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

The C&TA will report on their financial statements a Capital lease payable, which is the net present value of the lease payable at December 31, 2007. The Redevelopment Authority will report on their financial statements a lease rental revenue bonds payable, which is the net amount of the lease rental revenue bonds and bond premium due at December 31, 2007.

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

#### 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 (HS) of the Harrison Square Project. 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. The RC will retain an operator to 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 20. Commitments and Contingencies

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

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

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

#### 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 Indiana Department of Environmental Management (IDEM), the Environmental Protection Agency (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 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 the next 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 EPA assessed penalties of \$842,109 for violations of the Clean Water Act committed prior to December 28, 2007. In lieu of cash payment, the Utilities committed to spend \$540,000 on specific environmentally beneficial projects over the next seven years. A cash penalty payment of \$297,636 including accrued interest of \$1,527 was made on April 30, 2008. 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's interest rate is 1.81% and is payable on or before February 4, 2009. The North Assets are now fully integrated with the Utilities' water and sewer systems and generating revenues for the respective Utilities at existing rates.

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 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 agreed corrective action.

Light Lease Revenues:

By ordinance, light lease revenues in excess of operating expenses and the contribution to the Community Trust are required to be transferred to the City's Cumulative Capital Fund. As of December 31, 2007, the Electric Utility maintained an operating cash balance of \$262,711. This amount is withheld from the City to cover near term operating expenses and, if unspent, will be summarily remitted to the City.

Other:

The Utilities have entered into many contracts for various construction projects. Remaining contract payments as of December 31, 2007 for each utility are as follows:

Water	\$ 18,450,131
Wastewater	10,646,431
Stormwater	<u>717,489</u>
	<u>\$ 29,814,051</u>

Note 21. Subsequent Events

Debt Issued

In March 2008, the City entered into a \$5,150,000 capital lease. The lease proceeds will be used to purchase vehicles and vehicle equipment for several City departments.

Loans Issued

In January 2008, the City borrowed \$500,000 for acquisition and infrastructure costs of Renaissance Point. In June 2008, the City borrowed an additional \$5,750,000 for a total borrowing of \$6,250,000.

Contracts Awarded

Major contracts awarded subsequent to December 31, 2007:

	<u>Amount</u>
Renaissance Pointe Hardscape Package Phase 1A	\$ 2,030,285
General cured-in-place pipe rehabilitation	1,656,833
Ardmore Avenue & Taylor Street Improvements	1,255,338

Pensions

Beginning in 2009, the State Pension Relief Fund shall pay to each unit of local government with Pre-1977 Local Police and Fire Fighter Pension obligations, the total amount of pension, disability, and survivor benefit payments. The Pre-1977 funds include the 1925 Police Pension Fund, the 1937 Firefighters' Fund, and the 1953 Police Pension Fund. For property taxes first due and payable after December 31, 2008, the Department of Local Government Finance shall reduce the maximum permissible property tax levy of any civil taxing unit and special service district by the amount of the payment to be made in 2009 by the State for the obligations.

Note 22. Net Assets – Invested in Capital Assets, Net of Related Debt

As of December 31, 2007, Net Assets – Invested in capital assets, net of related debt is calculated as follows:

	Governmental Activities	Business-type Activities	Total
Net capital assets	\$ 697,038,938	\$ 518,373,458	\$ 1,215,412,396
Less:			
Total capital leases payable	(23,909,641)	(3,050,815)	(26,960,456)
Total notes and loans payable	(8,258,615)	(83,030,558)	(91,289,173)
Total general obligation bonds payable, net	(5,552,634)	-	(5,552,634)
Total special obligation bonds payable, net	(64,176,321)	-	(64,176,321)
Total first mortgage bonds payable, net	(27,495,315)	-	(27,495,315)
Total revenue bonds payable, net	-	(102,827,496)	(102,827,496)
Add:			
Debt not related to capital assets	7,500,000	-	7,500,000
Unamortized bond issuance costs	1,785,367	2,060,042	3,845,409
Unspent bond/loan proceeds	12,418,463	54,895,559	67,314,022
Invested in capital assets, net of related debt	<u>\$ 589,350,242</u>	<u>\$ 386,420,190</u>	<u>\$ 975,770,432</u>

Note 23. Pension Plans

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

a. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The primary government's annual pension cost and related information, as provided by the actuary, is presented in this note. The negative Net Pension Obligation (NPO) is considered an asset of the City and is reflected as such in the Statement of Net Assets. The amount is separated between the governmental and business-type activities

b. 1925 Police Officers' Pension Plan

Plan Description

The City contributes to the 1925 Police Officers' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The financial statements included in this note are prepared using the economic resources measurement focus and the accrual basis of accounting, with the exception that plan liabilities for benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Separate GAAP-basis audited financial statements are not issued for this plan.

Funding Policy and Annual Pension Cost

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

c. 1937 Firefighters' Pension Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

d. Sanitary Officers' Pension Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

e. Tables of Required Information

	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
Annual required contribution	\$ 3,285,306	\$ 8,837,200	\$ 7,909,100	\$ 546,754
Interest on NPO	(138,186)	3,023,200	2,405,500	16,315
Adjustment to annual required contribution	<u>157,473</u>	<u>(3,757,400)</u>	<u>(2,989,700)</u>	<u>(2,933)</u>
Annual pension cost	3,304,593	8,103,000	7,324,900	560,136
Contributions made	<u>2,723,389</u>	<u>9,320,489</u>	<u>8,984,289</u>	<u>453,311</u>
Increase in NPO	581,204	(1,217,489)	(1,659,389)	106,825
NPO, beginning of year	<u>(1,906,007)</u>	<u>50,387,290</u>	<u>40,092,140</u>	<u>3,938,461</u>
NPO, end of year	<u>\$ (1,324,803)</u>	<u>\$ 49,169,801</u>	<u>\$ 38,432,751</u>	<u>\$ 4,045,286</u>

The Net Pension Obligation reported in the Statement of Net Assets is \$91,647,838 (1925 Police Officers' Pension, \$49,169,801; 1937 Firefighters' Pension, \$38,432,751; Sanitary Officers' Pension, \$4,045,286). The Net Pension Asset reported in the Statement of Net Assets is \$1,324,803 (PERF).

Contribution rates:	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
City	6.25%	809%	2101%	1118%
Plan members	3%	6%	6%	3%

	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
Actuarial valuation date	07/01/07	01/01/07	01/01/07	01/01/08
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	30 years	30 years	30 years	30 years
Amortization period (from date)	07/01/97	01/01/05	01/01/05	01/01/05
Asset valuation method	75% of expected actuarial value plus 25% of market value	4 year phase in of realized and unrealized capital	4 year phase in of realized and unrealized capital	4 year phase in of realized and unrealized capital

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

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



Three Year Trend Information

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PERF

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2005	\$ 2,233,944	107%	\$ (1,973,177)
6/30/2006	2,650,365	97%	(1,906,007)
6/30/2007	3,304,593	82%	(1,324,803)

1925 Police Officers' Pension Plan

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2005	\$ 12,135,400	62%	\$ 50,341,500
12/31/2006	8,001,900	99%	50,387,290
12/31/2007	8,103,000	115%	49,169,801

1937 Firefighters' Pension Plan

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2005	\$ 10,974,200	61%	\$ 40,251,800
12/31/2006	6,786,600	102%	40,092,140
12/31/2007	7,324,900	123%	38,432,751

Sanitary Officers' Pension Plan

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2005	\$ 650,369	76%	\$ 3,867,437
12/31/2006	555,288	87%	3,938,461
12/31/2007	560,136	81%	4,045,286

Plan Membership

Group	1925 Police Officers' Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
Retirees and beneficiaries currently receiving benefits	338	296	19
Active employees - vested	15	4	1
Active employees - nonvested	0	0	0

f. Financial Statements for Defined Benefit Plans

**Statements of Fiduciary Net Assets:**

	1925 Police Officers Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
<u>Assets</u>			
Cash and cash equivalents	\$ 2,933,326	\$ 2,174,976	\$ 228,839
Investments at fair value:			
Participation in external investment pool	446,759	234,366	-
Receivables:			
Taxes	258,700	263,457	24,978
Miscellaneous	147	-	-
	<u>3,638,932</u>	<u>2,672,799</u>	<u>253,817</u>
Total assets			
<u>Liabilities</u>			
Accrued payroll and deductions	<u>38,071</u>	<u>34,799</u>	<u>3,372</u>
<u>Net assets</u>			
Held in trust for:			
Employees' pension benefits	<u>\$ 3,600,861</u>	<u>\$ 2,638,000</u>	<u>\$ 250,445</u>

**Statements of Changes in Fiduciary Net Assets:**

	1925 Police Officers Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
<u>Additions</u>			
Contributions:			
Employer	\$ 9,320,488	\$ 8,984,289	\$ 453,311
Plan members	12,602	14,987	1,179
Other	8,538	213	-
Net investment income	<u>34,635</u>	<u>18,665</u>	<u>1,437</u>
	<u>9,376,263</u>	<u>9,018,154</u>	<u>455,927</u>
Total additions			
<u>Deductions</u>			
Benefits and refunds paid to plan members and beneficiaries	8,199,812	7,423,539	475,800
Administrative expenses	<u>14,400</u>	<u>18,355</u>	<u>3,664</u>
	<u>8,214,212</u>	<u>7,441,894</u>	<u>479,464</u>
Total deductions			
Change in net assets	1,162,051	1,576,260	(23,537)
Net assets - beginning	<u>2,438,810</u>	<u>1,061,740</u>	<u>273,982</u>
Net assets - ending	<u>\$ 3,600,861</u>	<u>\$ 2,638,000</u>	<u>\$ 250,445</u>

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

### 1977 Police Officers' and Firefighters' Pension and Disability Fund

#### Plan Description

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

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

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

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

#### Funding Policy and Annual Pension Costs

Plan members are required to contribute 6 percent of the first class police officers' and firefighters' salary and the City is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21 percent of the first class police officers' and firefighters' salary. The contribution requirements of plan members and the City are established by the Board of Trustees of PERF. The City's contributions to the plan for the years ending December 31, 2007, 2006, and 2005 were \$7,679,027, \$7,226,307, and \$6,815,004 respectively, which were equal to the required contributions for each year.

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# REQUIRED SUPPLEMENTARY INFORMATION



CITY OF FORT WAYNE  
 REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 For The Year Ended December 31, 2007

	General Fund			
	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 65,216,745	\$ 65,216,745	\$ 66,200,909	\$ 984,164
Licenses and permits	1,928,146	1,928,146	1,965,593	37,447
Intergovernmental	6,091,536	6,091,536	3,250,413	(2,841,123)
Charges for services	4,224,631	4,224,631	3,641,017	(583,614)
Fines and forfeits	1,119,100	1,119,100	1,545,460	426,360
Other	<u>1,356,331</u>	<u>1,356,331</u>	<u>998,165</u>	<u>(358,166)</u>
Total revenues	<u>79,936,489</u>	<u>79,936,489</u>	<u>77,601,557</u>	<u>(2,334,932)</u>
<b>Expenditures:</b>				
Current:				
General government	14,788,080	14,784,816	14,096,810	688,006
Public safety	55,090,390	54,945,321	52,766,639	2,178,682
Highways and streets	5,356,804	5,470,516	5,136,069	334,447
Health and welfare	2,378,254	2,378,254	2,226,955	151,299
Economic opportunity	730,899	748,799	676,725	72,074
Economic development	<u>2,392,482</u>	<u>2,407,438</u>	<u>2,204,806</u>	<u>202,632</u>
Total expenditures	<u>80,736,909</u>	<u>80,735,144</u>	<u>77,108,004</u>	<u>3,627,140</u>
<b>Other financing sources (uses):</b>				
Operating transfers in	95,000	95,000	3,444,645	3,349,645
Operating transfers out	<u>(405,000)</u>	<u>(405,000)</u>	<u>(415,145)</u>	<u>(10,145)</u>
Total other financing sources (uses)	<u>(310,000)</u>	<u>(310,000)</u>	<u>3,029,500</u>	<u>3,339,500</u>
Net change in fund balance	(1,110,420)	(1,108,655)	3,523,053	4,631,708
Fund balance - beginning	<u>10,998,388</u>	<u>10,998,388</u>	<u>10,998,388</u>	<u>-</u>
Fund balance - ending	<u>\$ 9,887,968</u>	<u>\$ 9,889,733</u>	<u>\$ 14,521,441</u>	<u>\$ 4,631,708</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, 2007

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	Highways and Streets				Parks				Fire			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final			Original	Final		
<b>Revenues:</b>												
Taxes	\$ 1,894,914	\$ 1,894,914	\$ 1,993,311	\$ 98,397	\$ 10,071,837	\$ 10,071,837	\$ 10,113,788	\$ 41,951	\$ 32,528,424	\$ 32,528,424	\$ 32,698,897	\$ 170,473
Licenses and permits	-	-	-	-	42,500	42,500	52,247	9,747	-	-	-	-
Intergovernmental	11,784,001	11,784,001	10,130,759	(1,653,242)	-	-	-	-	42,500	42,500	-	(42,500)
Charges for services	499,193	499,193	3,885,979	3,386,786	3,600,865	3,600,865	3,468,249	(132,616)	22,833	22,833	11,422	(11,411)
Fines and forfeits	-	-	-	-	-	-	-	-	13,800	13,800	17,840	4,040
Other	461,375	461,375	395,914	(65,461)	2,528,374	2,528,374	2,542,204	13,830	2,600	2,600	52,884	50,284
<b>Total revenues</b>	<b>14,639,483</b>	<b>14,639,483</b>	<b>16,405,963</b>	<b>1,766,480</b>	<b>16,243,576</b>	<b>16,243,576</b>	<b>16,176,488</b>	<b>(67,088)</b>	<b>32,610,157</b>	<b>32,610,157</b>	<b>32,781,043</b>	<b>170,886</b>
<b>Expenditures:</b>												
<b>Current:</b>												
<b>Public safety:</b>												
Personal services	-	-	-	-	-	-	-	-	31,312,433	30,984,919	30,558,301	426,618
Supplies	-	-	-	-	-	-	-	-	667,892	640,486	610,325	30,161
Other services and charges	-	-	-	-	-	-	-	-	1,090,223	1,227,252	1,145,710	81,542
Capital outlay	-	-	-	-	-	-	-	-	355,397	291,756	258,108	33,648
<b>Highways and streets:</b>												
Personal services	8,758,319	8,905,319	8,866,860	38,459	-	-	-	-	-	-	-	-
Supplies	2,534,972	2,696,885	2,758,402	(61,517)	-	-	-	-	-	-	-	-
Other services and charges	3,987,038	3,278,489	3,590,762	(312,273)	-	-	-	-	-	-	-	-
Capital outlay	40,500	740,921	1,253,098	(512,177)	-	-	-	-	-	-	-	-
<b>Culture and recreation:</b>												
Personal services	-	-	-	-	8,862,262	8,713,416	8,635,391	78,025	-	-	-	-
Supplies	-	-	-	-	1,443,340	1,429,496	1,428,411	1,085	-	-	-	-
Other services and charges	-	-	-	-	5,076,818	4,935,360	4,737,784	197,576	-	-	-	-
Capital outlay	-	-	-	-	5,881,230	5,881,230	5,881,230	-	-	-	-	-
<b>Total expenditures</b>	<b>15,320,829</b>	<b>15,621,614</b>	<b>16,469,122</b>	<b>(847,508)</b>	<b>21,263,650</b>	<b>20,959,502</b>	<b>20,682,816</b>	<b>276,686</b>	<b>33,425,945</b>	<b>33,144,413</b>	<b>32,572,444</b>	<b>571,969</b>
<b>Other financing sources (uses):</b>												
Operating transfers in	752,000	752,000	1,172,088	420,088	1,157,584	1,157,584	1,175,818	18,234	-	-	-	-
Operating transfers out	(131,000)	(131,000)	(131,000)	-	(39,682)	(134,953)	(134,953)	-	-	(105,296)	(105,822)	(526)
<b>Total other financing sources (uses)</b>	<b>621,000</b>	<b>621,000</b>	<b>1,041,088</b>	<b>420,088</b>	<b>1,117,902</b>	<b>1,022,631</b>	<b>1,040,865</b>	<b>18,234</b>	<b>-</b>	<b>(105,296)</b>	<b>(105,822)</b>	<b>(526)</b>
<b>Net change in fund balances</b>	<b>(60,346)</b>	<b>(361,131)</b>	<b>977,929</b>	<b>1,339,060</b>	<b>(3,902,172)</b>	<b>(3,693,295)</b>	<b>(3,465,463)</b>	<b>227,832</b>	<b>(815,788)</b>	<b>(639,552)</b>	<b>102,777</b>	<b>742,329</b>
<b>Fund balances - beginning</b>	<b>5,487,538</b>	<b>5,487,538</b>	<b>5,487,538</b>	<b>-</b>	<b>12,404,796</b>	<b>12,404,796</b>	<b>12,404,796</b>	<b>-</b>	<b>2,808,698</b>	<b>2,808,698</b>	<b>2,808,698</b>	<b>-</b>
<b>Fund balances - ending</b>	<b>\$ 5,427,192</b>	<b>\$ 5,126,407</b>	<b>\$ 6,465,467</b>	<b>\$ 1,339,060</b>	<b>\$ 8,502,624</b>	<b>\$ 8,711,501</b>	<b>\$ 8,939,333</b>	<b>\$ 227,832</b>	<b>\$ 1,992,910</b>	<b>\$ 2,169,146</b>	<b>\$ 2,911,475</b>	<b>\$ 742,329</b>

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE  
 REQUIRED SUPPLEMENTARY INFORMATION  
**INFRASTRUCTURE – MODIFIED REPORTING**

**Comparison of Needed-to-Actual Maintenance/Preservation:**

Roads	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Arterial					
Needed	\$ 758,895	\$ 843,611	\$ 1,317,770	\$ 684,069	\$ 3,633,337
Actual	900,394	788,588	1,278,949	700,128	3,563,575
Collector					
Needed	293,790	327,923	172,913	63,114	731,323
Actual	285,258	355,443	198,784	63,114	524,084
Residential					
Needed	2,833,939	1,376,292	2,366,088	2,440,135	6,757,534
Actual	2,778,267	2,049,752	2,670,703	2,388,097	5,883,572

**Condition Rating:**

Average Pavement Condition Index (PCI)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Total system	75	76	76	74	73

**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>						
07/01/05	\$ 45,806,122	\$ 53,496,046	\$ (7,689,924)	86%	\$ 41,709,021	(18%)
07/01/06	47,213,478	57,460,321	(10,246,843)	82%	44,364,740	(23%)
07/01/07	52,796,327	61,562,051	(8,765,724)	86%	45,167,115	(19%)
<u>1925 Police Officers' Pension Plan:</u>						
01/01/02	\$ 5,503,965	\$ 127,661,900	\$ (122,157,935)	4%	\$ 1,635,400	(7,470%)
01/01/03	3,937,791	122,111,000	(118,173,209)	3%	2,324,000	(5,085%)
01/01/04	2,401,594	122,193,000	(119,791,406)	2%	1,528,000	(7,840%)
01/01/05	2,423,389	117,028,600	(114,605,211)	2%	1,257,300	(9,115%)
01/01/06	2,177,306	118,558,700	(116,381,394)	2%	1,062,500	(10,954%)
01/01/07	2,438,810	118,066,100	(115,627,290)	2%	1,092,900	(10,580%)
<u>1937 Firefighters' Pension Plan:</u>						
01/01/02	\$ 4,848,516	\$ 110,820,900	\$ (105,972,384)	4%	\$ 914,400	(11,589%)
01/01/03	3,923,831	94,791,000	(90,867,169)	4%	1,610,000	(5,644%)
01/01/04	2,481,278	109,884,000	(107,402,722)	2%	942,000	(11,402%)
01/01/05	2,321,797	101,112,400	(98,790,603)	2%	556,800	(17,743%)
01/01/06	1,337,449	110,575,500	(109,238,051)	1%	500,800	(21,813%)
01/01/07	1,061,740	107,704,100	(106,642,360)	1%	376,500	(28,325%)
<u>Sanitary Officers' Pension:</u>						
01/01/03	\$ 291,158	\$ 8,007,386	\$ (7,716,228)	4%	\$ 126,741	(6,088%)
01/01/04	54,697	8,122,631	(8,067,934)	1%	130,965	(6,160%)
01/01/05	132,802	7,478,337	(7,345,535)	2%	134,715	(5,453%)
01/01/06	221,582	7,490,795	(7,269,213)	3%	138,577	(5,246%)
01/01/07	273,982	7,478,472	(7,204,490)	4%	47,518	(15,162%)
01/01/08	250,445	7,435,892	(7,185,447)	3%	48,884	(14,699%)
<u>Retiree Healthcare Plan</u>						
01/01/06	\$ -	\$ 39,941,574	\$ (39,941,574)	0%	\$ 85,576,468	(47%)
01/01/07	N/A	N/A	N/A	N/A	89,644,106	N/A
01/01/08	N/A	N/A	N/A	N/A	94,407,075	N/A

N/A - Information not available

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
12/31/02	\$ 13,737,000	40%	12%
12/31/03	13,823,000	41%	12%
12/31/04	14,441,900	49%	3%
12/31/05	8,583,700	42%	51%
12/31/06	8,748,800	42%	49%
12/31/07	8,837,200	54%	51%

1937 Firefighters' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
		City	State
12/31/02	\$ 11,809,000	47%	9%
12/31/03	10,694,000	47%	14%
12/31/04	12,786,000	49%	3%
12/31/05	7,296,800	41%	54%
12/31/06	8,046,200	42%	44%
12/31/07	7,909,100	61%	53%

Sanitary Officers' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed
		City
12/31/02	\$ 892,263	20%
12/31/03	947,674	53%
12/31/04	562,303	89%
12/31/05	569,939	87%
12/31/06	541,966	89%
12/31/07	546,754	83%

The notes to RSI are an integral part of RSI.

Note 1. Budgets and Budgetary Accounting

- A. The City follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:
1. The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
  2. Prior to adoption, the City advertises the budget and the City Council holds public hearings to obtain taxpayer comments.
  3. In September of each year the budget is approved by the City Council through passage of an ordinance.
  4. Copies of the budget ordinance and advertisements are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the City Controller receives approval from the Indiana Department of Local Government Finance. The budget ordinance as approved by the Indiana Department of Local Government Finance becomes the City's expenditures budget. The City's maximum tax levy is restricted by Indiana Law, with certain adjustments and exceptions. If the advertised budget exceeds the spending and tax limits of the state control laws, an excess levy can be granted by the Indiana Department of Local Government Finance, upon appeal by the City.
  5. The legal level of budgetary control (the level at which expenditures may not exceed appropriations without the governing body's approval) is by object classification for all funds except for the General fund, which is by object classification within each department. The City's management cannot transfer budgeted appropriations between object classifications of a budget, without approval of the City Council. Any revisions that alter the total appropriations for any fund or any department of the General fund must be approved by the City Council and, in some instances, by the Indiana Department of Local Government Finance.

Formal budgetary integration is required by State statute and is employed as a management control device. An annual budget was legally adopted for the following funds:

Major Funds:

General Fund

Special Revenue Funds:

Highways and Streets, Parks, Fire

Capital Projects Funds:

CEDIT, Redevelopment

Non-Major Funds:

Special Revenue Funds:

Parking Meter, Law Enforcement Training, Cable Television,

Unsafe Building, Domestic Violence

Capital Projects Funds:

Cumulative Capital Improvement

Debt Service Fund:

City Bond Redemption

7. The City's budgetary process is based upon GAAP. Appropriations lapse with the expiration of the budgetary period unless encumbered by a purchase order or contract. Encumbered appropriations are carried over and added to the subsequent year's budget.
8. Budgeted amounts are as originally adopted, or as amended by the City Council and approved by the Indiana Department of Local Government Finance in the regular legal manner. Net decreases to the original appropriations totaled \$673,608 in 2007.

B. Expenditures in Excess of Appropriations

For the year ended December 31, 2007, 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	Capital outlay	\$ 14,688
General	Board of Works	Personal services	20,770
General	Law	Personal services	941
General	Highways and Streets	Capital outlay	78,636
Highways and Streets		Supplies	61,517
Highways and Streets		Other services and charges	312,273
Highways and Streets		Capital outlay	512,177
Fire		Transfers out	526
CEDIT		Capital outlay	245,785
Cable Television		Other services and charges	72,407
Cable Television		Capital outlay	7,882

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  
Data Processing/ACS  
Human Resources

**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.

**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, 2007

Function and Department	Original Budget	Final Budget	Actual	Variance- Positive (Negative)
General government:				
Mayor				
Personal services	\$ 1,038,418	\$ 1,153,418	\$ 1,144,956	\$ 8,462
Supplies	16,120	16,120	9,662	6,458
Other services and charges	140,766	140,766	105,772	34,994
Capital outlay	1,200	1,200	-	1,200
Finance & Administration				
Personal services	1,648,376	1,648,376	1,621,860	26,516
Supplies	36,286	36,286	27,147	9,139
Other services and charges	1,987,759	1,863,287	1,843,729	19,558
Capital outlay	1,900	1,900	16,588	(14,688)
City Clerk and Council				
Personal services	866,654	872,862	848,898	23,964
Supplies	15,566	15,566	12,487	3,079
Other services and charges	57,394	57,394	53,390	4,004
Capital outlay	1,020	1,020	135	885
Board of Works				
Personal services	581,194	581,194	601,964	(20,770)
Supplies	7,028	7,028	3,759	3,269
Other services and charges	2,651,783	2,651,783	2,478,290	173,493
Capital outlay	400	400	-	400
Law				
Personal services	343,923	343,923	344,864	(941)
Supplies	2,145	2,145	1,829	316
Other services and charges	143,293	143,293	92,508	50,785
Capital outlay	1,250	1,250	-	1,250
Internal Audit				
Personal services	208,451	208,451	186,583	21,868
Supplies	300	300	246	54
Other services and charges	6,716	6,716	3,956	2,760
Data Processing / ACS				
Personal services	182,057	182,057	181,683	374
Supplies	34,640	34,640	23,293	11,347
Other services and charges	4,025,158	4,025,158	3,826,448	198,710
Capital outlay	3,998	3,998	-	3,998
Human Resources				
Personal services	601,459	601,459	570,065	31,394
Supplies	13,866	13,866	9,332	4,534
Other services and charges	164,060	164,060	87,366	76,694
Capital outlay	4,900	4,900	-	4,900
Total General government	<u>14,788,080</u>	<u>14,784,816</u>	<u>14,096,810</u>	<u>688,006</u>
Public safety:				
Weights and Measures				
Personal services	170,348	172,005	170,921	1,084
Supplies	5,436	5,436	5,347	89
Other services and charges	13,466	15,966	15,914	52
Capital outlay	33,400	29,243	28,872	371
Neighborhood Code Enforcement				
Personal services	1,470,689	1,470,689	1,458,880	11,809
Supplies	39,889	39,889	33,268	6,621
Other services and charges	868,220	864,850	719,855	144,995
Capital outlay	13,423	13,423	6,643	6,780

(Continued)



CITY OF FORT WAYNE  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -  
GENERAL FUND  
For The Year Ended December 31, 2007  
(Continued)

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
Public safety (continued):				
Police Merit Commission				
Personal services	\$ 5,000	\$ 5,000	\$ 3,775	\$ 1,225
Supplies	200	200	-	200
Other services and charges	22,300	22,300	16,232	6,068
Police				
Personal services	39,003,438	38,822,338	38,179,804	642,534
Supplies	1,836,985	1,880,286	1,489,847	390,439
Other services and charges	4,987,302	5,053,402	4,760,875	292,527
Capital outlay	207,466	147,608	114,779	32,829
Communications				
Personal services	5,952,990	5,952,990	5,367,993	584,997
Supplies	101,566	101,566	91,314	10,252
Other services and charges	292,372	292,372	253,182	39,190
Capital outlay	65,900	55,758	49,138	6,620
<b>Total Public safety</b>	<b>55,090,390</b>	<b>54,945,321</b>	<b>52,766,639</b>	<b>2,178,682</b>
Highways and streets:				
Street Lighting/Flood/Transp Engineering				
Personal services	3,035,803	2,998,803	2,796,818	201,985
Supplies	439,185	439,185	356,198	82,987
Other services and charges	1,855,741	1,890,951	1,762,840	128,111
Capital outlay	26,075	141,577	220,213	(78,636)
<b>Total Highways and streets</b>	<b>5,356,804</b>	<b>5,470,516</b>	<b>5,136,069</b>	<b>334,447</b>
Health and welfare:				
Animal Control				
Personal services	1,867,970	1,867,970	1,786,997	80,973
Supplies	115,263	115,263	99,939	15,324
Other services and charges	392,921	392,921	339,781	53,140
Capital outlay	2,100	2,100	238	1,862
<b>Total Health and welfare</b>	<b>2,378,254</b>	<b>2,378,254</b>	<b>2,226,955</b>	<b>151,299</b>
Economic opportunity:				
Metropolitan Human Relations				
Personal services	625,886	625,886	587,582	38,304
Supplies	19,939	19,939	17,738	2,201
Other services and charges	83,374	101,274	71,024	30,250
Capital outlay	1,700	1,700	381	1,319
<b>Total Economic opportunity</b>	<b>730,899</b>	<b>748,799</b>	<b>676,725</b>	<b>72,074</b>
Economic development:				
Community and Economic Development				
Personal services	2,115,327	2,115,327	1,989,679	125,648
Supplies	20,754	20,754	14,608	6,146
Other services and charges	235,142	250,098	199,168	50,930
Capital outlay	21,259	21,259	1,351	19,908
<b>Total Economic development</b>	<b>2,392,482</b>	<b>2,407,438</b>	<b>2,204,806</b>	<b>202,632</b>
<b>Total General Fund</b>	<b>\$ 80,736,909</b>	<b>\$ 80,735,144</b>	<b>\$ 77,108,004</b>	<b>\$ 3,627,140</b>

CITY OF FORT WAYNE  
 BUDGETARY COMPARISON SCHEDULES  
 OTHER BUDGETED MAJOR GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2007

	Redevelopment				CEDIT			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes	\$ 9,830,648	\$ 9,830,648	\$ 9,840,159	\$ 9,511	\$ 19,000,000	\$ 19,000,000	\$ 18,930,885	\$ (69,115)
Charges for services	880	880	880	-	50,805	50,805	51,005	200
Other	2,509,949	2,509,949	2,515,930	5,981	730,928	730,928	494,806	(236,122)
<b>Total revenues</b>	<b>12,341,477</b>	<b>12,341,477</b>	<b>12,356,969</b>	<b>15,492</b>	<b>19,781,733</b>	<b>19,781,733</b>	<b>19,476,696</b>	<b>(305,037)</b>
<b>Expenditures:</b>								
Urban redevelopment and housing:								
Personal services	497,225	494,225	477,257	16,968	-	-	-	-
Supplies	300	300	272	28	-	-	-	-
Other services and charges	10,612,663	10,615,663	10,602,595	13,068	-	-	-	-
Capital outlay	8,511,152	8,511,152	8,511,152	-	-	-	-	-
Debt service:								
Principal	1,250,532	1,250,532	1,250,532	-	5,905,000	5,905,000	5,905,000	-
Interest	605,512	605,512	605,512	-	2,336,736	2,336,736	2,336,736	-
Capital outlay	-	-	-	-	16,852,324	15,583,884	15,829,669	(245,785)
<b>Total expenditures</b>	<b>21,477,384</b>	<b>21,477,384</b>	<b>21,447,320</b>	<b>30,064</b>	<b>25,094,060</b>	<b>23,825,620</b>	<b>24,071,405</b>	<b>(245,785)</b>
<b>Other financing sources (uses):</b>								
Transfers in	6,615,749	6,615,749	6,615,749	-	3,844,012	3,844,012	3,845,745	1,733
Transfers out	(5,308,523)	(5,308,523)	(5,308,523)	-	(9,278,945)	(9,829,908)	(9,793,955)	35,953
Loan issuance	-	-	-	-	1,500,000	1,500,000	1,500,000	-
Capital leases issuance	4,827,727	4,827,727	4,827,727	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>6,134,953</b>	<b>6,134,953</b>	<b>6,134,953</b>	<b>-</b>	<b>(3,934,933)</b>	<b>(4,485,896)</b>	<b>(4,448,210)</b>	<b>37,686</b>
<b>Net change in fund balances</b>	<b>(3,000,954)</b>	<b>(3,000,954)</b>	<b>(2,955,398)</b>	<b>45,556</b>	<b>(9,247,260)</b>	<b>(8,529,783)</b>	<b>(9,042,919)</b>	<b>(513,136)</b>
Fund balances - beginning	42,013,711	42,013,711	42,013,711	-	17,821,642	17,821,642	17,821,642	-
<b>Fund balances - ending</b>	<b>\$ 39,012,757</b>	<b>\$ 39,012,757</b>	<b>\$ 39,058,313</b>	<b>\$ 45,556</b>	<b>\$ 8,574,382</b>	<b>\$ 9,291,859</b>	<b>\$ 8,778,723</b>	<b>\$ (513,136)</b>

# Non-major Governmental Funds

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

**Parking Meter** – to account for revenues and expenses in connection with operating City parking meters.

**Law Enforcement Training** – to account for fees used for the continuing education and training of law enforcement officers.

**Omnibus Crime** – to account for all State grants related to victims assistance or criminal justice.

**Cable Television** – to account for a portion of the cable television franchise fee revenue restricted to expenditures for local cable access programming grants.

**Community Development Block Grants** – to account for funds granted to the City by the U.S. Department of Housing and Urban Development under the Community Development Block Grant entitlement programs.

**Reimbursable State Grants** – to account for funds granted to the City 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.

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

**Central City Housing** – to account for funds which are to be used for home rehabilitation in Southeast Fort Wayne.

**General Donation** – to account for donations, restricted by donors, for purposes normally related to General Fund expenditures.

**Domestic Violence** – to account for taxes received and appropriated by the City Council for the prevention and education of domestic violence, rape, and sexual harassment.

**Rainy Day Fund** – to account for transfers of unused and unencumbered CEDIT 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.

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

## Non-major Governmental Funds (continued)

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

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

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

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

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

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

**Cumulative Capital Improvement** – to account for cigarette tax distributions.

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

**Building Project** – to account for the proceeds of bonds secured by a lease for the construction of seven fire stations, an animal care building, a transportation sub-station, the public safety academy and improvements to the City’s Board of Works complex.

**Barrett Law 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, 2007

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Capital Projects Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 2,752,099	\$ -	\$ 6,949,426	\$ 9,701,525
Investments	150,000	-	5,743,267	5,893,267
Receivables (net of allowances for uncollectibles):				
Interest	18,817	-	19,388	38,205
Taxes	2,500,421	-	-	2,500,421
Assessments	-	-	901,826	901,826
Intergovernmental	2,920,628	-	669,542	3,590,170
Loans	805,040	-	-	805,040
Miscellaneous	803,927	-	74,173	878,100
Interfund receivable - pooled cash	1,476,816	-	-	1,476,816
Assets held for resale	2,229,498	-	413,027	2,642,525
	<u>13,657,246</u>	<u>-</u>	<u>14,770,649</u>	<u>28,427,895</u>
Total assets	<u>\$ 13,657,246</u>	<u>\$ -</u>	<u>\$ 14,770,649</u>	<u>\$ 28,427,895</u>
 <u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 1,455,222	\$ -	\$ 1,362,139	\$ 2,817,361
Contracts payable	-	-	596,024	596,024
Retainage payable	-	-	472,628	472,628
Interfund payable - pooled cash	1,476,816	-	-	1,476,816
Due to other funds	1,090,977	-	150,000	1,240,977
Deferred revenue	785,603	-	520,169	1,305,772
Unearned revenue	341,001	-	-	341,001
	<u>5,149,619</u>	<u>-</u>	<u>3,100,960</u>	<u>8,250,579</u>
Total liabilities	<u>5,149,619</u>	<u>-</u>	<u>3,100,960</u>	<u>8,250,579</u>
Fund balances:				
Reserved for:				
Encumbrances	1,504,892	-	3,969,578	5,474,470
Noncurrent loans receivable	778,440	-	-	778,440
Assets held for resale	2,229,498	-	413,027	2,642,525
Unreserved, reported in:				
Special revenue funds	3,994,797	-	-	3,994,797
Capital projects funds	-	-	7,287,084	7,287,084
	<u>8,507,627</u>	<u>-</u>	<u>11,669,689</u>	<u>20,177,316</u>
Total fund balances	<u>8,507,627</u>	<u>-</u>	<u>11,669,689</u>	<u>20,177,316</u>
Total liabilities and fund balances	<u>\$ 13,657,246</u>	<u>\$ -</u>	<u>\$ 14,770,649</u>	<u>\$ 28,427,895</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, 2007

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Capital Projects Funds	Totals
Revenues:				
Taxes	\$ 3,589,239	\$ -	\$ -	\$ 3,589,239
Special assessments	-	-	1,100,821	1,100,821
Licenses and permits	900,802	-	-	900,802
Intergovernmental	6,765,257	-	878,398	7,643,655
Charges for services	771,430	-	-	771,430
Fines and forfeits	672,076	-	-	672,076
Other	3,299,452	-	1,509,063	4,808,515
	<u>15,998,256</u>	<u>-</u>	<u>3,488,282</u>	<u>19,486,538</u>
Total revenues				
Expenditures:				
Current:				
General government	2,681,896	-	-	2,681,896
Public safety	2,992,078	-	-	2,992,078
Health and welfare	228,802	-	-	228,802
Economic development	408,502	-	-	408,502
Urban redevelopment and housing	4,282,003	-	-	4,282,003
Debt service:				
Principal	-	-	1,950,000	1,950,000
Interest	-	-	1,278,789	1,278,789
Capital outlay	-	-	27,374,448	27,374,448
	<u>10,593,281</u>	<u>-</u>	<u>30,603,237</u>	<u>41,196,518</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>5,404,975</u>	<u>-</u>	<u>(27,114,955)</u>	<u>(21,709,980)</u>
Other financing sources (uses):				
Transfers in	982,864	2,174,000	5,113,026	8,269,890
Transfers out	(753,627)	(2,174,000)	(765,000)	(3,692,627)
Capital leases issued	-	-	8,560,000	8,560,000
	<u>229,237</u>	<u>-</u>	<u>12,908,026</u>	<u>13,137,263</u>
Total other financing sources (uses)				
Net change in fund balances	5,634,212	-	(14,206,929)	(8,572,717)
Fund balances - beginning	<u>2,873,415</u>	<u>-</u>	<u>25,876,618</u>	<u>28,750,033</u>
Fund balances - ending	<u>\$ 8,507,627</u>	<u>\$ -</u>	<u>\$ 11,669,689</u>	<u>\$ 20,177,316</u>

CITY OF FORT WAYNE  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 December 31, 2007

	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	Federal Revolving	Urban Development Action Grant
<b>Assets</b>												
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 173,189	\$ -	\$ 6,393	\$ 262,960	\$ 8,601	\$ -	\$ 333,860	\$ 2,060	\$ 320,428
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Receivables (net of allowances for uncollectibles):												
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	6,797	17,624	-	1,280,231	190,078	400	-	406,121	-	930,888	-
Loans	-	-	-	-	159,929	-	-	-	561,911	-	-	83,200
Miscellaneous	1,114	21,953	-	229,698	-	7,670	-	-	-	-	-	-
Interfund receivable - pooled cash	-	411,084	-	71,440	-	-	-	-	-	-	901,594	92,698
Assets held for resale	-	-	-	-	2,229,498	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,114</b>	<b>\$ 439,834</b>	<b>\$ 17,624</b>	<b>\$ 474,327</b>	<b>\$ 3,669,658</b>	<b>\$ 204,141</b>	<b>\$ 263,360</b>	<b>\$ 8,601</b>	<b>\$ 968,032</b>	<b>\$ 333,860</b>	<b>\$ 1,834,542</b>	<b>\$ 496,326</b>
<b>Liabilities and fund balances</b>												
<b>Liabilities:</b>												
Accounts payable	\$ 588	\$ 709	\$ -	\$ 232,759	\$ 304,367	\$ 1,546	\$ 34,600	\$ -	\$ 82,539	\$ -	\$ 717,201	\$ -
Interfund payable - pooled cash	464,900	-	17,624	-	556,096	-	-	-	340,588	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-
Deferred revenue	-	-	17,624	-	1,975	2,730	-	-	900	-	761,352	-
Unearned revenue	-	-	-	-	3,548	207,071	-	-	106	-	130,276	-
<b>Total liabilities</b>	<b>465,488</b>	<b>709</b>	<b>35,248</b>	<b>232,759</b>	<b>865,986</b>	<b>211,347</b>	<b>34,600</b>	<b>-</b>	<b>424,133</b>	<b>-</b>	<b>1,608,829</b>	<b>-</b>
<b>Fund balances:</b>												
<b>Reserved for:</b>												
Encumbrances	35,581	1,600	-	25,441	451,966	72,127	263,182	-	-	-	382,521	250,000
Noncurrent loans receivable	-	-	-	-	159,929	-	-	-	561,911	-	-	56,600
Assets held for resale	-	-	-	-	2,229,498	-	-	-	-	-	-	-
<b>Unreserved, reported in:</b>												
Special revenue funds	(499,955)	437,525	(17,624)	216,127	(37,721)	(79,333)	(34,422)	8,601	(18,012)	333,860	(156,808)	189,726
<b>Total fund balances</b>	<b>(464,374)</b>	<b>439,125</b>	<b>(17,624)</b>	<b>241,568</b>	<b>2,803,672</b>	<b>(7,206)</b>	<b>228,760</b>	<b>8,601</b>	<b>543,899</b>	<b>333,860</b>	<b>225,713</b>	<b>496,326</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,114</b>	<b>\$ 439,834</b>	<b>\$ 17,624</b>	<b>\$ 474,327</b>	<b>\$ 3,669,658</b>	<b>\$ 204,141</b>	<b>\$ 263,360</b>	<b>\$ 8,601</b>	<b>\$ 968,032</b>	<b>\$ 333,860</b>	<b>\$ 1,834,542</b>	<b>\$ 496,326</b>

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CITY OF FORT WAYNE  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 December 31, 2007

	Urban Enterprise Association	Emergency Shelter Grant	Public Safety Academy	Central City Housing	General Donation	Domestic Violence	Rainy Day Fund	Animal Care Donation	Animal Control Special Project	Barrett Law Surplus	Totals
<b>Assets</b>											
Cash and cash equivalents	\$ -	\$ -	\$ 371,972	\$ 23,446	\$ 551,026	\$ -	\$ 88,818	\$ 420,951	\$ 88,302	\$ 100,093	\$ 2,752,099
Investments	-	-	-	-	-	-	-	-	-	150,000	150,000
Receivables (net of allowances for uncollectibles):											
Interest	-	-	-	-	-	-	-	-	-	18,817	18,817
Taxes	-	-	-	-	-	-	2,500,421	-	-	-	2,500,421
Intergovernmental	-	87,467	-	-	1,022	-	-	-	-	-	2,920,628
Loans	-	-	-	-	-	-	-	-	-	-	805,040
Miscellaneous	42,256	-	500,945	-	-	291	-	-	-	-	803,927
Interfund receivable - pooled cash	-	-	-	-	-	-	-	-	-	-	1,476,816
Assets held for resale	-	-	-	-	-	-	-	-	-	-	2,229,498
<b>Total assets</b>	<b>\$ 42,256</b>	<b>\$ 87,467</b>	<b>\$ 872,917</b>	<b>\$ 23,446</b>	<b>\$ 552,048</b>	<b>\$ 291</b>	<b>\$ 2,589,239</b>	<b>\$ 420,951</b>	<b>\$ 88,302</b>	<b>\$ 268,910</b>	<b>\$ 13,657,246</b>
<b>Liabilities and fund balances</b>											
<b>Liabilities:</b>											
Accounts payable	\$ -	\$ 37,025	\$ 16,892	\$ -	\$ 18,100	\$ -	\$ -	\$ 344	\$ 8,552	\$ -	\$ 1,455,222
Interfund payable - pooled cash	42,256	50,442	-	-	-	4,910	-	-	-	-	1,476,816
Due to other funds	-	-	1,001,733	-	-	-	-	-	-	89,244	1,090,977
Deferred revenue	-	-	-	-	1,022	-	-	-	-	-	785,603
Unearned revenue	-	-	-	-	-	-	-	-	-	-	341,001
<b>Total liabilities</b>	<b>42,256</b>	<b>87,467</b>	<b>1,018,625</b>	<b>-</b>	<b>19,122</b>	<b>4,910</b>	<b>-</b>	<b>344</b>	<b>8,552</b>	<b>89,244</b>	<b>5,149,619</b>
<b>Fund balances:</b>											
Reserved for:											
Encumbrances	-	-	-	-	19,130	-	-	167	3,177	-	1,504,892
Noncurrent loans receivable	-	-	-	-	-	-	-	-	-	-	778,440
Assets held for resale	-	-	-	-	-	-	-	-	-	-	2,229,498
Unreserved, reported in:											
Special revenue funds	-	-	(145,708)	23,446	513,796	(4,619)	2,589,239	420,440	76,573	179,666	3,994,797
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>(145,708)</b>	<b>23,446</b>	<b>532,926</b>	<b>(4,619)</b>	<b>2,589,239</b>	<b>420,607</b>	<b>79,750</b>	<b>179,666</b>	<b>8,507,627</b>
<b>Total liabilities and fund balances</b>	<b>\$ 42,256</b>	<b>\$ 87,467</b>	<b>\$ 872,917</b>	<b>\$ 23,446</b>	<b>\$ 552,048</b>	<b>\$ 291</b>	<b>\$ 2,589,239</b>	<b>\$ 420,951</b>	<b>\$ 88,302</b>	<b>\$ 268,910</b>	<b>\$ 13,657,246</b>



CITY OF FORT WAYNE  
 COMBINING BALANCE SHEET  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 December 31, 2007

	Renaissance Pointe	Equipment Purchase	Cumulative Capital Improvement	2001 Safety Bond	Building Project	Barrett Law Commercial	Barrett Law Revolving Improvement	Totals
<u>Assets</u>								
Cash and cash equivalents	\$ 114,363	\$ 3,312,422	\$ 2,698,374	\$ -	\$ -	\$ 88,805	\$ 735,462	\$ 6,949,426
Investments	-	-	-	-	4,893,267	5,000	845,000	5,743,267
Receivables (net of allowances for uncollectibles):								
Interest	-	-	-	-	19,388	-	-	19,388
Assessments	-	-	-	-	-	10,558	891,268	901,826
Intergovernmental	669,542	-	-	-	-	-	-	669,542
Miscellaneous	74,173	-	-	-	-	-	-	74,173
Assets held for resale	413,027	-	-	-	-	-	-	413,027
<b>Total assets</b>	<b>\$ 1,271,105</b>	<b>\$ 3,312,422</b>	<b>\$ 2,698,374</b>	<b>\$ -</b>	<b>\$ 4,912,655</b>	<b>\$ 104,363</b>	<b>\$ 2,471,730</b>	<b>\$ 14,770,649</b>
<u>Liabilities and fund balances</u>								
<u>Liabilities:</u>								
Accounts payable	\$ 70,993	\$ 436,285	\$ 86,730	\$ -	\$ 768,131	\$ -	\$ -	\$ 1,362,139
Contracts payable	542,544	-	-	-	-	-	53,480	596,024
Retainage payable	45,914	-	-	-	400,732	-	25,982	472,628
Due to other funds	-	150,000	-	-	-	-	-	150,000
Deferred revenue	-	-	-	-	-	10,315	509,854	520,169
<b>Total liabilities</b>	<b>659,451</b>	<b>586,285</b>	<b>86,730</b>	<b>-</b>	<b>1,168,863</b>	<b>10,315</b>	<b>589,316</b>	<b>3,100,960</b>
<u>Fund balances:</u>								
Reserved for:								
Encumbrances	96,105	-	129,681	-	3,743,792	-	-	3,969,578
Assets held for resale	413,027	-	-	-	-	-	-	413,027
Unreserved, reported in:								
Capital projects funds	102,522	2,726,137	2,481,963	-	-	94,048	1,882,414	7,287,084
<b>Total fund balances</b>	<b>611,654</b>	<b>2,726,137</b>	<b>2,611,644</b>	<b>-</b>	<b>3,743,792</b>	<b>94,048</b>	<b>1,882,414</b>	<b>11,669,689</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,271,105</b>	<b>\$ 3,312,422</b>	<b>\$ 2,698,374</b>	<b>\$ -</b>	<b>\$ 4,912,655</b>	<b>\$ 104,363</b>	<b>\$ 2,471,730</b>	<b>\$ 14,770,649</b>

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, 2007

	Parking Meter	Law Enforcement Training	Omnibus Crime	Cable Television	Community Development Block Grants	Reimbursable State Grants	Unsafe Building	DED International Trade	HOME	Affordable Housing	Federal Revolving
Revenues:											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	55,057	-	845,745	-	-	-	-	-	-	-
Intergovernmental	-	-	55,200	-	3,007,382	914,405	-	-	1,878,985	-	743,531
Charges for services	224,899	176,815	-	-	111,191	-	-	-	7,966	-	230,170
Fines and forfeits	-	37,406	-	-	51,429	-	59,549	-	-	-	509,101
Other	3,304	4,187	-	2,965	223,732	-	-	12,859	634	333,860	245,608
Total revenues	<u>228,203</u>	<u>273,465</u>	<u>55,200</u>	<u>848,710</u>	<u>3,393,734</u>	<u>914,405</u>	<u>59,549</u>	<u>12,859</u>	<u>1,887,585</u>	<u>333,860</u>	<u>1,728,410</u>
Expenditures:											
Current:											
General government	556,441	-	-	836,779	-	-	-	-	-	-	1,102,690
Public safety	-	163,186	73,860	-	-	1,007,783	328,485	-	-	-	793,226
Health and welfare	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	10,037	-	-	-
Urban redevelopment and housing	-	-	-	-	2,012,381	-	-	-	2,134,888	-	-
Total expenditures	<u>556,441</u>	<u>163,186</u>	<u>73,860</u>	<u>836,779</u>	<u>2,012,381</u>	<u>1,007,783</u>	<u>328,485</u>	<u>10,037</u>	<u>2,134,888</u>	<u>-</u>	<u>1,895,916</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(328,238)</u>	<u>110,279</u>	<u>(18,660)</u>	<u>11,931</u>	<u>1,381,353</u>	<u>(93,378)</u>	<u>(268,936)</u>	<u>2,822</u>	<u>(247,303)</u>	<u>333,860</u>	<u>(167,506)</u>
Other financing sources (uses):											
Transfers in	-	-	1,036	-	50,000	105,406	464,047	-	-	-	787
Transfers out	-	-	-	-	-	-	-	-	(2,952)	-	(787)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,036</u>	<u>-</u>	<u>50,000</u>	<u>105,406</u>	<u>464,047</u>	<u>-</u>	<u>(2,952)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(328,238)</u>	<u>110,279</u>	<u>(17,624)</u>	<u>11,931</u>	<u>1,431,353</u>	<u>12,028</u>	<u>195,111</u>	<u>2,822</u>	<u>(250,255)</u>	<u>333,860</u>	<u>(167,506)</u>
Fund balances - beginning	<u>(136,136)</u>	<u>328,846</u>	<u>-</u>	<u>229,637</u>	<u>1,372,319</u>	<u>(19,234)</u>	<u>33,649</u>	<u>5,779</u>	<u>794,154</u>	<u>-</u>	<u>393,219</u>
Fund balances - ending	<u>\$ (464,374)</u>	<u>\$ 439,125</u>	<u>\$ (17,624)</u>	<u>\$ 241,568</u>	<u>\$ 2,803,672</u>	<u>\$ (7,206)</u>	<u>\$ 228,760</u>	<u>\$ 8,601</u>	<u>\$ 543,899</u>	<u>\$ 333,860</u>	<u>\$ 225,713</u>

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CITY OF FORT WAYNE  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 For The Year Ended December 31, 2007

	Urban Development Action Grant	Urban Enterprise Association	Emergency Shelter Grant	Public Safety Academy	Central City Housing	General Donation	Domestic Violence	Rainy Day Fund	Animal Care Donation	Animal Control Special Project	Barrett Law Surplus	Totals
Revenues:												
Taxes	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 2,589,239	\$ -	\$ -	\$ -	\$ 3,589,239
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	900,802
Intergovernmental	-	-	132,754	-	-	33,000	-	-	-	-	-	6,765,257
Charges for services	-	-	-	-	-	20,389	-	-	-	-	-	771,430
Fines and forfeits	-	-	-	-	-	14,591	-	-	-	-	-	672,076
Other	17,743	315,884	-	1,523,644	243	263,964	-	-	141,517	105,821	103,487	3,299,452
Total revenues	17,743	315,884	132,754	2,523,644	243	331,944	-	2,589,239	141,517	105,821	103,487	15,998,256
Expenditures:												
Current:												
General government	-	-	-	-	-	87,614	-	-	-	-	98,372	2,681,896
Public safety	-	-	-	491,666	-	127,169	6,703	-	-	-	-	2,992,078
Health and welfare	-	-	-	-	-	-	-	-	86,747	142,055	-	228,802
Economic development	-	315,884	-	-	-	82,581	-	-	-	-	-	408,502
Urban redevelopment and housing	-	-	132,754	-	1,980	-	-	-	-	-	-	4,282,003
Total expenditures	-	315,884	132,754	491,666	1,980	297,364	6,703	-	86,747	142,055	98,372	10,593,281
Excess (deficiency) of revenues over (under) expenditures	17,743	-	-	2,031,978	(1,737)	34,580	(6,703)	2,589,239	54,770	(36,234)	5,115	5,404,975
Other financing sources (uses):												
Transfers in	-	-	2,952	314,291	-	34,345	-	-	-	10,000	-	982,864
Transfers out	-	-	-	(739,888)	-	-	-	-	-	(10,000)	-	(753,627)
Total other financing sources (uses)	-	-	2,952	(425,597)	-	34,345	-	-	-	-	-	229,237
Net change in fund balances	17,743	-	2,952	1,606,381	(1,737)	68,925	(6,703)	2,589,239	54,770	(36,234)	5,115	5,634,212
Fund balances - beginning	478,583	-	(2,952)	(1,752,089)	25,183	464,001	2,084	-	365,837	115,984	174,551	2,873,415
Fund balances - ending	\$ 496,326	\$ -	\$ -	\$ (145,708)	\$ 23,446	\$ 532,926	\$ (4,619)	\$ 2,589,239	\$ 420,607	\$ 79,750	\$ 179,666	\$ 8,507,627

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, 2007

	Renaissance Pointe	Equipment Purchase	Cumulative Capital Improvement	2001 Safety Bond	Building Project	Barrett Law Commercial	Barrett Law Revolving Improvement	Totals
Revenues:								
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,913	\$ 1,036,908	\$ 1,100,821
Intergovernmental	-	-	878,398	-	-	-	-	878,398
Other	593,821	229,430	88,494	-	590,632	135	6,551	1,509,063
Total revenues	593,821	229,430	966,892	-	590,632	64,048	1,043,459	3,488,282
Expenditures:								
Debt service:								
Principal	-	-	-	-	1,950,000	-	-	1,950,000
Interest	-	-	-	-	1,278,789	-	-	1,278,789
Capital outlay	1,599,649	8,559,360	772,206	176	15,513,945	-	929,112	27,374,448
Total expenditures	1,599,649	8,559,360	772,206	176	18,742,734	-	929,112	30,603,237
Excess (deficiency) of revenues over (under) expenditures	(1,005,828)	(8,329,930)	194,686	(176)	(18,152,102)	64,048	114,347	(27,114,955)
Other financing sources (uses):								
Transfers in	1,615,000	-	1,162,500	526	2,305,000	30,000	-	5,113,026
Transfers out	-	-	(735,000)	-	-	-	(30,000)	(765,000)
Capital leases issued	-	8,560,000	-	-	-	-	-	8,560,000
Total other financing sources (uses)	1,615,000	8,560,000	427,500	526	2,305,000	30,000	(30,000)	12,908,026
Net change in fund balances	609,172	230,070	622,186	350	(15,847,102)	94,048	84,347	(14,206,929)
Fund balances - beginning	2,482	2,496,067	1,989,458	(350)	19,590,894	-	1,798,067	25,876,618
Fund balances - ending	\$ 611,654	\$ 2,726,137	\$ 2,611,644	\$ -	\$ 3,743,792	\$ 94,048	\$ 1,882,414	\$ 11,669,689

CITY OF FORT WAYNE  
 BUDGETARY COMPARISON SCHEDULES  
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2007

	Parking Meter				Law Enforcement Training				Cable Television			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final			Original	Final		
Revenues:												
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ 17,184	\$ 17,184	\$ 55,057	\$ 37,873	\$ 687,848	\$ 687,848	\$ 845,745	\$ 157,897
Charges for services	176,875	176,875	224,899	48,024	102,648	102,648	176,815	74,167	-	-	-	-
Fines and forfeits	-	-	-	-	30,108	30,108	37,406	7,298	-	-	-	-
Other	-	-	3,304	3,304	60	60	4,187	4,127	76,428	76,428	2,965	(73,463)
Total revenues	176,875	176,875	228,203	51,328	150,000	150,000	273,465	123,465	764,276	764,276	848,710	84,434
Expenditures:												
General government:												
Personal services	494,426	494,426	448,332	46,094	-	-	-	-	-	-	-	-
Supplies	24,392	24,392	14,180	10,212	-	-	-	-	1,000	1,000	-	1,000
Other services and charges	62,125	62,125	61,735	390	-	-	-	-	756,490	756,490	828,897	(72,407)
Capital outlay	35,265	35,265	32,194	3,071	-	-	-	-	-	-	7,882	(7,882)
Public safety:												
Other services and charges	-	-	-	-	186,000	186,000	160,997	25,003	-	-	-	-
Capital outlay	-	-	-	-	10,000	10,000	2,189	7,811	-	-	-	-
Total expenditures	616,208	616,208	556,441	59,767	196,000	196,000	163,186	32,814	757,490	757,490	836,779	(79,289)
Net change in fund balances	(439,333)	(439,333)	(328,238)	111,095	(46,000)	(46,000)	110,279	156,279	6,786	6,786	11,931	5,145
Fund balances - beginning	(136,136)	(136,136)	(136,136)	-	328,846	328,846	328,846	-	229,637	229,637	229,637	-
Fund balances - ending	\$ (575,469)	\$ (575,469)	\$ (464,374)	\$ 111,095	\$ 282,846	\$ 282,846	\$ 439,125	\$ 156,279	\$ 236,423	\$ 236,423	\$ 241,568	\$ 5,145

CITY OF FORT WAYNE  
 BUDGETARY COMPARISON SCHEDULES  
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2007

	Unsafe Building				Domestic Violence			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Fines and forfeits	\$ 59,549	\$ 59,549	\$ 59,549	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:								
Public safety:								
Supplies	-	-	-	-	150	150	129	21
Other services and charges	184,406	184,406	184,406	-	7,150	7,150	6,574	576
Capital outlay	144,079	144,079	144,079	-	-	-	-	-
Total expenditures	328,485	328,485	328,485	-	7,300	7,300	6,703	597
Other financing sources:								
Transfers in	464,047	464,047	464,047	-	-	-	-	-
Net change in fund balances	195,111	195,111	195,111	-	(7,300)	(7,300)	(6,703)	597
Fund balances - beginning	33,649	33,649	33,649	-	2,084	2,084	2,084	-
Fund balances - ending	\$ 228,760	\$ 228,760	\$ 228,760	\$ -	\$ (5,216)	\$ (5,216)	\$ (4,619)	\$ 597

CITY OF FORT WAYNE  
 BUDGETARY COMPARISON SCHEDULES  
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2007

	City Bond Redemption				Cumulative Capital Improvement			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 789,673	\$ 789,673	\$ 878,398	\$ 88,725
Other	-	-	-	-	1,424,000	1,424,000	88,494	(1,335,506)
Total revenues	-	-	-	-	2,213,673	2,213,673	966,892	(1,246,781)
Expenditures:								
Capital outlay	-	-	-	-	3,038,016	2,432,628	772,206	1,660,422
Other financing sources (uses):								
Transfers in	2,174,000	2,174,000	2,174,000	-	-	1,162,500	1,162,500	-
Transfers out	(2,174,000)	(2,174,000)	(2,174,000)	-	-	(735,000)	(735,000)	-
Total other financing sources	-	-	-	-	-	427,500	427,500	-
Net change in fund balances	-	-	-	-	(824,343)	208,545	622,186	413,641
Fund balances - beginning	-	-	-	-	1,989,458	1,989,458	1,989,458	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -	\$ 1,165,115	\$ 2,198,003	\$ 2,611,644	\$ 413,641

# Non-major Proprietary Funds

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

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

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

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

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

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

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

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

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

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

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

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



CITY OF FORT WAYNE  
 COMBINING STATEMENT OF NET ASSETS  
 NON-MAJOR ENTERPRISE FUNDS  
 December 31, 2007

	<u>Solid Waste Management</u>	<u>Civic Center Parking Garage</u>	<u>Midtowne Parking Garage</u>	<u>2001 Parking Garage Addition</u>	<u>Electric Utility</u>	<u>Yardwaste Facility</u>	<u>Totals</u>
<b>Assets</b>							
<b>Current assets:</b>							
Cash and cash equivalents	\$ 58,541	\$ 729,756	\$ 10,176	\$ -	\$ 262,711	\$ 179,184	\$ 1,240,368
Receivables:							
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	36,383	36,383
Miscellaneous receivable	1,150	8,579	-	-	-	-	9,729
Due from other funds	1,979,553	-	-	-	-	-	1,979,553
Prepaid expenses	19	2,352	-	-	-	-	2,371
<b>Total current assets</b>	<b>2,039,263</b>	<b>740,687</b>	<b>10,176</b>	<b>-</b>	<b>262,711</b>	<b>215,567</b>	<b>3,268,404</b>
<b>Noncurrent assets:</b>							
Restricted cash and cash equivalents	-	-	-	163,976	9,703	-	173,679
Restricted investments	-	-	-	-	35,170,089	-	35,170,089
Unamortized issuance cost	-	-	-	49,739	-	-	49,739
Capital assets:							
Land, improvements to land and construction in progress	-	997,802	-	-	110,703	-	1,108,505
Other capital assets (net of accumulated depreciation)	3,291,749	3,829,755	287,500	1,389,679	426,524	48,847	9,274,054
<b>Total noncurrent assets</b>	<b>3,291,749</b>	<b>4,827,557</b>	<b>287,500</b>	<b>1,603,394</b>	<b>35,717,019</b>	<b>48,847</b>	<b>45,776,066</b>
<b>Total assets</b>	<b>5,331,012</b>	<b>5,568,244</b>	<b>297,676</b>	<b>1,603,394</b>	<b>35,979,730</b>	<b>264,414</b>	<b>49,044,470</b>
<b>Liabilities</b>							
<b>Current liabilities:</b>							
Accounts payable	730,280	-	7,451	-	9,918	830	748,479
Due to other funds	-	-	-	-	-	5,958	5,958
Compensated absences payable - current portion	2,260	-	-	-	-	871	3,131
Capital lease payable - current portion	340,371	-	-	-	-	-	340,371
Revenue bonds and loans payable - current portion	-	273,571	-	70,000	-	-	343,571
Accrued interest payable	41,465	-	-	34,888	-	-	76,353
Other current liabilities	583,855	-	-	-	5,145	266	589,266
<b>Total current liabilities</b>	<b>1,698,231</b>	<b>273,571</b>	<b>7,451</b>	<b>104,888</b>	<b>15,063</b>	<b>7,925</b>	<b>2,107,129</b>
<b>Noncurrent liabilities:</b>							
Compensated absences payable	-	-	-	-	-	777	777
Capital lease payable	2,710,444	-	-	-	-	-	2,710,444
Loans payable	-	1,367,857	-	-	-	-	1,367,857
Revenue bonds payable (net of discounts/premiums)	-	-	-	1,370,000	-	-	1,370,000
Other noncurrent liabilities	-	-	-	-	20,484	-	20,484
<b>Total noncurrent liabilities</b>	<b>2,710,444</b>	<b>1,367,857</b>	<b>-</b>	<b>1,370,000</b>	<b>20,484</b>	<b>777</b>	<b>5,469,562</b>
<b>Total liabilities</b>	<b>4,408,675</b>	<b>1,641,428</b>	<b>7,451</b>	<b>1,474,888</b>	<b>35,547</b>	<b>8,702</b>	<b>7,576,691</b>
<b>Net assets</b>							
Invested in capital assets, net of related debt	240,934	3,186,129	287,500	(582)	537,227	48,847	4,300,055
Restricted for:							
Debt service	-	-	-	163,976	-	-	163,976
Community trust	-	-	-	-	35,179,792	-	35,179,792
Unrestricted	681,403	740,687	2,725	(34,888)	227,164	206,865	1,823,956
<b>Total net assets</b>	<b>\$ 922,337</b>	<b>\$ 3,926,816</b>	<b>\$ 290,225</b>	<b>\$ 128,506</b>	<b>\$ 35,944,183</b>	<b>\$ 255,712</b>	<b>\$ 41,467,779</b>

CITY OF FORT WAYNE  
 COMBINING STATEMENT OF NET ASSETS  
 INTERNAL SERVICE FUNDS  
 December 31, 2007

	Group Health Insurance	General and Auto Liability Insurance	Worker's Compensation	Garage	Totals
<u>Assets</u>					
Current assets:					
Cash and cash equivalents	\$ 2,579,095	\$ 513,163	\$ 905,501	\$ 669,993	\$ 4,667,752
Miscellaneous receivable	73,374	-	64	9,383	82,821
Due from other funds	-	-	-	254,247	254,247
Inventories	-	-	-	40,396	40,396
Prepaid expenses	-	5	-	102	107
	<u>2,652,469</u>	<u>513,168</u>	<u>905,565</u>	<u>974,121</u>	<u>5,045,323</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)	-	10,116	-	526,918	537,034
	<u>-</u>	<u>10,116</u>	<u>-</u>	<u>554,195</u>	<u>564,311</u>
Total noncurrent assets	-	10,116	-	554,195	564,311
Total assets	<u>2,652,469</u>	<u>523,284</u>	<u>905,565</u>	<u>1,528,316</u>	<u>5,609,634</u>
<u>Liabilities</u>					
Current liabilities:					
Accounts payable	177,501	180,645	6,411	187,888	552,445
Compensated absences payable - current portion	-	2,246	2,443	18,895	23,584
Accrued group insurance benefits payable	1,898,938	-	-	-	1,898,938
Other current liabilities	-	1,594,181	98,050	261,061	1,953,292
Capital lease payable - current portion	-	-	-	134,149	134,149
	<u>2,076,439</u>	<u>1,777,072</u>	<u>106,904</u>	<u>601,993</u>	<u>4,562,408</u>
Total liabilities	2,076,439	1,777,072	106,904	601,993	4,562,408
<u>Net assets</u>					
Invested in capital assets, net of related debt	-	10,116	-	554,195	564,311
Unrestricted	576,030	(1,263,904)	798,661	372,128	482,915
	<u>576,030</u>	<u>(1,263,904)</u>	<u>798,661</u>	<u>372,128</u>	<u>482,915</u>
Total net assets	<u>\$ 576,030</u>	<u>\$ (1,253,788)</u>	<u>\$ 798,661</u>	<u>\$ 926,323</u>	<u>\$ 1,047,226</u>

CITY OF FORT WAYNE  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
 NON-MAJOR ENTERPRISE FUNDS  
 For The Year Ended December 31, 2007

	Solid Waste Management	Civic Center Parking Garage	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals
Operating Revenues:							
Charges for goods and services	\$ 9,191,668	\$ 680,899	\$ 76,333	\$ 150,000	\$ -	\$ 107,590	\$ 10,206,490
Leases	-	34,326	-	-	1,740,000	-	1,774,326
Total operating revenues	<u>9,191,668</u>	<u>715,225</u>	<u>76,333</u>	<u>150,000</u>	<u>1,740,000</u>	<u>107,590</u>	<u>11,980,816</u>
Operating expenses:							
Personnel services	215,741	-	-	-	-	2,232	217,973
Contractual services	8,795,747	242,484	-	-	-	6,453	9,044,684
Utilities	1,119	48,423	-	-	-	-	49,542
Administrative services	-	-	-	-	15,879	27,821	43,700
Other supplies and services	184,579	21,420	83,896	-	279,415	20,651	589,961
Insurance claims and premiums	336	4,091	-	-	-	-	4,427
Depreciation	386,477	337,009	12,500	40,873	201,834	5,727	984,420
Total operating expenses	<u>9,583,999</u>	<u>653,427</u>	<u>96,396</u>	<u>40,873</u>	<u>497,128</u>	<u>62,884</u>	<u>10,934,707</u>
Operating income (loss)	<u>(392,331)</u>	<u>61,798</u>	<u>(20,063)</u>	<u>109,127</u>	<u>1,242,872</u>	<u>44,706</u>	<u>1,046,109</u>
Nonoperating revenues (expenses):							
Interest and investment revenue	14,725	-	88	3,475	3,017,852	-	3,036,140
Interest expense	(101,014)	-	-	(76,247)	-	-	(177,261)
Amortization of debt issuance costs	-	-	-	(3,553)	-	-	(3,553)
Miscellaneous expense	-	-	-	-	(41,168)	-	(41,168)
Total nonoperating revenue (expenses)	<u>(86,289)</u>	<u>-</u>	<u>88</u>	<u>(76,325)</u>	<u>2,976,684</u>	<u>-</u>	<u>2,814,158</u>
Income (loss) before contributions and transfers	<u>(478,620)</u>	<u>61,798</u>	<u>(19,975)</u>	<u>32,802</u>	<u>4,219,556</u>	<u>44,706</u>	<u>3,860,267</u>
Transfers in	417,235	-	-	-	-	-	417,235
Transfers out	<u>(752,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,162,500)</u>	<u>-</u>	<u>(1,914,500)</u>
Change in net assets before cumulative effect of change in accounting estimate	<u>(813,385)</u>	<u>61,798</u>	<u>(19,975)</u>	<u>32,802</u>	<u>3,057,056</u>	<u>44,706</u>	<u>2,363,002</u>
Cumulative effect of change in accounting estimate (See Note 18)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,700</u>	<u>1,700</u>
Change in net assets after cumulative effect of change in accounting estimate	<u>(813,385)</u>	<u>61,798</u>	<u>(19,975)</u>	<u>32,802</u>	<u>3,057,056</u>	<u>46,406</u>	<u>2,364,702</u>
Total net assets - beginning	<u>1,735,722</u>	<u>3,865,018</u>	<u>310,200</u>	<u>95,704</u>	<u>32,887,127</u>	<u>209,306</u>	<u>39,103,077</u>
Total net assets - ending	<u>\$ 922,337</u>	<u>\$ 3,926,816</u>	<u>\$ 290,225</u>	<u>\$ 128,506</u>	<u>\$ 35,944,183</u>	<u>\$ 255,712</u>	<u>\$ 41,467,779</u>

CITY OF FORT WAYNE  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
 INTERNAL SERVICE FUNDS  
 For The Year Ended December 31, 2007

	Group Health Insurance	General and Auto Liability Insurance	Worker's Compensation	Garage	Totals
Operating Revenues:					
Charges for goods and services	\$ -	\$ -	\$ -	\$ 5,963,269	\$ 5,963,269
City contributions	18,310,847	1,344,929	589,395	-	20,245,171
Employee contributions	1,926,778	-	-	-	1,926,778
<b>Total operating revenues</b>	<b>20,237,625</b>	<b>1,344,929</b>	<b>589,395</b>	<b>5,963,269</b>	<b>28,135,218</b>
Operating expenses:					
Personnel services	127,748	172,258	120,856	212,310	633,172
Contractual services	28,233	1,011,645	107,170	3,083,895	4,230,943
Utilities	775	770	174	55,744	57,463
Other supplies and services	8,479	5,049	17,719	2,526,784	2,558,031
Insurance claims and premiums	19,039,576	1,722,179	301,829	2,965	21,066,549
Depreciation	-	2,980	-	37,703	40,683
<b>Total operating expenses</b>	<b>19,204,811</b>	<b>2,914,881</b>	<b>547,748</b>	<b>5,919,401</b>	<b>28,586,841</b>
<b>Operating income (loss)</b>	<b>1,032,814</b>	<b>(1,569,952)</b>	<b>41,647</b>	<b>43,868</b>	<b>(451,623)</b>
Nonoperating revenues:					
Interest and investment revenue	28,008	30,513	73	4,989	63,583
Miscellaneous revenue	250,702	65,573	5,939	18,519	340,733
<b>Total nonoperating revenue</b>	<b>278,710</b>	<b>96,086</b>	<b>6,012</b>	<b>23,508</b>	<b>404,316</b>
<b>Income (loss) before contributions and transfers</b>	<b>1,311,524</b>	<b>(1,473,866)</b>	<b>47,659</b>	<b>67,376</b>	<b>(47,307)</b>
<b>Change in net assets</b>	<b>1,311,524</b>	<b>(1,473,866)</b>	<b>47,659</b>	<b>67,376</b>	<b>(47,307)</b>
<b>Total net assets - beginning</b>	<b>(735,494)</b>	<b>220,078</b>	<b>751,002</b>	<b>858,947</b>	<b>1,094,533</b>
<b>Total net assets - ending</b>	<b>\$ 576,030</b>	<b>\$ (1,253,788)</b>	<b>\$ 798,661</b>	<b>\$ 926,323</b>	<b>\$ 1,047,226</b>

CITY OF FORT WAYNE  
 COMBINING STATEMENT OF CASH FLOWS  
 NON-MAJOR ENTERPRISE FUNDS  
 For The Year Ended December 31, 2007

	Solid Waste Management	Civic Center Parking Garage	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals
<b>Cash flows from operating activities:</b>							
Receipts from customers and users	\$ 8,456,017	\$ 706,644	\$ 76,333	\$ 150,000	\$ -	\$ 91,451	\$ 9,480,445
Receipts from leases	-	-	-	-	1,740,000	-	1,740,000
Payments to suppliers	(8,299,546)	(316,526)	(76,445)	-	(290,456)	(52,169)	(9,035,142)
Payments to employees	(215,955)	-	-	-	(3,817)	(2,232)	(222,004)
Net cash provided (used) by operating activities	(59,484)	390,118	(112)	150,000	1,445,727	37,050	1,963,299
<b>Cash flows from noncapital financing activities:</b>							
Transfer from other funds	417,235	-	-	-	-	-	417,235
Transfer to other funds	(752,000)	-	-	-	(1,162,500)	-	(1,914,500)
Net cash used by noncapital financing activities	(334,765)	-	-	-	(1,162,500)	-	(1,497,265)
<b>Cash flows from capital and related financing activities:</b>							
Acquisition and construction of capital assets	(89,797)	-	-	-	-	(5,498)	(95,295)
Principal paid on capital debt	(329,741)	(273,571)	-	(70,000)	-	-	(673,312)
Interest paid on capital debt	(101,014)	-	-	(77,655)	-	-	(178,669)
Net cash used by capital and related financing activities	(520,552)	(273,571)	-	(147,655)	-	(5,498)	(947,276)
<b>Cash flows from investing activities:</b>							
Proceeds from sales and maturities of investments	-	-	-	-	2,283,018	-	2,283,018
Purchase of investments	-	-	-	-	(5,147,376)	-	(5,147,376)
Investment income received	14,725	-	88	3,475	2,593,102	-	2,611,390
Net cash provided (used) by investing activities	14,725	-	88	3,475	(271,256)	-	(252,968)
Net increase (decrease) in cash and cash equivalents	(900,076)	116,547	(24)	5,820	11,971	31,552	(734,210)
Cash and cash equivalents, January 1	958,617	613,209	10,200	158,156	260,443	147,632	2,148,257
Cash and cash equivalents, December 31	\$ 58,541	\$ 729,756	\$ 10,176	\$ 163,976	\$ 272,414	\$ 179,184	\$ 1,414,047
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>							
Operating income (loss)	\$ (392,331)	\$ 61,798	\$ (20,063)	\$ 109,127	\$ 1,242,872	\$ 44,706	\$ 1,046,109
<b>Adjustments to reconcile operating income to net cash provided (used) by operating activities:</b>							
Depreciation expense	386,477	337,009	12,500	40,873	201,834	5,727	984,420
<b>(Increase) decrease in assets:</b>							
Miscellaneous receivable	-	(8,581)	-	-	-	(16,139)	(24,720)
Due from other funds	(735,652)	-	-	-	-	-	(735,652)
Prepaid items	(1)	(108)	-	-	-	-	(109)
<b>Increase (decrease) in liabilities:</b>							
Accounts payable	98,381	-	7,451	-	1,021	2,756	109,609
Contracts payable	583,855	-	-	-	-	-	583,855
Compensated absences payable	(213)	-	-	-	-	-	(213)
Total adjustments	332,847	328,320	19,951	40,873	202,855	(7,656)	917,190
Net cash provided (used) by operating activities	\$ (59,484)	\$ 390,118	\$ (112)	\$ 150,000	\$ 1,445,727	\$ 37,050	\$ 1,963,299
<b>Noncash investing, capital and financing activities:</b>							
Interfund fixed asset contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,733	\$ 49,733
Unrealized gain on investments	-	-	-	-	586,098	-	586,098

CITY OF FORT WAYNE  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 For The Year Ended December 31, 2007

	Group Health Insurance	General and Auto Liability Insurance	Worker's Compensation	Garage	Totals
Cash flows from operating activities:					
Receipts from customers and users	\$ 20,456,698	\$ 1,416,599	\$ 595,271	\$ 5,967,347	\$ 28,435,915
Payments to suppliers	(18,979,353)	(1,686,374)	(404,079)	(5,525,820)	(26,595,626)
Payments to employees	(127,748)	(171,632)	(121,013)	(207,761)	(628,154)
Net cash provided (used) by operating activities	<u>1,349,597</u>	<u>(441,407)</u>	<u>70,179</u>	<u>233,766</u>	<u>1,212,135</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	-	-	-	(8,522)	(8,522)
Principal paid on capital debt	-	-	-	(15,851)	(15,851)
Net cash used by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(24,373)</u>	<u>(24,373)</u>
Cash flows from investing activities:					
Investment income received	<u>28,008</u>	<u>30,513</u>	<u>73</u>	<u>4,989</u>	<u>63,583</u>
Net increase (decrease) in cash and cash equivalents	1,377,605	(410,894)	70,252	214,382	1,251,345
Cash and cash equivalents, January 1	<u>1,201,490</u>	<u>924,057</u>	<u>835,249</u>	<u>455,611</u>	<u>3,416,407</u>
Cash and cash equivalents, December 31	<u>\$ 2,579,095</u>	<u>\$ 513,163</u>	<u>\$ 905,501</u>	<u>\$ 669,993</u>	<u>\$ 4,667,752</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 1,032,814	\$ (1,569,952)	\$ 41,647	\$ 43,868	\$ (451,623)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Nonoperating revenue	250,702	65,573	5,939	18,519	340,733
Depreciation expense	-	2,980	-	37,703	40,683
(Increase) decrease in assets:					
Miscellaneous receivable	(31,629)	5,913	(64)	(3,779)	(29,559)
Due from other funds	-	-	-	(10,662)	(10,662)
Inventories	-	-	-	(11,204)	(11,204)
Prepaid items	-	(5)	10	1,741	1,746
Increase (decrease) in liabilities:					
Accounts payable	(54,864)	74,628	2,987	153,032	175,783
Accrued group insurance benefits	152,574	-	-	-	152,574
Compensated absences payable	-	626	(157)	4,548	5,017
Other current liabilities	-	978,830	19,817	-	998,647
Total adjustments	<u>316,783</u>	<u>1,128,545</u>	<u>28,532</u>	<u>189,898</u>	<u>1,663,758</u>
Net cash provided (used) by operating activities	<u>\$ 1,349,597</u>	<u>\$ (441,407)</u>	<u>\$ 70,179</u>	<u>\$ 233,766</u>	<u>\$ 1,212,135</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.

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

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

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

CITY OF FORT WAYNE  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 PENSION TRUST FUNDS  
 December 31, 2007

	Pension Trust Funds			
	Fire Pension	Police Pension	Sanitary Officers' Pension	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 2,174,976	\$ 2,933,326	\$ 228,839	\$ 5,337,141
Receivables:				
Taxes	263,457	258,700	24,978	547,135
Miscellaneous	-	147	-	147
Investments at fair value:				
Participation in investment pools of other governments	<u>234,366</u>	<u>446,759</u>	<u>-</u>	<u>681,125</u>
Total assets	<u>2,672,799</u>	<u>3,638,932</u>	<u>253,817</u>	<u>6,565,548</u>
<u>Liabilities</u>				
Accrued payroll and deductions	<u>34,799</u>	<u>38,071</u>	<u>3,372</u>	<u>76,242</u>
<u>Net assets</u>				
Held in trust for:				
Employees' pension benefits	<u>\$ 2,638,000</u>	<u>\$ 3,600,861</u>	<u>\$ 250,445</u>	<u>\$ 6,489,306</u>



CITY OF FORT WAYNE  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 AGENCY FUNDS  
 December 31, 2007

Agency Funds

	FWNP Program	Allocated Expense Clearing	Payroll	Barrett Law Regular Waivered	Totals
<u>Assets</u>					
Cash and cash equivalents	\$ 23,319	\$ 108,191	\$ 4,318,181	\$ 1,871	\$ 4,451,562
Receivables:					
Miscellaneous	600	3,484	-	-	4,084
Loans	541,914	-	-	-	541,914
Investments at fair value:					
Certificates of deposit	-	-	-	5,000	5,000
<b>Total assets</b>	<b>\$ 565,833</b>	<b>\$ 111,675</b>	<b>\$ 4,318,181</b>	<b>\$ 6,871</b>	<b>\$ 5,002,560</b>
<u>Liabilities</u>					
Accounts payable	\$ 565,833	\$ 111,675	\$ -	\$ 6,871	\$ 684,379
Accrued payroll and deductions	-	-	4,318,181	-	4,318,181
<b>Total liabilities</b>	<b>\$ 565,833</b>	<b>\$ 111,675</b>	<b>\$ 4,318,181</b>	<b>\$ 6,871</b>	<b>\$ 5,002,560</b>

CITY OF FORT WAYNE  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 PENSION TRUST FUNDS  
 For The Year Ended December 31, 2007

	Fire Pension	Police Pension	Sanitary Officers' Pension	Totals
<u>Additions</u>				
Contributions:				
Employer	\$ 8,984,289	\$ 9,320,488	\$ 453,311	\$ 18,758,088
Plan members	14,987	12,602	1,179	28,768
Other	213	8,538	-	8,751
Investment income:				
Interest	18,665	34,635	1,437	54,737
Total additions	<u>9,018,154</u>	<u>9,376,263</u>	<u>455,927</u>	<u>18,850,344</u>
<u>Deductions</u>				
Benefits and refunds paid to plan members and beneficiaries	7,423,539	8,199,812	475,800	16,099,151
Administrative expenses	18,355	14,400	3,664	36,419
Total deductions	<u>7,441,894</u>	<u>8,214,212</u>	<u>479,464</u>	<u>16,135,570</u>
Changes in net assets	1,576,260	1,162,051	(23,537)	2,714,774
Net assets - beginning	<u>1,061,740</u>	<u>2,438,810</u>	<u>273,982</u>	<u>3,774,532</u>
Net assets - ending	<u>\$ 2,638,000</u>	<u>\$ 3,600,861</u>	<u>\$ 250,445</u>	<u>\$ 6,489,306</u>

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CITY OF FORT WAYNE  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
For The Year Ended December 31, 2007

	FWNP Program	Allocated Expense Clearing	Payroll	Barrett Law Regular Waivered	Totals
<b>Assets:</b>					
Cash and cash equivalents - January 1, 2007	\$ 7,295	\$ 9,223	\$ 4,059,218	\$ 100	\$ 4,075,836
Additions	31,713	1,558,718	141,289,244	11,500	142,891,175
Deductions	(15,689)	(1,459,750)	(141,030,281)	(9,729)	(142,515,449)
Cash and cash equivalents - December 31, 2007	<u>23,319</u>	<u>108,191</u>	<u>4,318,181</u>	<u>1,871</u>	<u>4,451,562</u>
Investments - January 1, 2007	-	-	-	7,000	7,000
Additions	-	-	-	9,500	9,500
Deductions	-	-	-	(11,500)	(11,500)
Investments - December 31, 2007	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Other assets - January 1, 2007	553,566	3,367	-	-	556,933
Additions	35,695	399,277	-	-	434,972
Deductions	(46,747)	(399,160)	-	-	(445,907)
Other assets - December 31, 2007	<u>542,514</u>	<u>3,484</u>	<u>-</u>	<u>-</u>	<u>545,998</u>
<b>Total assets - December 31, 2007</b>	<u><u>\$ 565,833</u></u>	<u><u>\$ 111,675</u></u>	<u><u>\$ 4,318,181</u></u>	<u><u>\$ 6,871</u></u>	<u><u>\$ 5,002,560</u></u>
<b>Liabilities:</b>					
Payables - January 1, 2007	\$ 560,861	\$ 12,590	\$ 4,059,218	\$ 7,100	\$ 4,639,769
Additions	37,098	3,173,303	183,152,245	-	186,362,646
Deductions	(32,126)	(3,074,218)	(182,893,282)	(229)	(185,999,855)
Payables - December 31, 2007	<u>565,833</u>	<u>111,675</u>	<u>4,318,181</u>	<u>6,871</u>	<u>5,002,560</u>
<b>Total liabilities - December 31, 2007</b>	<u><u>\$ 565,833</u></u>	<u><u>\$ 111,675</u></u>	<u><u>\$ 4,318,181</u></u>	<u><u>\$ 6,871</u></u>	<u><u>\$ 5,002,560</u></u>

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# STATISTICAL SECTION



## Statistical Section

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

### Contents

### Schedule

#### **Financial Trends**

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

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#### **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.

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#### **Demographic and Economic Information**

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

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#### **Operating Information**

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

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

	<b>FISCAL YEAR</b>					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities						
Invested in capital assets, net of related debt	\$ 447,900,757	\$ 474,569,833	\$ 508,789,081	\$ 458,516,651	\$ 533,702,894	\$ 589,350,242
Restricted	-	(65,058,338)	-	-	-	-
Unrestricted	18,026,535	47,479,838	(23,697,714)	19,367,230	26,886,506	(2,400,493)
Total governmental activities net assets	<u>\$ 465,927,292</u>	<u>\$ 456,991,333</u>	<u>\$ 485,091,367</u>	<u>\$ 477,883,881</u>	<u>\$ 560,589,400</u>	<u>\$ 586,949,749</u>
Business-type activities						
Invested in capital assets, net of related debt	\$ 282,748,586	\$ 303,383,318	\$ 328,189,954	\$ 349,671,981	\$ 320,404,006	\$ 386,420,190
Restricted	42,617,304	43,828,934	46,047,504	46,839,484	96,920,622	110,423,778
Unrestricted	27,797,668	25,694,838	14,607,656	14,560,385	9,776,256	(48,810,671)
Total business-type activities net assets	<u>\$ 353,163,558</u>	<u>\$ 372,907,090</u>	<u>\$ 388,845,114</u>	<u>\$ 411,071,850</u>	<u>\$ 427,100,884</u>	<u>\$ 448,033,297</u>
Primary government						
Invested in capital assets, net of related debt	\$ 730,649,343	\$ 777,953,151	\$ 836,979,035	\$ 808,188,632	\$ 854,106,900	\$ 975,770,432
Restricted	42,617,304	(21,229,404)	46,047,504	46,839,484	96,920,622	110,423,778
Unrestricted	45,824,203	73,174,676	(9,090,058)	33,927,615	36,662,762	(51,211,164)
Total primary government net assets	<u>\$ 819,090,850</u>	<u>\$ 829,898,423</u>	<u>\$ 873,936,481</u>	<u>\$ 888,955,731</u>	<u>\$ 987,690,284</u>	<u>\$ 1,034,983,046</u>

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

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

	FISCAL YEAR					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Expenses</b>						
Governmental activities:						
General government	\$ 29,474,256	\$ 32,060,690	\$ 33,415,208	\$ 36,908,051	\$ 34,267,228	\$ 43,293,115
Public safety	35,038,719	91,028,917 (A)	80,775,673	80,640,428	85,874,761	73,322,973
Highways and streets	19,642,865	21,542,069	16,275,839	15,420,566	16,622,514	18,421,359
Sanitation	24,333	2,416	11,650	3,200	-	-
Health and welfare	1,783,695	1,874,292	1,978,936	1,913,439	2,048,561	2,061,814
Economic opportunity	585,519	537,038	539,527	563,393	633,818	676,725
Economic development	2,704,968	12,224,524	12,807,160	17,909,374	14,280,814	16,881,930
Culture and recreation	15,921,185	15,503,106	15,208,568	14,055,443	15,147,975	16,713,524
Urban redevelopment and housing	3,553,529	8,018,354	7,725,149	10,420,374	12,274,740	13,925,691
Capital outlay	21,974,015	-	-	-	-	-
Interest on long-term debt	2,325,047	-	2,343,378	3,275,178	3,345,188	5,059,418
Total governmental activities expenses	<u>133,028,131</u>	<u>182,791,406</u>	<u>171,081,088</u>	<u>181,109,446</u>	<u>184,495,599</u>	<u>190,356,549</u>
Business-type activities:						
Water	19,456,284	19,640,535	20,118,692	20,937,933	22,097,610	23,967,328
Wastewater	21,087,290	20,479,191	21,581,577	22,897,615	25,818,890	25,070,120
Stormwater	3,969,682	4,722,977	5,129,101	5,455,740	6,790,476	8,524,119
Parking garages	962,203	930,172	1,066,214	872,193	856,677	870,496
Solid waste	5,921,695	6,639,150	6,620,643	6,433,915	9,198,279	9,685,013
Other	1,062,046	510,025	906,619	567,938	548,601	601,180
Total business-type activities expenses	<u>52,459,200</u>	<u>52,922,050</u>	<u>55,422,846</u>	<u>57,165,334</u>	<u>65,310,533</u>	<u>68,718,256</u>
Total primary government expenses	<u>\$ 185,487,331</u>	<u>\$ 235,713,456</u>	<u>\$ 226,503,934</u>	<u>\$ 238,274,780</u>	<u>\$ 249,806,132</u>	<u>\$ 259,074,805</u>
<b>Program Revenues</b>						
Governmental activities:						
Charges for services:						
General government	\$ 22,078,050	\$ 25,809,371	\$ 26,065,716	\$ 14,782,844	\$ 16,928,556	\$ 15,541,243
Public safety	1,040,018	1,033,709	1,084,587	1,794,739	1,998,386	3,669,870
Highways and streets	2,593,991	3,788,484	2,749,257	4,731,776	1,927,137	2,796,825
Sanitation	-	-	-	-	-	-
Health and welfare	326,693	354,641	369,635	415,067	410,062	402,630
Economic opportunity	-	-	750	9,500	-	-
Economic development	393,043	515,399	412,003	291,359	272,422	294,763
Culture and recreation	4,489,757	4,542,137	4,919,555	5,039,482	4,095,331	3,629,892
Urban redevelopment and housing	-	62,746	67,143	83,523	84,484	191,034
Capital outlay	2,742,904	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-
Operating grants and contributions	19,665,141	21,993,897	20,073,260	19,726,510	24,136,110	29,823,769
Capital grants and contributions	-	-	-	-	83,827,988	-
Total governmental activities program revenues	<u>53,329,597</u>	<u>58,100,384</u>	<u>55,741,906</u>	<u>46,874,800</u>	<u>133,680,476</u>	<u>56,350,026</u>
Business-type activities:						
Charges for services:						
Water	24,454,057	24,049,050	24,006,361	24,840,923	25,849,920	30,122,226
Wastewater	29,777,177	28,386,482	29,123,296	30,797,618	28,495,423	34,681,439
Stormwater	4,818,263	5,063,904	5,242,971	5,842,887	9,440,089	9,386,794
Parking garages	1,188,968	972,886	890,030	814,664	824,206	941,558
Solid waste	6,086,845	6,397,489	6,763,694	8,090,087	9,179,821	9,191,668
Other	1,823,471	1,859,519	1,831,641	1,835,883	1,928,780	1,847,590
Operating grants and contributions	-	-	-	-	-	-
Capital grants and contributions	6,014,432	7,451,375	4,237,355	7,657,241	4,812,222	2,261,521
Total business-type activities program revenues	<u>74,163,213</u>	<u>74,180,705</u>	<u>72,095,348</u>	<u>79,879,303</u>	<u>80,530,461</u>	<u>88,432,796</u>
Total primary government program revenues	<u>\$ 127,492,810</u>	<u>\$ 132,281,089</u>	<u>\$ 127,837,254</u>	<u>\$ 126,754,103</u>	<u>\$ 214,210,937</u>	<u>\$ 144,782,822</u>
<b>Net (Expense)/Revenue</b>						
Governmental activities	\$ (79,698,534)	\$ (124,691,022)	\$ (115,339,182)	\$ (134,234,646)	\$ (50,815,123)	\$ (134,006,523)
Business-type activities	21,704,013	21,258,655	16,672,502	22,713,969	15,219,928	19,714,540
Total primary government net expense	<u>\$ (57,994,521)</u>	<u>\$ (103,432,367)</u>	<u>\$ (98,666,680)</u>	<u>\$ (111,520,677)</u>	<u>\$ (35,595,195)</u>	<u>\$ (114,291,983)</u>

Continued on next page



**General Revenues and Other Changes in Net Assets**

Governmental activities:

Taxes						
Property Taxes	\$ 61,745,606	\$ 59,519,121	\$ 80,344,000 (B)	\$ 76,008,208	\$ 81,710,470	\$ 101,530,616
CEDIT	14,211,116	14,514,745	15,830,142	16,206,853	18,559,384	22,639,824
Other tax	17,376,009	18,754,745	18,222,124	23,368,053	19,465,162	22,721,936
Grants and contributions not restricted to a specific program	-	14,096,020	20,608,081	-	-	-
Unrestricted investment earnings	1,410,177	655,507	538,372	2,057,818	3,501,707	2,648,235
Refunds and reimbursements	414,771	783,150	239,812	551,582	676,499	554,435
Other	1,614,300	2,739,993	3,678,570	4,564,806	4,538,422	5,329,916
Transfers	179,774	4,691,782	3,978,115	4,269,840	5,068,998	4,941,910
Special items:						
Net pension obligation	(2,703,416)	-	-	-	-	-
Total governmental activities	<u>94,248,337</u>	<u>115,755,063</u>	<u>143,439,216</u>	<u>127,027,160</u>	<u>133,520,642</u>	<u>160,366,872</u>
Business-type activities:						
Unrealized gain	-	3,385,848	1,505,331	-	-	-
Unrestricted investment earnings	1,808,555	1,711,378	1,584,415	3,745,919	5,871,663	6,925,750
Other	27,352	19,767	153,891	36,688	6,441	-
Transfers	(179,774)	(4,691,782)	(3,978,115)	(4,269,840)	(5,068,998)	(4,941,910)
Special items:						
Loss on abandonment	-	(1,940,334)	-	-	-	-
Change in accounting estimate	-	-	-	-	-	(765,967)
Unrealized loss	(2,374,026)	-	-	-	-	-
Total business-type activities	<u>(717,893)</u>	<u>(1,515,123)</u>	<u>(734,478)</u>	<u>(487,233)</u>	<u>809,106</u>	<u>1,217,873</u>
Total primary government	<u>\$ 93,530,444</u>	<u>\$ 114,239,940</u>	<u>\$ 142,704,738</u>	<u>\$ 126,539,927</u>	<u>\$ 134,329,748</u>	<u>\$ 161,584,745</u>

**Change in Net Assets**

Governmental activities	\$ 14,549,803	\$ (8,935,959)	\$ 28,100,034	\$ (7,207,486)	\$ 82,705,519 (C)	\$ 26,360,349
Business-type activities	20,986,120	19,743,532	15,938,024	22,226,736	16,029,034	20,932,413
Total primary government	<u>\$ 35,535,923</u>	<u>\$ 10,807,573</u>	<u>\$ 44,038,058</u>	<u>\$ 15,019,250</u>	<u>\$ 98,734,553</u>	<u>\$ 47,292,762</u>

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

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

(C) Increase from 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 and will report this statistical table retroactively to 2002 as permitted by GASB Statement 44.

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

	<b>FISCAL YEAR</b>					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund						
Reserved	\$ 1,092,444	\$ 873,348	\$ 833,316	\$ 370,046	\$ 567,547	\$ 773,156
Unreserved	13,412,055	3,296,417	9,730,849	12,332,693	10,430,841	13,748,285
Total general fund	<u>\$ 14,504,499</u>	<u>\$ 4,169,765</u>	<u>\$ 10,564,165</u>	<u>\$ 12,702,739</u>	<u>\$ 10,998,388</u>	<u>\$ 14,521,441</u>
All Other Governmental Funds						
Reserved	\$ 13,078,526	\$ 11,616,607	\$ 18,881,377	\$ 18,039,151	\$ 17,005,413	\$ 35,711,349
Unreserved, reported in:						
Special revenue funds	17,376,722	7,178,464	9,288,118	20,971,859	16,538,405	15,149,846
Capital projects funds	28,954,802	25,213,460	19,499,885	59,135,314	75,742,600	35,469,432
Total all other governmental funds	<u>\$ 59,410,050</u>	<u>\$ 44,008,531</u>	<u>\$ 47,669,380</u>	<u>\$ 98,146,324</u>	<u>\$ 109,286,418</u>	<u>\$ 86,330,627</u>
Total all funds	<u>\$ 73,914,549</u>	<u>\$ 48,178,296</u>	<u>\$ 58,233,545</u>	<u>\$ 110,849,063</u>	<u>\$ 120,284,806</u>	<u>\$ 100,852,068</u>

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

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

	<b>FISCAL YEAR</b>					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Revenues</b>						
Taxes	\$ 104,335,731	\$ 84,442,388	\$ 124,763,838	\$ 115,506,409	\$ 121,346,167	\$ 143,367,188
Special assessments	2,631,391	1,882,144	1,467,452	884,628	624,104	1,100,821
Licenses and permits	2,355,775	2,512,925	2,518,200	2,551,928	2,770,726	2,918,642
Intergovernmental	19,230,444	17,306,137	16,030,237	21,293,218	20,655,668	21,024,827
Charges for services	9,827,560	9,556,187	8,934,918	11,588,833	11,391,877	11,829,982
Fines and forfeits	1,684,280	1,765,081	1,835,584	1,782,439	2,086,280	2,235,376
Other revenues	4,810,585	8,392,607	5,478,327	7,922,217	9,810,233	11,808,418
<b>Total revenues</b>	<u>\$ 144,875,766</u>	<u>\$ 125,857,469</u>	<u>\$ 161,028,556</u>	<u>\$ 161,529,672</u>	<u>\$ 168,685,055</u>	<u>\$ 194,285,254</u>
<b>Expenditures</b>						
General government	11,677,038	11,857,168	12,428,283	12,783,421	14,304,380	16,778,706
Public safety	62,302,119	67,994,305	71,167,443	75,850,684	81,888,043	88,331,161
Highways and streets	18,867,710	20,842,092	20,435,369	19,297,784	19,156,312	21,605,191
Sanitation	24,333	2,416	11,650	3,200	-	-
Health and welfare	1,679,614	1,833,456	1,948,213	2,091,874	2,277,770	2,455,757
Economic opportunity	585,519	537,038	539,527	563,393	633,818	676,725
Economic development	2,704,968	3,185,647	2,989,073	3,011,176	2,374,777	2,613,308
Culture and recreation	16,183,009	16,148,620	17,818,095	15,699,132	17,411,791	20,682,816
Urban redevelopment and housing	3,578,450	3,092,572	8,176,225	11,543,846	13,245,625	23,873,279
Capital outlay	35,097,784	26,778,874	15,721,064	24,634,068	29,176,837	43,204,117
Debt service						
Principal	7,126,429	5,317,097	7,929,184	7,207,598	8,250,899	9,105,532
Interest	2,273,583	1,620,950	1,440,734	2,825,005	3,944,739	4,221,037
Bond issuance costs	218,333	101,653	-	1,275,140	493,419	-
<b>Total expenditures</b>	<u>162,318,889</u>	<u>159,311,888</u>	<u>160,604,860</u>	<u>176,786,321</u>	<u>193,158,410</u>	<u>233,547,629</u>
Excess of revenues over (under) expenditures	(17,443,123)	(33,454,419)	423,696	(15,256,649)	(24,473,355)	(39,262,375)
<b>Other Financing Sources (Uses)</b>						
Transfers in	15,051,034	23,492,170	16,297,753	17,811,315	29,753,688	24,523,935
Transfers out	(15,621,260)	(18,800,388)	(12,341,200)	(13,550,782)	(24,699,590)	(19,582,025)
Bonds issued	-	-	-	59,215,000	20,825,000	-
Premium on bond issuance	-	-	-	453,094	-	-
First mortgage bonds issued	1,035,000	6,781,384	-	-	-	-
First mortgage bond payments	-	(6,655,000)	-	-	-	-
Revenue bonds issued	10,225,000	-	-	-	-	-
Loans issued	-	-	-	-	-	1,500,000
Bond anticipation note issued	4,300,000	-	-	-	-	-
Capital leases	5,126,000	2,900,000	5,675,000	3,943,540	8,030,000	13,387,727
<b>Total other financing sources (uses)</b>	<u>20,115,774</u>	<u>7,718,166</u>	<u>9,631,553</u>	<u>67,872,167</u>	<u>33,909,098</u>	<u>19,829,637</u>
<b>Net change in fund balances</b>	<u>\$ 2,672,651</u>	<u>\$ (25,736,253)</u>	<u>\$ 10,055,249</u>	<u>\$ 52,615,518 (A)</u>	<u>\$ 9,435,743</u>	<u>\$ (19,432,738)</u>
Debt service as a percentage of noncapital expenditures	7.9%	5.6%	6.8%	6.8%	7.8%	7.6%

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

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

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

<b>Fiscal Year</b>	<b>(A) General Property</b>	<b>Excise</b>	<b>Wheel</b>	<b>Financial Institution</b>	<b>COIT</b>	<b>(B) CEDIT</b>	<b>Total</b>
<b>1998</b>	49,436,025	4,583,120	1,685,152	702,614	9,871,928	7,272,282	73,551,121
<b>1999</b>	52,455,541	4,640,148	1,832,232	723,372	10,303,279	15,947,191	85,901,763
<b>2000</b>	51,365,910	4,446,293	1,747,459	670,365	11,263,966	17,668,570	87,162,563
<b>2001</b>	53,055,807	5,162,619	1,796,199	652,631	17,548,884	25,162,654	103,378,794
<b>2002</b>	60,762,061	5,574,784	1,797,636	726,151	13,438,524	22,036,574	104,335,730
<b>2003</b>	47,977,202	5,740,641	1,760,953	772,984	10,703,146	17,487,462	84,442,388
<b>2004</b>	90,767,526	5,087,183	1,853,777	746,630	10,478,580	15,830,142	124,763,838
<b>2005</b>	77,055,981	6,072,381	1,837,641	721,706	13,611,847	16,206,853	115,506,409
<b>2006</b>	82,206,070	6,040,667	1,889,604	697,578	11,929,264	18,582,984	121,346,167
<b>2007</b>	100,296,860	7,226,724	1,993,311	701,520	11,971,510	21,177,263	143,367,188

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

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

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

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

<b><u>Tax Collections Measurement:</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>	<b><u>2005</u></b>	<b><u>2004</u></b>	<b><u>2003</u></b>
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%

<b><u>Tax Collections Measurement:</u></b>	<b><u>2002</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>	<b><u>1999</u></b>	<b><u>1998</u></b>
Total Tax Levy	\$ 343,127,157	\$ 308,115,752	\$ 300,888,833	\$ 298,675,890	\$ 290,175,549
Current Tax Collections	\$ 324,143,475	\$ 306,771,546	\$ 297,308,400	\$ 291,497,902	\$ 287,919,723
Percent of Levy Collected	94.47%	99.56%	98.81%	97.60%	99.22%
Delinquent Tax Collections	\$ 10,442,943	\$ 11,186,590	\$ 11,253,948	\$ 9,043,097	\$ 8,448,399
Total Tax Collections	\$ 334,586,418	\$ 317,958,136	\$ 308,562,348	\$ 300,540,999	\$ 296,368,122
Percent of Total Tax Collections to Levy	97.51%	103.19%	102.55%	100.62%	102.13%
Outstanding Delinquent Taxes	\$ 16,300,389	\$ 13,378,002	\$ 13,119,784	\$ 13,339,890	\$ 11,020,067
Percent of Delinquent Taxes to Levy	4.75%	4.34%	4.36%	4.47%	3.80%

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>
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%
2002	5,606,420,503	5,606,420,503	1.1100	8.32%
2001	1,725,238,130	5,175,714,390	3.3301	1.13%
2000	1,705,890,178	5,117,670,534	3.3303	1.75%
1999	1,676,552,465	5,029,657,395	3.3459	5.59%
1998	1,587,789,669	4,763,369,007	3.3484	1.03%

**Average Annual Rate of Increase 8.38%**

- (A) A reassessment was completed in 1995 that is reflected in the values for 1996 - 2002. A reassessment was completed in 2002 that is reflected in the values for 2003 - 2006.
- (B) Assessed values for personal property are updated annually.
- (C) For the years 1996 - 2001, actual value is estimated at 3 times assessed value. For the years 2002 - 2006, assessed value reflects actual value.
- (D) Change in assessed valuation.
- (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 Increment Replacement Rate	(A) Total City	(B, C) Municipal Corporations	(B, C) School Districts	Allen County	(B, C) Townships and Other
1998	\$ 1.5800	\$ -	\$ 0.1955	\$ 0.1920	\$ 0.0152	\$ 0.0003	\$ -	\$ 1.0023	\$ 0.3491	\$ 0.0140	\$ -	\$ 3.3484	\$ 0.6453	\$ 4.8661	\$ 1.6130	\$ 0.2461
1999	1.6715	-	0.1500	0.1535	0.0195	0.0062	0.0003	0.9807	0.3639	0.0003	-	3.3459	0.6429	4.7493	1.7122	0.3014
2000	1.5318	-	0.1967	0.2505	0.0214	0.0020	0.0020	0.9537	0.3594	0.0128	-	3.3303	0.6465	4.7739	1.6881	0.3393
2001	1.5098	-	0.1999	0.1784	0.0209	0.0019	-	1.0607	0.3508	0.0077	-	3.3301	0.6503	4.7796	1.7948	0.3192
2002	0.5288	-	0.0233	0.0155	0.0069	0.0001	0.0005	0.4157	0.1146	0.0046	-	1.1100	0.2658	1.6064	0.5685	0.0966
2003	0.4275	-	0.0160	0.0188	0.0028	0.0001	-	0.3066	0.1023	0.0038	0.0067	0.8846	0.2026	1.2566	0.4229	0.0757
2004	0.4477	-	0.0264	0.0296	0.0053	0.0001	-	0.3313	0.0973	0.0044	-	0.9421	0.2007	1.4306	0.4746	0.0747
2005	0.5158	-	0.0272	0.0370	0.0059	0.0000	-	0.3613	0.0939	0.0049	-	1.0460	0.2206	1.4078	0.5452	0.1267
2006	0.5043	-	0.0367	0.0437	0.0059	0.0001	-	0.3765	0.1082	0.0041	-	1.0795	0.2243	1.4743	0.5675	0.0967
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

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

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

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

Source: From Published Rates for Wayne Township

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

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

<b>Taxpayer</b>	<b>2007</b>			<b>1998</b>		
	<b>(A) Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>	<b>(B) Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
GGP - Glenbrook LLC	\$ 185,388,970	1	1.89%	--	--	--
Verizon North (Formerly GTE North)	116,520,990	2	1.19%	19,772,230	3	1.25%
IOM Health System LP (Lutheran Network)	100,819,480	3	1.03%	--	--	--
IMI Jefferson Pointe LLC	80,936,200	4	0.82%	--	--	--
Indiana Michigan Power (Formerly AEP)	72,615,030	5	0.74%	19,087,830	5	1.21%
Regency Canterbury LP	66,910,800	6	0.68%	--	--	--
Rose Edward Development	57,198,950	7	0.58%	--	--	--
St Joseph Health System LLC	54,606,100	8	0.56%	--	--	--
Wal-Mart Real Estate Business	50,580,780	9	0.51%	--	--	--
Meijer Stores LP	43,964,330	10	0.45%	--	--	--
Dana Corporation	--	--	--	33,220,340	1	2.10%
General Electric	--	--	--	20,020,470	2	1.27%
Lake County Trust	--	--	--	19,357,370	4	1.22%
Slater Steel, Inc.	--	--	--	17,167,740	6	1.09%
Ohio Cubco/SuperValue Holding Inc.	--	--	--	14,905,640	7	0.94%
Environmental Properties LLC	--	--	--	14,585,700	8	0.92%
Sommerfeld Nicholas	--	--	--	10,484,860	9	0.66%
Nipsco	--	--	--	9,326,730	10	0.59%
<b>Total</b>	<b>\$ 829,541,630</b>		<b>8.44%</b>	<b>\$ 177,928,910</b>		<b>11.25%</b>

(A) Represents the taxable assessed valuations for taxes due and payable in 2007 within the corporation limits.

(B) Represents the taxable assessed valuations for taxes due and payable in 1998 within the corporation limits.

Source: Allen County Auditor's Office



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

Fiscal Year	Water				Sewer				
	(Meter Use) Monthly Base Rate	Rate per 748 gallons (Up to 18,675 gallons)	Rate per 748 gallons (From 18,676 gallons to 89,640 gallons)	Rate per 748 gallons (Over 89,640 gallons)	Monthly Base Rate	Rate per 748 gallons (Up to 18,675 gallons)	Rate per 748 gallons (From 18,676 gallons to 89,640 gallons)	Rate per 748 gallons (Over 89,640 gallons)	
<b>Inside City</b>									
2002	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94	
2003	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94	
2004	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94	
2005	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94	
1/1/06-8/31/06	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94	
9/1/06-12/31/06	7.30	1.49	1.33	1.24	2.22	1.94	1.94	1.94	
1/1/07-2/28/07	7.30	1.49	1.33	1.24	2.22	1.94	1.94	1.94	
3/1/07-12/31/07	7.30	1.49	1.33	1.24	2.78	2.43	2.43	2.43	
<b>Outside City</b>									
2002	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43	
2003	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43	
2004	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43	
2005	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43	
1/1/06-8/31/06	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43	
9/1/06-12/31/06	8.40	1.71	1.66	1.55	2.78	2.43	2.43	2.43	
1/1/07-2/28/07	8.40	1.71	1.66	1.55	2.78	2.43	2.43	2.43	
3/1/07-12/31/07	8.40	1.71	1.66	1.55	3.48	3.03	3.03	3.03	

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Source: City of Fort Wayne, City Utilities Accounting Department

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

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

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

(dollars in thousands)

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Debt Limit	\$ 333,605	\$ 442,871	\$ 157,293	\$ 148,698	\$ 153,419	\$ 195,670
Total net debt applicable to limit	<u>47,535</u>	<u>34,494</u>	<u>28,215</u>	<u>76,710 (B)</u>	<u>83,999</u>	<u>78,385</u>
Legal debt margin	<u>\$ 286,070</u>	<u>\$ 408,377</u>	<u>\$ 129,078</u>	<u>\$ 71,988</u>	<u>\$ 69,420</u>	<u>\$ 117,285</u>
Total net debt applicable to the limit as a percentage of debt limit	14.25%	7.79%	17.94%	51.59%	54.75%	40.06%

**Legal Debt Margin Calculation for Fiscal Year 2007**

Assessed adjusted value (Civil City)	\$ 3,274,730 (A)
Assessed adjusted value (Redevelopment District)	3,274,730 (A)
Assessed adjusted value (Park District)	<u>3,234,019 (A)</u>
<b>Total Assessed adjusted value</b>	<b>\$ 9,783,479</b>
Debt limit (2% of assessed adjusted value)	195,670
Debt applicable to limit:	
General obligation bonds	5,555
Special obligation bonds	63,865
Less: Amount set aside for repayment of debt	<u>8,965</u>
Total net debt applicable to limit	<u>78,385</u>
Legal debt margin	<u>\$ 117,285</u>

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

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

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

**Schedule 12**  
**City of Fort Wayne**  
**Direct and Overlapping Governmental Activities Debt,**  
**As of December 31, 2007**  
*(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	\$ 67,825	64.33%	\$ 43,634
Allen County	46,110	64.33%	29,664
Southwest Allen School District	91,605	56.28%	51,552
East Allen School District	56,070	16.30%	9,142
Fort Wayne Community Schools	110,344	92.75%	102,341
Northwest Allen School District	94,175	19.24%	18,123
Aboite Township	637	63.87%	407
Subtotal, overlapping debt			<u>\$ 254,863</u>
City direct debt			<u>\$ 69,420</u>
Total direct and overlapping debt			<u><u>\$ 324,283</u></u>

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

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

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

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

Fiscal Year	Governmental Activities						Business-Type Activities			Total Primary Government	(B) Percentage of Personal Income	(B) Per Capita
	General Obligation Bonds	Special Obligation Bonds (A)	First Mortgage Bonds	Capital Leases	Loans Payable	Mortgages Payable	Revenue Bonds	Capital Leases	Loans Payable			
2002	\$ 15,100	\$ 38,320	\$ 11,035	\$ 7,411	\$ 2,523	\$ 42	\$ 59,505	\$ -	\$ 5,608	\$ 139,544	2.28% (c)	\$ 663
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	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%	1,246

(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 2002-2006 have been revised on the 2007 Schedule 13.

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

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

**Schedule 14**  
**City of Fort Wayne**  
**Ratios of Net General Bonded Debt Outstanding,**  
**Last Six Fiscal Years**

*(dollars in thousands, except per capita)*

Fiscal Year	General Bonded Debt Outstanding			Total	Less: Funds Restricted for Debt Service	Net General Bonded Debt	(A)	(B)
	General Obligation Bonds	Special Obligation Bonds					Percentage of Actual Taxable Value of Property	Per Capita
2002	\$ 15,100	\$ 38,320		\$ 53,420	\$ 5,885	\$ 47,535	0.85%	\$ 225.88
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%	237.95

(A) See Schedule 7 for property value data.

(B) Population data can be found in Schedule 16.

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

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

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

Fiscal Year	Water Revenue Bonds						Sewer Revenue Bonds					
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2002	\$ 24,454	\$ 18,200	\$ 6,254	\$ 520	\$ 291	7.71	\$ 29,777	\$ 17,627	\$ 12,151	\$ 3,128	\$ 3,178	1.93
2003	24,049	19,467	4,583	2,110	517	1.74	28,386	19,003	9,383	3,330	3,894	1.30
2004	24,006	20,048	3,958	2,130	515	1.50	29,123	20,203	8,920	4,178	4,109	1.08
2005	24,841	20,369	4,472	2,075	448	1.77	30,798	20,676	10,122	5,148	5,371	0.96
2006	25,850	21,562	4,288	2,000	1,018	1.42	28,495	23,086	5,410	4,515	1,997	0.83
2007	30,122	22,280	7,842	1,480	952	3.22	34,681	22,489	12,192	4,705	2,195	1.77

Fiscal Year	Civic Center Parking Garage-1979 (C)						Parking Garage Addition-2001					
	Parking Garage Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Parking Garage Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2002	\$ 780	\$ 713	\$ 67	\$ 60	24	0.80	\$ 335	\$ 41	\$ 294	\$ -	\$ 85	3.47
2003	833	696	137	70	19	1.54	65	41	24	-	87	0.28
2004	644	845	(201) (A)	70	14	(2.39)	167	41	127	60	86	0.87
2005	596	636	(40) (A)	75	9	(0.48)	148	41	107	65	83	0.72
2006	752	647	105	85	3	1.19	-	41	(41) (B)	65	81	(0.28)
2007	715	653	62	-	-	-	150	41	109	70	77	0.74

Fiscal Year	Stormwater Revenue Bond-2006 (D)					
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2002	\$ 4,818	\$ 3,970	\$ 848	\$ -	\$ -	-
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	0.95

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

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

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

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

<b>Year</b>	<b>(A) Population</b>	<b>(B) Personal Income (thousands of dollars)</b>	<b>(C) Per Capita Personal Income</b>	<b>(D) Unemployment Rate</b>
2002	210,439	\$ 6,283,919 (E)	\$ 29,861 (E)	6.4% (E)
2003	220,486	6,536,307 (E)	29,645	6.8% (E)
2004	221,479	6,791,432 (E)	30,664	6.7% (E)
2005	224,913	7,134,690 (E)	31,722	5.6% (E)
2006	250,086	8,167,309 (E)	32,658 (E)	5.3% (E)
2007	254,062	N/A (F)	N/A (F)	5.2%

(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.  
Population number for 2007 was received from the Fort Wayne Community Development Division,  
City of Fort Wayne.

(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.

(E) These numbers have been revised in the 2007 Schedule 16.

(F) Not available at time of 2007 CAFR production.

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

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

<u>Employer</u>	<u>2007</u>			<u>1998</u>		
	<u>Employees</u>	<u>Rank</u>	(A) <u>% of Total</u>	<u>Employees</u>	<u>Rank</u>	(A) <u>% of Total</u>
Fort Wayne Community Schools	4,201	1	2.38%	3,298	1	1.69%
Parkview Health Systems (Formerly Parkview Memorial Hospital)	3,844	2	2.18%	2,730	4	1.40%
Lutheran Health Network (Formerly Lutheran Hospital)	3,432	3	1.95%	---	---	---
General Motors Truck & Bus Group	2,981	4	1.69%	3,156	2	1.61%
Allen County Government	1,964	5	1.11%	---	---	---
ITT Aerospace/Communications	1,910	6	1.08%	2,111	6	1.08%
City of Fort Wayne	1,896	7	1.08%	1,701	8	0.87%
Lincoln Financial Group (Formerly Lincoln National Corporation)	1,750	8	0.99%	2,978	3	1.52%
BFGoodrich Tire Manufacturing	1,502	9	0.85%	---	---	---
Scott's Food Stores, Inc.			0.00%	1,585	9	0.81%
Verizon Telephone (Formerly General Telephone)	1459	10	0.83%	2,187	5	1.12%
Dana Corporation	---	---	---	2,000	7	1.02%
General Electric	---	---	---	1,500	10	0.77%
<b>Total</b>	<b>23,480</b>		<b>14.16%</b>	<b>23,246</b>		<b>11.89%</b>

(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 6/9/2008.



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

<b>Function/Program</b>	<b>Full-time Equivalent Employees as of December 31,</b>					
	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
General Government	107	110	110	111	118	119
Public Safety						
Police	418	415	406	434	429	453
Fire	326	350	357	364	356	369
Civilians	241	250	243	214	226	215
Highways and streets	172	179	161	176	165	183
Health and welfare	33	31	34	35	35	37
Culture and recreation	163	172	164	161	147	148
Urban redevelopment and housing	20	19	18	42	43	44
Internal Services	7	8	7	7	8	8
Solid Waste	2	2	2	2	2	2
City Utilities						
Water	127	129	123	123	119	119
Sewage	78	78	83	88	88	86
Storm Water	17	23	24	22	21	19
Planning and Design	21	23	21	24	29	32
Engineering	18	17	20	18	18	18
Customer Relations	33	34	32	34	27	27
Administrative	24	22	22	20	21	20
<b>Total</b>	<b>1,804</b>	<b>1,857</b>	<b>1,825</b>	<b>1,872</b>	<b>1,852</b>	<b>1,896</b>

Source: City of Fort Wayne Payroll Department

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

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

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

<u>Function/Program</u>	<u>Fiscal Year</u>					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Government						
Board of Public Works						
Emerging business enterprise applicants	10	12	10	7	11	10
Worksite visits	130	40	20	40	40	35
Wage violations	24	32	25	53	22	39
Compliance workshops	2	2	2	3	3	3
Public Safety						
Police						
Calls for service	164,413	169,768	170,535	171,263	182,912	188,011
Fire Department						
Emergency medical runs	7,069	7,914	7,697	6,474	6,433	6,830
Fire rescue runs	7,379	7,528	7,800	10,574	10,566	11,291
Weight & Measures						
Scales inspected	750	1,158	1,254	1,257	1,257	1,278
Measuring devices inspected	2,353	4,145	5,589	6,318	5,851	4,910
Calibrations and tests conducted	669	758	491	2,039	2,506	14,281 (A)
Highways and streets						
Street Department						
Paving - miles of maintenance	18	18	15	15	16	16
Chip and seal - miles of maintenance	13	14	14	14	14	14
Crack sealing - miles of maintenance	60	75	75	75	96	79
Traffic Engineering						
Accident records and analysis	8,657	9,105	8,813	9,300	9,500	9,348
Fatal accident investigation	13	8	10	12	8	9
Development & Buildg. Plans Processed	N/A	N/A	N/A	234	208	218 (B)
Traffic counts conducted	10	36	45	30	50	40
Traffic studies conducted	148	142	180	180	190	200
Traffic investigations (complaints)	223	218	260	250	325	350
Traffic Signal Division						
New signals installed	7	7	3	5	6	5
Signals modernized	26	28	5	4	14	16
Signal accident repairs	51	40	23	50	36	31
Signal bulbs replaced (emergency/non-emergency)	10,208	9,743	9,820	1,004	10	54 (C)
Sign & Marking Division						
Signs manufactured	4,437	4,158	4,746	4,724	5,169	4,065 (D)
Street lanes marked - painted (miles)	321	596	633	657	719	759
Curb parking marked (feet)	26,043	12,995	29,566	23,663	21,037	12,271 (E)
Crosswalks marked	411	644	636	760	849	913
Lane arrows marked	434	483	795	883	822	950
Health and welfare						
Animals handled	13,251	13,756	13,871	14,023	15,919	15,719
Animals adopted	1,496	1,614	1,488	1,733	1,920	2,132
Animals euthanized	9,834	10,241	10,445	10,164	11,508	11,397
Bite cases	578	659	817	673	915	829
Education programs contacts	362,418	346,991	343,579	335,016	282,442	626,390 (F)

Continued on next page

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

<u>Function/Program</u>	<u>Fiscal Year</u>					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Urban redevelopment and housing						
Neighborhood Code Enforcement						
Emergency orders to repair	475	485	606	874	1,286	1,133
Emergency orders to demolish	79	71	55	173	93	56
Boardings	318	295	366	455	729	629
Demolitions - hearing affirmed	102	52	31	107	19	136 (G)
Water						
New connects	750	874	737	776	649	128
Consumption (millions of gallons)	9,266	8,581	8,241	8,639	8,310	8,408
Wastewater						
New connects	1,246	1,336	1,153	1,145	843	611
Sewage treatment (millions of gallons)	8,428	8,031	7,843	8,085	7,724	7,780

(A) The 2007 budget was increased to pay for more testing. In addition, the individual package testing, which comprise a significant part of the increase in testing, takes very little time to perform.

(B) Changed operating measure from "Plot Plans Processed" to "Dev. & Buildg. Plans Processed". Information is only available 2005 and forward.

(C) Replaced bulbs increased from 2006 to 2007 due to age of bulbs and maintaining INDOT bulbs that are replaced on a three year cycle.

(D) Decrease in annexations and special projects (i.e. numbering bus route signs and truck route signs).

(E) Decreased due to management decision to increase markings in driving lanes and decrease curb painting.

(F) Starting in 2007 Education program contacts consists of media contacts, website hits, and program attendance. Prior to 2007 Education program contacts consisted of students and scouts, number of students receiving monthly materials, adult participants, newsletter mailings, and media contacts.

(G) The 2007 budget was increased to pay for more demolitions.

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

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

<b><u>Function/Program</u></b>	<b>Fiscal Year</b>					
	<b><u>2002</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>
<b><u>Public Safety</u></b>						
Police						
Division outposts	-	-	-	3	4	4
Training academies	1	1	1	1	1	1
Fire						
Fire stations	14	16	16	18	18	18
Training academies	1	1	1	1	1	1
<b><u>Highways and streets</u></b>						
Underground cable in service (feet)	892,500	895,000	896,000	897,000	898,000	905,000
Number of street lights	30,094	30,646	30,825	31,382	32,594	33,174
Miles of streets	943	943	943	990	1,130	1,144
<b><u>Health and welfare</u></b>						
Animal Control						
Animal care centers	1	1	1	1	1	1
Patrol districts	3	3	3	3	3	3
<b><u>Culture and recreation</u></b>						
Acreage for parks and recreational areas	2,450	2,429	2,429	2,429	2,625	2,631
Parks and recreational areas	86	84	84	84	84	85
Gold courses	3	3	3	3	3	3
Swimming pools	4	4	4	4	4	4
<b><u>Water</u></b>						
Miles of water lines	964	976	992	996	1,005	1,016
Treatment capacity (million gallons/day)	72	72	72	72	72	72
<b><u>Wastewater</u></b>						
Miles of sewer/stormwater mains	1,572	1,604	1,653	1,685	1,685	1,725
Treatment capacity (million gallons/day)	60	60	60	60	60	60

Sour Various city departments.

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

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

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# **The City of Fort Wayne**

**One Main Street**

**Fort Wayne, Indiana 46802**

**(260) 427-1106**