

City of Fort Wayne, Indiana

2003 Comprehensive Annual Financial Report

For the Year ended December 31, 2003



Graham A. Richard
Mayor

Patricia A. Roller, CPA
City Controller

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**City of Fort Wayne, Indiana
Year Ended December 31, 2003**



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

**Karen C. Aiken
Deputy Controller**

**Valerie A. Ahr
Deputy Controller**

INTRODUCTION



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CITY OF FORT WAYNE

GRAHAM RICHARD, MAYOR

June 30, 2004

Dear Citizens:

I am pleased to present to you Fort Wayne's 2003 Comprehensive Annual Financial Report. This is an in-depth account of the City's financial status. This report demonstrates the City's willingness to provide you with a full and detailed explanation of how your tax dollars are managed.

We are committed to fiscally conservative management of your tax dollars. I think your review of this document will reveal the results of our efforts.

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

Sincerely,

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

Graham A. Richard
Mayor

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CITY OF FORT WAYNE

GRAHAM RICHARD, MAYOR

June 30, 2004

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

With this document, we submit the Comprehensive Annual Financial Report (CAFR) of the City of Fort Wayne for the fiscal year ended December 31, 2003. This is the fifteenth CAFR prepared by the City's financial staff. The fourteen 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, ratepayers, oversight bodies, and the capital markets, to gain maximum understanding of the financial activities, results of operations, and financial position of the various funds and account groups of the City of Fort Wayne. The CAFR is presented with that goal foremost in mind.

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

The Reporting Entity

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

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

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

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

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

The oversight body for the Civil City (governmental operations) is the Common Council of the City of Fort Wayne. The Council is composed of nine elected Council members who serve four-year terms, six of whom represent geographic councilmanic districts and three of whom are elected at-large. The oversight body for the City Utilities of Fort Wayne is the Board of Public Works. The Board of Public Works, as of December 31, 2003, composed of the Chairman of the Board of Public Works and two citizen members appointed by the Mayor.

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

Economic Condition and Outlook

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

Almost two-thirds of the area's jobs are evenly distributed between the manufacturing, service and retail sectors. The remaining one-third comes from the construction, finance and government sectors. Job growth has been primarily from expansion of existing businesses. The City of Fort Wayne has worked hard to retain 2,192 jobs and brought 840 new jobs to the City in 2003. The 2003 average wage continues to be approximately \$35,500.

In early 2000, the City's economic development objectives were refocused on gaining higher quality jobs in the manufacturing, service and technology sectors. The City, in collaboration with Allen County and the local Chamber of Commerce, created the Fort Wayne/Allen County Economic Development Alliance. This alliance is responsible for marketing our assets, which include a high quality of life, existing commercial building sites and an outstanding workforce, to new and expanding businesses. The Alliance became operational in the fourth quarter of 2000. Since its inception, the Alliance has been involved in nearly 50 projects that have retained more than 5,500 jobs and created 1,700 new jobs. The investment by these companies is approximately \$170 million.

Expansion of the Northeast Indiana Innovation Center (NIIC) in Fort Wayne is underway. This technology incubator nurtures start-up and emerging technology businesses. Originally begun in 2001 in the former Raytheon facilities, the NIIC broke ground in October 2003 on a 40,000 square foot technology center across from Indiana University-Purdue University at Fort Wayne (IPFW). The technology center also received designation from the State of Indiana as a Certified Technology Park.

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

Major Initiatives

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

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

The City is adding "ready-to-go" business sites to support expanding and new businesses. The Summit II Industrial Park was completed in 2001. Many infrastructure projects have been completed or are planned for 2002-03 to improve access to new and existing economic development and urban renewal areas in the City.

Public Safety initiatives include:

1. Restructuring of the police department to provide greater accessibility to the public, (implemented a quadrant system).
2. Improved handling of citizen calls by establishing the Neighborhood Response Team comprising five police officers and a command personnel.
3. Preparation for convicted offenders' reentry to the community in 2003, (implemented a nationally recognized Re-entry Court for early release program).
4. Recruitment and hiring effort to prepare for annexation of approximately 30,000 citizens on January 1, 2006.
5. Enhanced Police and Fire training.
6. Police broadband connectivity in 2003.

In the area of prevention, two initiatives have been implemented to focus on youth development. An After School Partnership will provide additional learning and recreational opportunities from 3 PM until 9 PM during the week. Leadership training opportunities for young people are also being developed.

There is a focus on improved customer service within the City government departments and the City owned water and sewer utility. Restructuring and staffing changes, training and more direction have occurred to improve the process and manner used to serve citizens. Employees have been very responsive to this ongoing effort.

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

A final initiative is to accomplish all of the Mayor's objectives without increasing the City's property tax rate. This Administration is committed to a bipartisan, fiscally conservative management of the citizens tax dollars. Through partnering with existing organizations, soliciting grants from State, Federal and private foundations, better cost controls and cash management, we expect to achieve our initiatives without raising the property tax rate.

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 State Board of Tax Commissioners 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 State Board of Tax Commissioners 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 also allow for compilation of data in a manner so that financial statements can be prepared efficiently in conformance with generally accepted accounting principles.

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

External Audit Function

The financial statements of the City Utilities operations, including the Electric, Water, Water Pollution Control and Yard Waste Facility, enterprise funds, the Stormwater special revenue fund are audited annually by an independent accounting firm. BKD LLP, a large regional accounting firm, performed the 2003 audit. They were selected in a request for proposals.

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

Internal Audit Department

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

Audit Committee

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

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

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

Pension Plans

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

Police personnel hired prior to May 1, 1977 are members of the Police Pension Fund established in 1925 by the State of Indiana. Fire Department personnel hired prior to May 1, 1977 are members of the Fire Pension Fund established in 1937 by the State of Indiana. Utility personnel who retired prior to July 1, 1976 are members of the Municipal Pension Plan. Finally, Board of Health personnel who were employed by the City of Fort Wayne before the Board of Health became a county function on April 1, 1982 are members of the Sanitary Officers' Pension Plan. There are substantially no assets available to fund the liabilities of these four plans. They are funded on a pay-as-you-go basis, with unfunded liabilities currently totaling more than \$218 million.

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

Risk Management

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

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

Cash Management

All cash temporarily idle in 2003 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 fifteenth published by the City of Fort Wayne. The 1989-2002 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 fourteenth Certificate.

Acknowledgments

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

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

We acknowledge and thank the following City employees:

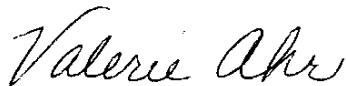
Elizabeth Hazzard, Governmental Accounting Manager
Doretta Buuck, CPA, Senior Financial Accountant
Anthony Ramey, Financial Accountant
Jeanne Cook, Administrative Assistant to the Controller

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

Respectfully submitted,



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



Valerie Ahr
Deputy Controller

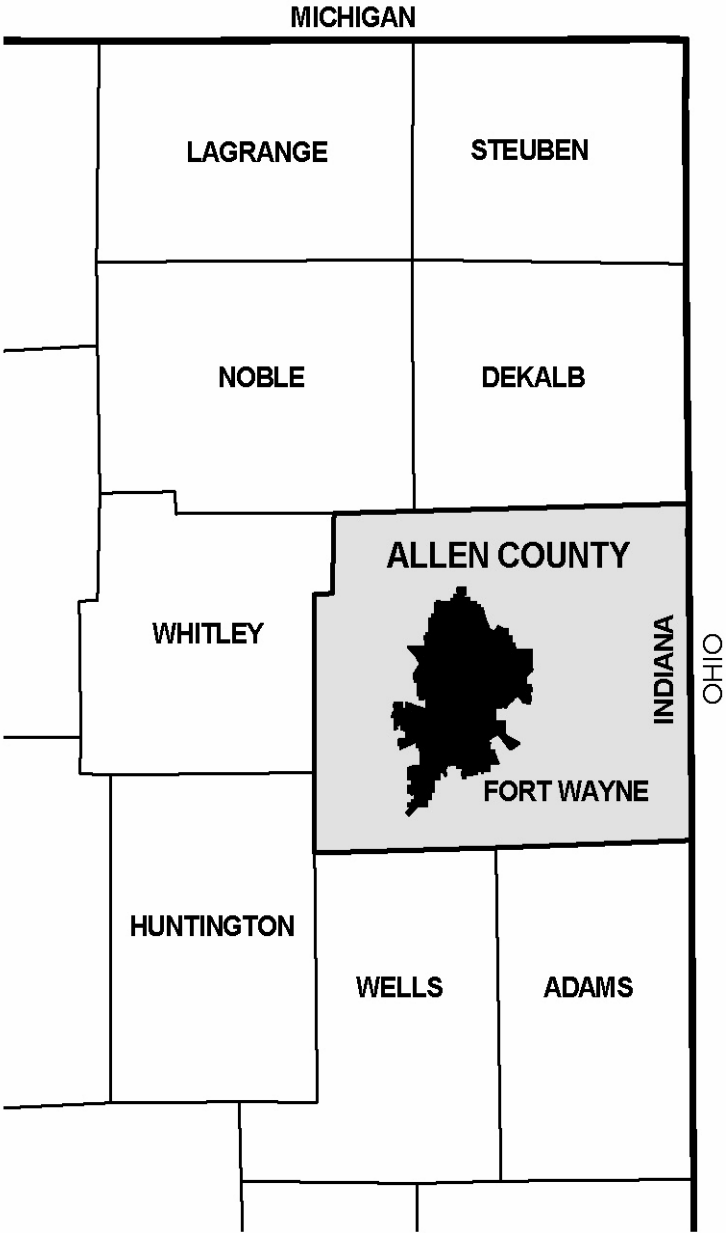


Karen Aiken
Deputy Controller

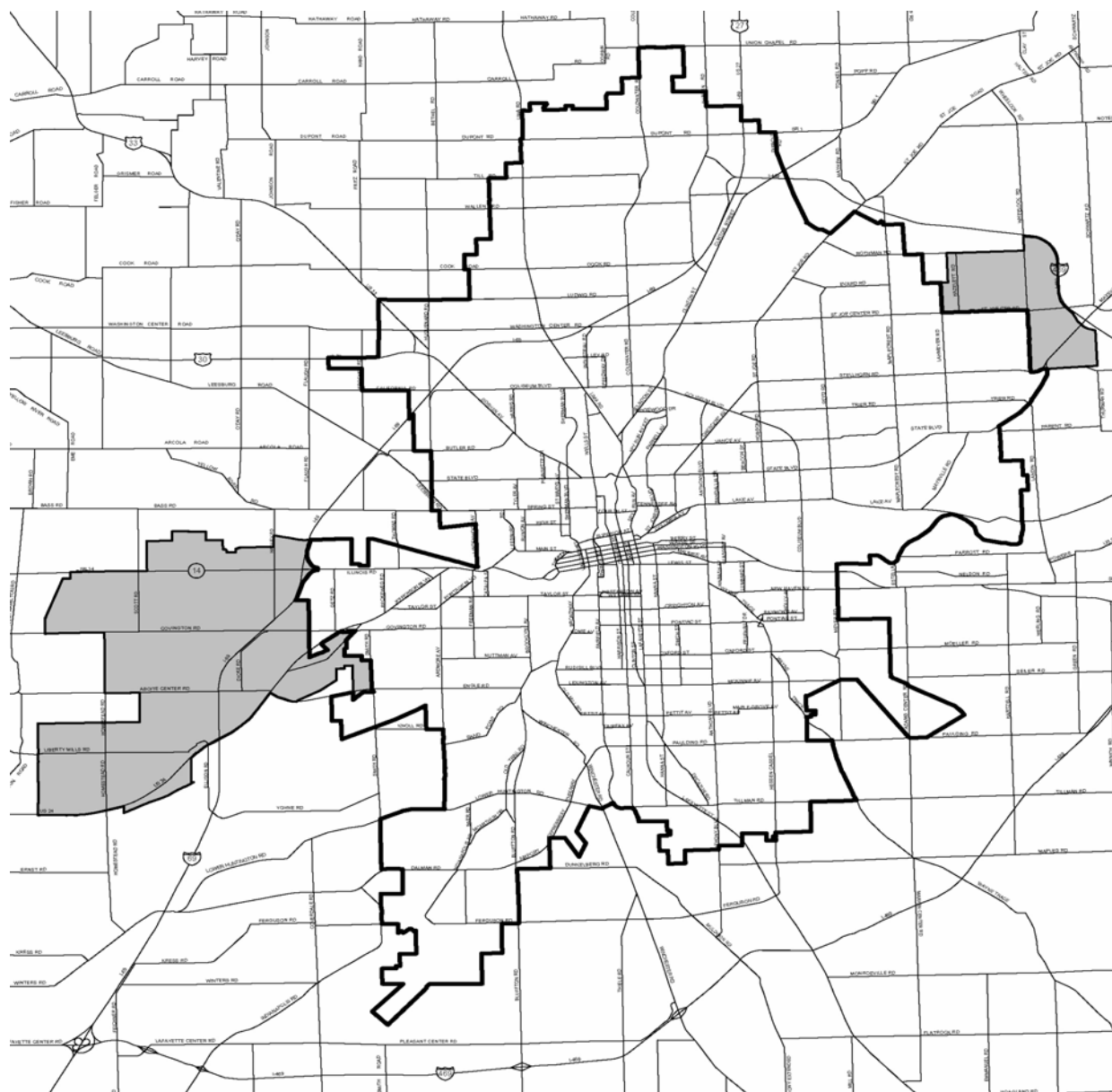
Midwest Locator Map



Northeast Indiana Locator Map



Future Annexation Map



**CITY OF FORT WAYNE
LIST OF PRINCIPAL OFFICIALS
December 31, 2003**

<u>NAME</u>	<u>TITLE</u>	<u>YEARS OF SERVICE WITH CITY</u>
Elected Officials:		
Graham Richard	Mayor	4
Sandra E. Kennedy	City Clerk	24
Samuel J. Talarico, Jr.	Council Member	8
John N. Crawford	Council Member	8
Glynn A. Hines	Council Member	4
Thomas Smith	Council Member	7
Thomas E. Hayhurst	Council Member	7
Thomas C. Henry	Council Member	20
Timothy M. Pape	Council Member	4
Rebecca J. Ravine	Council Member	12
Donald J. Schmidt	Council Member	33
Division Directors:		
Alvin R. Moll, Jr.	Chief of Staff	1
Mark Becker	Director of Community and Economic Development	3
Dianne Hoover	Director of Parks and Recreation	3
Greg Meszaros	Director of Utilities/ Director of Public Works	18
Russell York	Director of Public Safety	26
Timothy Davie	Director of Public Safety	22
Alvin R. Moll, Jr.	Director of Finance and Administration	1
Tim Manges	City Attorney	4
Civil City Department Directors:		
Belinda Lewis	Animal Control - Manager	15
David Ross	City Engineer	14
Elizabeth Hazzard	Civil City Accounting - Manager	2
Steve Smith	Communications - District Chief	24
Vacant	C & ED/Economic Development - Director	-
Charles Bailey	C & ED/Contract Compliance - Administrator	19
Barbara Jones	C & ED/HANDS - Administrator	21
Pam Holocher	C & ED/Planning - Co-Director	25
Pat Fahey	C & ED/Planning - Co-Director	10
Matt Blair	C & ED/CDC - Senior Finance Specialist	7
Jerry Bailey	Chief Technology Officer	1
Karen Aiken	Controller's Office - Deputy Controller	24
Valerie Ahr	Controller's Office - Deputy Controller	8
Timothy Davie	Fire Department - Chief	22
Larry Campbell	City Garage - Fleet Manager	1
Chloretha Davie	Human Resources Director	3
Lynn Trittipo	Internal Audit - Director	3
Greg Shade	Metropolitan Human Relations - Director	2
Greg Leatherman	Neighborhood Code Enforcement - Administrator	5

**CITY OF FORT WAYNE
LIST OF PRINCIPAL OFFICIALS
December 31, 2002
(Continued)**

<u>NAME</u>	<u>TITLE</u>	<u>YEARS OF SERVICE WITH CITY</u>
Civil City Department Directors continued:		
Garry Morr	Parks & Recreation - Associate Director of Admin	11
Susan VanEvery	Payroll - Supervisor	16
Russell York	Police - Chief	26
Dan Brenner	Property Management - Manager	1
Stacey Stumpf	Public Information Office - Director	3
Jim Howard	Purchasing/Administrative Services - Director	3
Ronald Fletcher	Redevelopment - Director	20
Mary Nelson-Jannisse	Risk Management - Manager	3
Joe Pascucci	ACS/Information Systems - Director	1
Dawn Ritchie	Solid Waste - Manager	5
Ken Nicolet	Street Department - Director	12
Mario Trevino	Transportation Engineering Services - Director	24
George Cook	Traffic/Street Light Engineering & Traffic/Street Light Operations	4
Terry McCaffrey	Urban Enterprise Association - Business Development Specialist	6
Gary Brown	Weights & Measures - Inspector	1
City Utilities Department Directors:		
Steve Martin	City Utilities Accounting - General Accounting Mgr.	29
Maggie Fiedler	City Utilities Customer Svc - Manager	3
Sally Clem	City Utilities Data Control - Manager	11
Chet Shastri	Filtration Plant - Superintendent	12
Kevin Holle	GIS - Manager	18
Patrick Faherty	Meter Reading - Manager	10
Judy Black	New Water & Sewer Permits - Supervisor	22
Michael Thomson	Storm Planning & Design - Program Manager	13
Gary Merriman	Stormwater Maintenance - Assistant Superintendent	28
Greg Meszaros	Utility Administration - Director	18
Ned Byrer	Utility Administration - Associate Director	10
Phil Giaquinta	Utility Services Manager	4
Ron Shepperd	Engineering Support Services	14
Mary Jane Slaton	Planning and Design Services	11
Jerry Schoenle	Water Maintenance/Service - Superintendent	33
Mark Gensic	Planning and Design Services - Manager	4
Jeffrey Morris	WPC Maintenance - Interim Superintendent	26
Cheryl Cronin	WPC Plant - Interim Superintendent	16

CITY OF FORT WAYNE

DEPARTMENT DETAILS

OFFICE OF THE MAYOR

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

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

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

Public Information Office

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

Neighborhoods and Citizen's Advocate Office

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

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

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

Department of Law

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

Human Resources Department

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

Internal Audit Department

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

OFFICE OF THE CITY CLERK AND COMMON COUNCIL

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

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

FINANCE AND ADMINISTRATION DIVISION

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

Civil City Accounting

The mission of the Civil City Accounting Department is to ensure the proper financial controls within the established accounting framework. Current goals include increasing the efficiency and productivity of the department through continuous upgrading of the data processing and management systems as well as the implementation of policies and procedures, which will ensure proper operations through standardization of distribution throughout the City government. Ongoing training of all City staff accountants is an important element of the program.

Payroll Department

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

Risk Management Department

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

Purchasing Department

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

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.

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.

Property Management

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

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

UTILITY ADMINISTRATION

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

General Accounting

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

Customer Relations

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

Data Control

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

Meter Reading

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

New Water & Sewer Permits

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

Water Resources

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

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

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

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

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

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

Three Rivers Filtration Plant

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

Water Maintenance and Service

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

Water Pollution Control Plant

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

Water Pollution Control Maintenance/Stormwater Maintenance

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

DIVISION OF COMMUNITY DEVELOPMENT

The overall purpose of the Division of Community Development is to improve Fort Wayne's physical and economic environment. Within that very broad purpose, the eight departments have a wide range of responsibilities. The Division includes the Director's Office and eight departments: Planning, Community Development Projects Office, Housing and Neighborhood Development Services, Neighborhood Code Enforcement, Economic Development, Redevelopment, Contract Compliance, and Fiscal Administration.

Director's Office

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

Planning Department

The Planning Department is made up of five sections. Long Range Planning is responsible for annexation, comprehensive planning and preparation of Fort Wayne's Capital Improvement Program. The Land Use Management section works to ensure that development conforms to sound planning principles through administration of the Zoning, Floodplain, Subdivision and Sign Ordinances. The Neighborhood Support section provides planning assistance to the City's neighborhood associations as well as serving as liaison between the neighborhood area partnerships and City government. The Urban Design section provides expertise in urban aesthetics, historic preservation, and graphic design. The G.I.S. section updates and maintains the G.I.S. and its databases, develops new databases and provides spatial analysis, mapping services and technical advice related to the use of current data sets or the development of future data sets.

Community Development Projects Office

The Community Development Projects Office oversees two federal grants, the Community Development Block Grant (CDBG) and the HOME Investment Partnership Act program (HOME), including monitoring the activities of non-profit agencies that receive these funds. In addition, the office coordinates special community development and neighborhood improvement projects.

Housing and Neighborhood Development Services (H.A.N.D.S.)

The Department of Housing and Neighborhood Development Services (H.A.N.D.S) administers the City's various federally funded home improvement loan and grant programs for lower-income homeowners. In addition, the Department administers federal programs to improve rental and emergency housing and to provide services for the homeless.

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.

Economic Development

The Department of Economic Development encourages business growth through technical assistance and financial incentives. Its activities include loans to businesses, preparing industrial revenue bonds and tax abatement applications for City Council, and technical assistance for existing companies, such as helping businesses trade overseas.

Redevelopment Commission

The mission of the Redevelopment Commission is to promote and implement opportunity projects and be a catalyst for public/private partnerships to address the development and/or redevelopment of blighted areas and other areas that have shown a cessation of growth and lack of development, especially the downtown area. This is accomplished through an array of techniques ranging from real estate acquisition and preparing the site for development to providing public infrastructure to the site. Financing resources generally used are Tax Incremental Financing and Redevelopment General Obligation Bonds.

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.

Fiscal Administration Office

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

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.

Solid Waste Management

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

City Engineer

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

Flood Control

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

Transportation Engineering Services

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

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

Traffic Engineering

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

Street Lighting

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

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

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

Street Department

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

Fleet Management

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

PARKS AND RECREATION

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

Administration/Marketing Division

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

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

Headwaters Park

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

Parks/Horticulture Division

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

Leisure Services

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

Zoo Division

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

PUBLIC SAFETY

Department of Public Safety

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

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

Police Department

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

Fire Department

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

Communications

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

Animal Care and Control

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





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
December 31, 2003

Date Founded	October 22, 1794
Date of Incorporation	February 22, 1840
Population	220,486
Area in Square Miles	90.28
Miles of Streets	943.09
Number of Street Lights	30,646
Miles of Water lines	976
Miles of Sewer/Stormwater Mains	1,604
Number of City Employees	1,921
Labor Statistics: (Dec. 03)	
Fort Wayne Metropolitan Service Area - Allen	
Labor Force	280,770
Employed	266,210
Unemployed	14,560
Unemployment Rate	5.2
Building Permits for Fort Wayne & Allen County	2002 2003
- Total New Construction - Number of Permits	2,024 1,935
- Estimated Assessed Value	\$146,526,229 \$143,100,466
Total Construction Permits - Number of Permits	4,764 4,385
- Estimated Assessed Value	\$178,194,999 \$183,535,739
Relative Size	2nd largest city in Indiana
Form of Government	Elected Mayor, Clerk, Councilperson (9)
Airports	Fort Wayne International, Smith Field
Rail Service	Norfolk Southern
Motor Carriers	36
Public Transportation Route	12
Taxi Service	3 cab companies, 2 limousines
Bank Holding Companies	6
Banks/Finance Companies	68
Credit Unions	19
Museums	6
Media	1 monthly, 2 weekly, 2 daily newspapers; 6 TV stations; 11 cable & satellite systems, 17 radio stations
Market Location	Area within 250 miles of Fort Wayne includes a population of 45.3 million, or 17% of the total U.S. population.



Parks & Recreation		84 parks & playgrounds covering 2,429.41 acres, including: 18 pavilions, 16 tennis courts, 2 Frisbee golf courses, 3 public/18 hole golf courses, 21 soccer fields, 1 ice arena, 38 baseball/softball diamonds, 4 swimming pools, 26 basketball courts, 1 campground, 1 outdoor theater, Children's Zoo, Botanical Gardens, etc.
Water System		Municipally owned, treatment capacity of 72 million gallons/day
Sewage System		Municipally owned, treatment capacity of 60 million gallons/day
Electric Utility		3 - American Electric Power, Northeastern REMC, United REMC
Natural Gas		Northern Indiana Public Service Co.
Telephone		Verizon, Inc.
Garbage Service		City residents charged: \$8.00/mo. user fee for single family dwelling; \$16.00/mo. user fee for duplex, 3- or 4-plex. Services presently contracted with Nat'l Serv-All
Curbside Recycling		
Yard Waste Collection		
Gross Income Tax		3.4%
County Option Income Tax		0.6%
County Economic Development Income Tax		0.4%
State Sales and Use Tax		6.0%
Allen County Food & Beverage Tax		1.0%
Property Tax Rate:		\$3.6765** per \$100 assessed value - 2002 pay
(Fort Wayne - Wayne Township)		2003; City's portion is \$1.100 (see ** below table)
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

**due to re-assessment, do not have correct figure as of February, 2004

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, 2002

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.



A handwritten signature in black ink, appearing to read "Edward Hand".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Enos".

Executive Director

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FINANCIAL SECTION



STATE OF INDIANA

AN EQUAL OPORTUNITY EMPLOYER

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

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Fort Wayne (City), as of and for the year ended December 31, 2003, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Electric, Water, Wastewater, and Stormwater Utilities, and Yard Waste Facility, which represent 98.42 percent and 90.68 percent, respectively, of the assets and revenues of the Business-type Activities and Enterprise Funds. We did not audit the financial statements of two of the five discretely presented component units, Fort Wayne Urban Enterprise Association Inc. and Fort Wayne-Allen County Convention and Tourism Authority which represents 62.00 percent and 95.52 percent, respectively, of the assets and revenues of the discretely presented component units. Other auditors whose reports thereon have been furnished to us audited those financial statements. Our opinions, insofar as they relate to the amounts included for the Electric, Water, Wastewater, and Stormwater Utilities, Yard Waste Facility, and the two discretely presented component units are based solely upon the reports of the other auditors.

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

In our opinion, based on our audit and the reports of the other auditors, the respective financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended, in conformity with accounting principles generally accepted in the United States.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining 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 fund financial statements 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 taken as a whole. The introductory section, other budgetary comparison schedules, 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 28, 2004, on our consideration of the City's internal control structure and a report dated June 28, 2004, on its compliance with laws and regulations.

STATE BOARD OF ACCOUNTS

June 28, 2004

STATE OF INDIANA

AN EQUAL OPORTUNITY EMPLOYER

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

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

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

We have audited the financial statements of the City of Fort Wayne (City), as of and for the year ended December 31, 2003, and have issued our report thereon dated June 28, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

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

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

STATE BOARD OF ACCOUNTS

June 28, 2004

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, 2003. 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 2003 by \$829.9 million. Of this amount, \$73.2 million is considered unrestricted. The unrestricted net assets of the City's governmental activities are \$47.5 million and will be used to support the City's day-to-day operations. The unrestricted net assets of the City's business-type activities are \$25.7 million and will be used to support the day-to-day operations of the City's water, wastewater, stormwater, and other business-type activities.
- The City's total net assets increased \$10.8 million in 2003. The net assets of the City's business-type activities increased \$19.7 million (or 5.6 percent from 2002). The net assets of the City's governmental activities decreased \$8.9 million (or 1.9 percent from 2002).
- At the end of 2003, the City's governmental funds reported a combined ending fund balance of \$48.2 million. The combined governmental funds' fund balance decreased by \$25.7 million from the prior year's ending fund balance. Approximately \$35.7 million of the \$48.2 million fund balance is considered unreserved at December 31, 2003.
- At the end of 2003, unreserved fund balance for the general fund was \$3.3 million or 5.4 percent of the 2003 general fund expenditures.
- The City's total debt increased by \$28.2 million (or 13.35 percent) during 2003. The two main bond issues attributed to this increase are the 2003 Water Works Revenue Bonds and the 2003 Sewage Works Junior Revenue Bonds issued by City Utilities.

Overview of the Financial Statements

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

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

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

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

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

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

The government-wide financial statements can be found on pages 48-50 of this report.

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

Governmental funds. Governmental funds are used to account for most of the City's basic services. These funds generally do not provide enough revenue to completely cover their expenses; therefore, they need taxes, fees, interest or any other intergovernmental revenue to help support them. These funds use the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund financial statements focus on near-term inflows and outflows of unrestricted resources, as well as on balances of unrestricted resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement. The basic governmental fund financial statements can be found on pages 50-56 of this report.

Proprietary funds. When the City charges a fee to cover the entire cost of an operation, whether to outside customers or to other units of the City, these services are generally classified as a proprietary fund. There are two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. These funds are completely self-supported by providing services to *outside customers* of the City. The City uses enterprise funds to account for its water, wastewater, stormwater, solid waste, parking garages, electric, and yard

waste operations. Internal Service funds are used to report activities that provide services and supplies for the other City departments. The City uses internal services funds to account for its group health insurance, general auto and liability, worker's compensation, and garage services. The internal service funds are reported within the governmental activities section of the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 59-61 of this report.

Fiduciary funds. Fiduciary funds are funds held by a governmental unit as an agent or a trustee. They are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City holds two types of fiduciary funds: pension trust funds and agency funds. Pension trust funds are used to account for pension plans held by the City on behalf of its employees. The City uses pension trust funds to report the police pension, fire pension, and sanitary officers' pension funds. Agency funds are used to account for monies held by the City for an external party. The City uses agency funds to report the McMillen Park, allocated expense clearing, payroll, and the Barrett law regular waived funds. The basic fiduciary fund financial statements can be found on pages 62-63 of this report.

Notes to the financial statements. The notes are a required part of the basic financial statements that provide necessary information for the understanding of the City's financial report. The notes to the financial statements can be found on pages 67-104 of this report.

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

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

	Governmental Activities		Business-type Activities		Total		Component Units	
	2003	2002	2003	2002	2003	2002	2003	2002
Current Assets	\$ 69,088	\$ 93,213	\$ 37,853	\$ 97,009	\$ 106,941	\$ 190,222	\$ 37,568	\$ 9,538
Noncurrent Assets	6,827	-	56,369	-	63,196	-	33,952	-
Capital Assets	<u>537,648</u>	<u>523,157</u>	<u>381,751</u>	<u>336,023</u>	<u>919,399</u>	<u>859,180</u>	<u>18,838</u>	<u>10,505</u>
Total Assets	<u>613,563</u>	<u>616,370</u>	<u>475,973</u>	<u>433,032</u>	<u>1,089,536</u>	<u>1,049,402</u>	<u>90,358</u>	<u>20,043</u>
Current Liabilities	26,305	29,894	18,568	14,626	44,873	44,521	928	760
Noncurrent Liabilities	130,267	120,549	84,498	65,242	214,765	185,790	66,612	-
Total Liabilities	<u>156,572</u>	<u>150,443</u>	<u>103,066</u>	<u>79,868</u>	<u>259,638</u>	<u>230,311</u>	<u>67,540</u>	<u>760</u>
Net Assets	<u>\$ 456,991</u>	<u>\$ 465,927</u>	<u>\$ 372,907</u>	<u>\$ 353,164</u>	<u>\$ 829,898</u>	<u>\$ 819,091</u>	<u>\$ 22,818</u>	<u>\$ 19,283</u>
Invested in Capital Assets	\$ 474,570	\$ 447,901	\$ 303,383	\$ 282,749	\$ 777,953	\$ 730,650	\$ (14,467)	\$ 9,622
Net of Related Debt								
Restricted	(65,058)	-	43,829	42,617	(21,229)	42,617	215	344
Unrestricted	47,479	18,026	25,695	27,798	73,174	45,824	37,070	9,317
Total Net Assets	<u>\$ 456,991</u>	<u>\$ 465,927</u>	<u>\$ 372,907</u>	<u>\$ 353,164</u>	<u>\$ 829,898</u>	<u>\$ 819,091</u>	<u>\$ 22,818</u>	<u>\$ 19,283</u>

Government-wide Financial Analysis

The City's (primary government) assets exceeded liabilities by \$829.9 million at the close of 2003. Of the City's net assets (total assets less total liabilities), \$777.9 million (or 93.7 percent), the largest portion reflects its investment in capital assets (e.g., land, distribution and collection, roads, buildings and improvements, machinery and equipment, construction in progress, and net investment in joint venture), less any outstanding debt used to acquire these assets. These assets are designated as invested in capital assets because they are used to provide the everyday services the citizens of the City expect, these assets are not liquid and are not available for future spending. The debt associated with these capital assets must be paid from sources other than the capital assets themselves because, as stated before, they cannot be used as a liquid asset.

The remainders of the City's net assets are designated as either restricted or unrestricted. The restricted portion of (\$21.2) million (or 2.5 percent) are dollars that are subject to an external restriction and cannot be spent on everyday operations. The unrestricted portion of \$73.2 million (or 8.8 percent) may be used by the City for normal operations of providing services to the citizens of Fort Wayne.

At the end of 2003, the City shows a positive net asset figure as a whole as well as in the governmental and business-type activities sections individually. This shows that the City has been able to make sound financial decisions over the past several years leaving them with a solid equity base to build on.

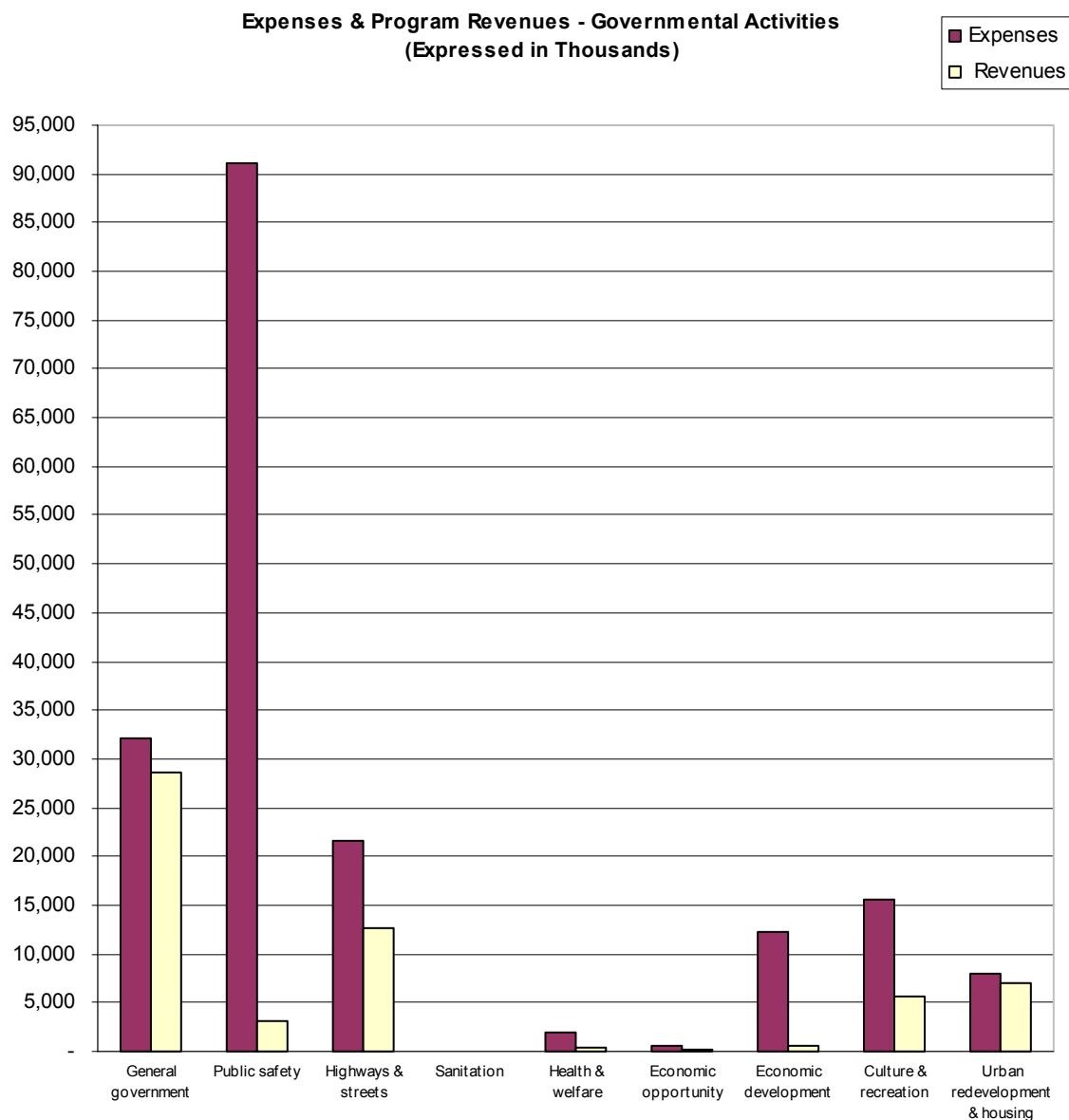
The City's net assets increased by \$10.8 million during 2003. There was an increase in the City's net asset figure for the business-type activities of \$19.7 million and a net decrease for the governmental activities of \$8.9 million.

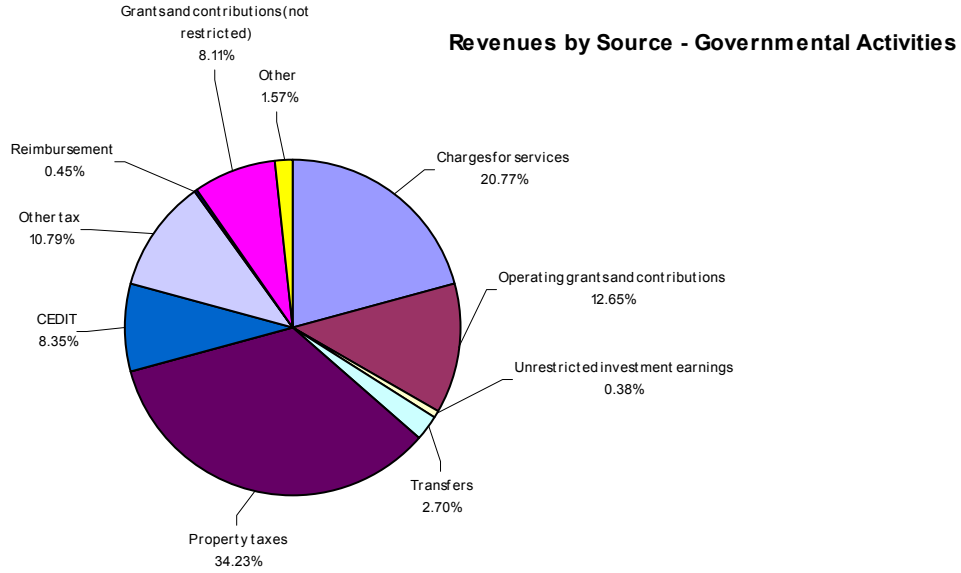
The City's component units showed assets exceeding liabilities by \$22.8 million at the end of 2003. Of the net assets (total assets less total liabilities), (\$14.4) million, the largest portion reflects its investment in capital assets less any debt used to acquire these assets that is still outstanding. 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.

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

	Governmental activities		Business-type activities		Total		Component Units	
	2003	2002	2003	2002	2003	2002	2003	2002
Revenues:								
Program revenues:								
Charges for services	\$ 36,107	\$ 33,665	\$ 66,729	\$ 68,149	\$ 102,836	\$ 101,814	\$ 974	\$ 1,505
Operating grants and contributions	21,994	19,665	-	-	21,994	19,665	253	813
Capital grants and contributions	-	-	7,451	6,015	7,451	6,015	3,311	229
General revenues:								
Property taxes	59,519	61,746	-	-	59,519	61,746	-	-
CEDIT	14,515	14,211	-	-	14,515	14,211	-	-
Indiana room tax	-	-	-	-	-	-	2,188	2,219
Grant and contributions (not restricted)	14,096	-	-	-	14,096	-	-	-
Unrealized gain	-	-	3,386	-	3,386	-	-	-
Other taxes	18,755	17,376	-	-	18,755	17,376	145	48
Investment earnings	655	1,410	1,711	1,809	2,366	3,219	85	157
Other	3,523	2,028	20	27	3,543	2,055	82	156
Total revenues	169,164	150,101	79,297	76,000	248,461	226,101	7,038	5,127
Expenses:								
General government	32,061	29,474	-	-	32,061	29,474	-	-
Public safety	91,029	35,039	-	-	91,029	35,039	-	-
Highways and streets	21,542	19,643	-	-	21,542	19,643	-	-
Sanitation	2	24	-	-	2	24	-	-
Health and welfare	1,874	1,784	-	-	1,874	1,784	-	-
Economic opportunity	537	585	-	-	537	585	-	-
Economic development	12,225	2,705	-	-	12,225	2,705	-	-
Culture and recreation	15,503	15,921	-	-	15,503	15,921	-	-
Urban redevelopment and housing	8,018	3,554	-	-	8,018	3,554	-	-
Capital outlay	-	21,974	-	-	-	21,974	-	-
Interest on long-term debt	-	2,325	-	-	-	2,325	-	-
Water	-	-	19,641	19,456	19,641	19,456	-	-
Wastewater	-	-	20,479	21,087	20,479	21,087	-	-
Stormwater	-	-	4,723	3,970	4,723	3,970	-	-
Parking garages	-	-	930	962	930	962	-	-
Solid waste	-	-	6,639	5,922	6,639	5,922	-	-
Other	-	-	510	1,062	510	1,062	-	-
HANDS	-	-	-	-	-	-	691	801
Summit	-	-	-	-	-	-	-	72
UEA	-	-	-	-	-	-	465	896
C&TA	-	-	-	-	-	-	2,347	3,950
RA	-	-	-	-	-	-	-	-
Total expenses	182,791	133,028	52,922	52,459	235,713	185,487	3,503	5,719
Incr (Decr) in net assets before transfers	(13,627)	17,073	26,375	23,541	12,748	40,614	3,535	(592)
Special items	-	(2,703)	(1,940)	(2,374)	(1,940)	(5,077)	-	-
Transfers	4,691	180	(4,691)	(180)	-	-	-	-
Increase (Decrease) in net assets	(8,936)	14,550	19,744	20,987	10,808	35,537	3,535	(592)
Net assets - January 1st	465,927	451,377	353,164	332,177	819,091	783,554	19,283	19,875
Net assets - December 31st	\$ 456,991	\$ 465,927	\$ 372,907	\$ 353,164	\$ 829,898	\$ 819,091	\$ 22,817	\$ 19,283

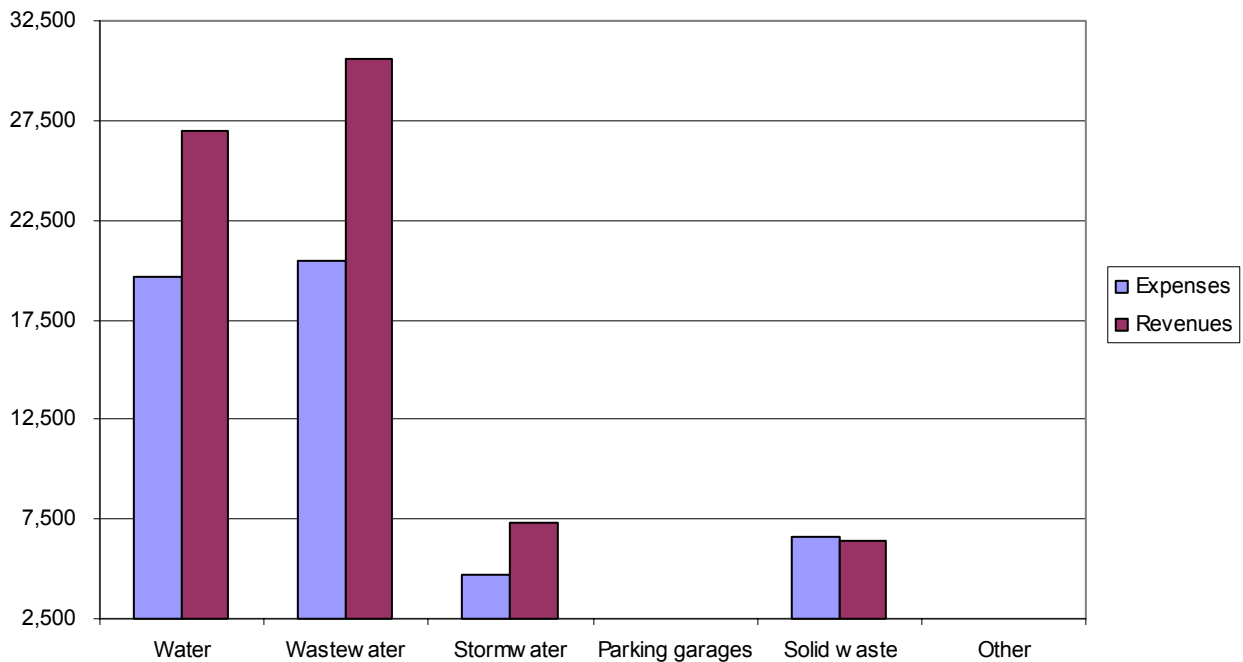
Governmental Activities. Of the increase in the City's net assets the governmental activities is responsible for an \$8.9 million decrease in the total growth in net assets. The increases shown in the expenses of the governmental activities were mainly attributed to the cost-of-living raise given to the City's employees, costs of annexing new areas, and inflationary increases standard with governments. There was one increase in expenses that should be pointed out in the Public Safety area where expenses increased due to the staffing of two new fire stations. As seen in the graph of revenues by source for governmental activities the City's main source of revenue is its taxes. Due to the reassessment, the property tax distributions were down. With the above factors and the economic instability, the net asset number decreased in 2003. The City is prepared for future deficit spending while the costs of future annexations will continue to hit the City budget until the corresponding property tax revenues are received.



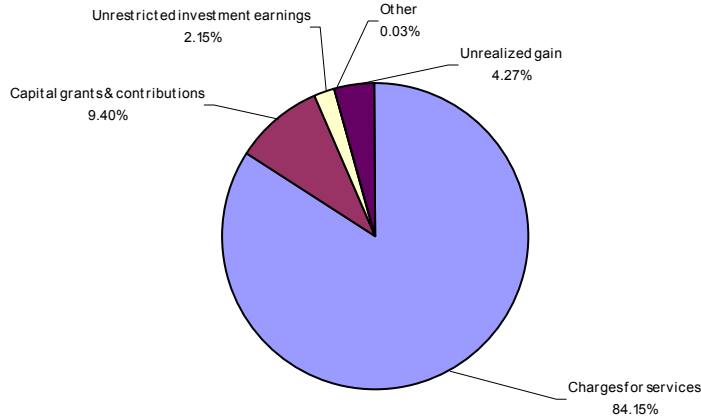


Business-type Activities. The business-type activities of the City increased net assets by \$19.7 million or 182 percent of the total increase in net assets of \$10.8 million. Business-type activities represent 31.9 percent of the Primary Government’s revenues and 23.09 percent of the expenses. The City’s Water and Wastewater Utilities account for 77.6 percent of the business-type activities’ program revenues and 75.8 percent of the expenses.

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



Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

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

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

At the end of 2003, the City's governmental funds reported combined ending fund balances of \$48.2 million, a decrease of \$25.7 million in comparison with the prior year. Of that total about \$35.7 million (or 74 percent) is unreserved fund balance. The remaining \$12.5 million (or 26 percent) is reserved for prior commitments. The reserved amount is for encumbrances (\$6.1 million), non-current loans receivable (\$1.5 million), and assets held for resale (\$4.9 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 2003, the General fund had an unreserved fund balance of \$3.3 million and a total fund balance of \$4.2 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 2003 were \$60.723 million. The total fund balance represents 6.9 percent of General fund expenditures, while the unreserved fund balance is 5.4 percent of that same amount.

The fund balance of the City's general fund decreased by \$10.3 million during fiscal year ended 2003.

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 2003 for the other five major funds is \$34.4 million (Highways and Streets \$7 million, CEDIT \$14.2 million, Parks \$2.2 million, Fire (\$3.9 million), and Redevelopment \$14.9 million) with the non-major governmental funds having a combined fund balance of \$9.6 million. The fund balance of the City's other five major funds decreased by \$14.8 million during fiscal year ended 2003 with the non-major funds decreasing \$600 thousand.

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 2003 were \$372.9 million. Of that total they had restricted net assets of \$43.8 million, invested in capital assets of \$303.4 million, and unrestricted net assets of \$25.7 million. This is a total increase of about \$19.7 million. Details of this increase along with other details are already covered in the business-type activities section of the government-wide financial statement section of this MD&A.

General Fund Budgetary Highlights

The differences between the original adopted budget and the final amended budget were immaterial; \$380 thousand (or .6 percent) was increased from the original budget. The difference is summarized as follows:

- \$140 thousand decrease in general government's appropriation
- \$637 thousand increase in public safety's appropriation
- \$249 thousand decrease in highways and street's appropriation
- \$2 thousand increase in health and welfare's appropriation
- \$33 thousand decrease in economic opportunity's appropriation
- \$163 thousand increase in economic development's appropriation

The actual expenditures coming in \$1.146 million lower helped offset the increases to the original budgets, as well as the revenues of the general fund coming in \$12.3 million lower than budget. The general fund ended up with a decrease to fund balance of \$10.3 million.

The 2003 final approved budget was \$61.869 million; the actual expenditures came in at \$60.723 million, leaving a \$1.146 million positive variance. The variance is summarized as follows:

- \$360 thousand personal services
- \$183 thousand supplies
- \$472 thousand other services and charges
- \$131 thousand capital outlay

Due to the reassessment, the property tax distributions were down. The City is preparing for future deficit spending while the costs of future annexations will continue to hit the City budget until the corresponding property tax revenues are received. In preparation, the City instituted a hiring freeze and challenged the departments to cut or delay expenses wherever possible. The City departments responded well.

Capital Asset and Debt Administration

Capital assets. The City's Primary Government's capital assets as of December 31, 2003, are equal to \$919 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 \$60 million or 7 percent (a 3.0 percent increase for governmental activities and a 13.6 percent increase for business-type activities).

Governmental activities. Capital assets for the governmental activities total \$591 million with an accumulated depreciation figure of \$53 million for a net book value of \$538 million. The amount includes \$1.5 million in construction in progress reflecting capital projects in various stages of completion. The City chose to report its roads using the modified approach accepted under the new reporting model. This allows the City to make additions and deletions to the overall asset figure without actually depreciating. The conditions of the City's road pavement are measured using a pavement condition index (PCI). The City has adopted the following condition categories. "Very Good" (100-80), "Good" (79-60), "Fair" (59-40), "Poor" (39-20), and "Very Poor" (19-0).

It is the policy of the City to maintain a pavement condition index of good (79-60). In 2002, the City had a pavement condition index rating of "Good" (69). The City has maintained a "Good" (73) rating in 2003. The City maintains there are not material variances between the needed expenditures and the actual expenditures for the maintenance of infrastructure for 2003.

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

Business-type activities. Capital assets for the business-type activities total \$564 million with an accumulated depreciation figure of \$182 million for a net book value of \$382 million. The amount also includes \$59 million in construction in progress reflecting capital projects in various stages of completion. A five year financial and capital plan put together for the 2001-2005 period anticipates spending \$81 million of revenue capital and \$75 million of financed capital during this time period. Major projects include: replacement of the preliminary treatment facilities and repairs to the secondary facilities at the Water Pollution Control Plant, completion of a Long-term Control Plan for Combined Sewer Overflows (CSO's) and to begin implementing projects to reduce the number of CSO's and the volume of discharges directly to the rivers, Combined Sewer Capacity Improvements to reduce the risk of basement backups, replacement of six miles of water mains per year, increasing finished water storage capacity, and replacement of water meters with updated technology. During 2003, approximately \$52.8 million was spent on capital projects.

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

	Governmental activities		Business-type activities		Total	
	2003	2002	2003	2002	2003	2002
Land	\$ 16,453	\$ 15,625	\$ 4,177	\$ 4,177	\$ 20,630	\$ 19,802
Distribution and collection	-	-	308,825	291,294	308,825	291,294
Roads	396,692	391,371	-	-	396,692	391,371
Buildings and improvements	127,828	110,353	90,528	90,516	218,356	200,869
Machinery and equipment	44,589	41,661	101,934	93,115	146,523	134,776
Construction in progress	1,492	6,561	58,602	32,036	60,094	38,597
Net investment in joint venture	3,560	3,465	-	-	3,560	3,465
Less: Accumulated depreciation	(52,967)	(45,878)	(182,313)	(175,115)	(235,280)	(220,993)
Total	\$ 537,647	\$ 523,158	\$ 381,753	\$ 336,023	\$ 919,400	\$ 859,181

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

Long-term debt. At the end of the current fiscal year, the City's Primary Government had total bonded debt outstanding of \$124 million. Of this amount \$52 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 \$72 million is revenue bonds that are paid for from the revenues earned by the business-type fund that is responsible for the debt.

Primary Government
Long-term Debt
(amounts expressed in thousands)

	Governmental activities		Business-type activities		Total	
	2003	2002	2003	2002	2003	2002
General obligation bonds	\$ 12,680	\$ 15,100	\$ -	\$ -	\$ 12,680	\$ 15,100
Special obligation bonds	29,860	38,320	-	-	29,860	38,320
First mortgage bonds	9,450	11,035	-	-	9,450	11,035
Capital leases	8,421	7,412	-	-	8,421	7,412
Notes & loans payable	1,954	2,523	15,288	5,608	17,242	8,131
Mortgages payable	42	42	-	-	42	42
Net pension obligation	77,548	59,413	-	-	77,548	59,413
Compensated absences	7,349	6,611	1,737	1,548	9,086	8,159
Accrued interest payable	-	-	2,559	3,740	2,559	3,740
Accrued pension cost	-	-	46	45	46	45
Other long-term liabilities	-	-	189	181	189	181
Revenue bonds	-	-	72,145	59,505	72,145	59,505
Total	\$ 147,304	\$ 140,456	\$ 91,964	\$ 70,627	\$ 239,268	\$ 211,083

The City's total debt increased by \$28.2 million during the current fiscal year including additions of \$63 million and reductions of \$34.8 million. The key factors to this increase were the two revenue bonds totaling \$18.2 million issued by the City's Water and Wastewater Utilities.

The City of Fort Wayne currently maintains an AA- rating from Standard & Poor's and an Aa2 rating from Moody's for its general obligation debt. The City's water utility maintains at A rating from Standard & Poor's and a Aaa from Moody's for its revenue bonds. The City's Wastewater Utility has a A- rating from Standard & Poor's and a AAA rating from Moody's for its revenue bonds.

Additional information on the City's long-term debt can be found in Note 4 on pages 80-87 of this report.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the City is currently 5.2 percent, which is up from a rate of 4.9 percent a year ago. This is very close to the state's average unemployment rate of 5.0 percent, and is well below the national average of 5.7 percent.

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

The City does not anticipate any utility or property tax rate increases for 2004.

These factors along with others were considered when preparing the City's budget for the 2004 fiscal year.

Given the uncertainty of the property tax distribution from the reassessment, which is the City's primary governmental revenue, the City is delaying many of its equipment and computer purchases to help offset the temporary decrease in revenue. The City is also preparing for deficit spending over the next couple of years while the expenditures for the Aboite annexation begin to hit the City budget without receiving the corresponding property tax increase. This will decrease the City's unreserved fund balance until the revenues for the Aboite annexation become available in 2007.

Request for Information

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

BASIC FINANCIAL STATEMENTS



CITY OF FORT WAYNE
STATEMENT OF NET ASSETS
December 31, 2003

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	\$ 31,443,678	\$ 30,513,851	\$ 61,957,529	\$ 4,108,630
Investments	995,000	-	995,000	555,844
Receivables (net of allowances for uncollectibles):				
Interest	21,294	86,849	108,143	-
Taxes	29,254,619	-	29,254,619	-
Accounts	-	5,747,871	5,747,871	255,342
Intergovernmental	2,792,139	-	2,792,139	32,101,812
Loans	2,107,847	-	2,107,847	475,183
Miscellaneous	1,153,480	7,676	1,161,156	71,161
Internal balances	(525,061)	525,061	-	-
Inventories	1,730,547	841,512	2,572,059	-
Prepaid expense	114,801	130,497	245,298	-
Total current assets	<u>69,088,344</u>	<u>37,853,317</u>	<u>106,941,661</u>	<u>37,567,972</u>
Noncurrent assets:				
Restricted cash and cash equivalents	-	34,792,389	34,792,389	26,983,017
Restricted investments	-	20,087,455	20,087,455	-
Assessments receivables	710,031	29,123	739,154	-
Assets held for resale	4,871,697	-	4,871,697	-
Deferred debits	592,881	1,459,487	2,052,368	447,121
Net investment in direct financing lease	652,281	-	652,281	6,521,173
Capital assets:				
Land, roads and construction in progress	414,637,589	62,778,747	477,416,336	9,712,996
Other capital assets, net of depreciation	<u>123,010,030</u>	<u>318,972,618</u>	<u>441,982,648</u>	<u>9,125,290</u>
Total noncurrent assets	<u>544,474,509</u>	<u>438,119,819</u>	<u>982,594,328</u>	<u>52,789,597</u>
Total assets	<u>613,562,853</u>	<u>475,973,136</u>	<u>1,089,535,989</u>	<u>90,357,569</u>
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	2,569,080	5,660,773	8,229,853	230,212
Accrued group insurance benefits	1,405,900	-	1,405,900	-
Compensated absences payable - current portion	5,616,319	813,931	6,430,250	-
Contracts payable	565,304	-	565,304	-
Retainage payable	362,003	-	362,003	-
Deferred revenue	3,097,229	-	3,097,229	-
Other current liabilities	580,427	519,926	1,100,353	-
Accrued interest payable - due within one year	775,253	-	775,253	-
General obligation bonds - due within one year	2,610,000	-	2,610,000	-
Special obligation bonds - due within one year	4,630,000	-	4,630,000	-
First mortgage bonds - due within one year	1,580,000	-	1,580,000	-
Capital lease obligations - due within one year	2,012,715	-	2,012,715	-
Notes and loans payable - due within one year	500,163	-	500,163	-
Total current liabilities	<u>26,304,393</u>	<u>6,994,630</u>	<u>33,299,023</u>	<u>230,212</u>

CITY OF FORT WAYNE
STATEMENT OF NET ASSETS
December 31, 2003

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Current liabilities payable from restricted assets:				
Accrued interest payable - due within one year	-	3,096,707	3,096,707	645,943
Revenue bonds payable - due within one year	-	6,437,886	6,437,886	-
Loans payable - due within one year	-	789,000	789,000	-
Customer deposits	-	1,249,419	1,249,419	52,251
Total current liabilities payable from restricted assets	-	11,573,012	11,573,012	698,194
Noncurrent liabilities:				
Compensated absences	1,732,467	923,044	2,655,511	-
General obligation bonds payable (net)	10,061,150	-	10,061,150	-
Special obligation bonds payable (net)	25,097,809	-	25,097,809	-
First mortgage bonds payable (net)	7,922,839	-	7,922,839	-
Revenue bonds payable (net)	-	66,282,373	66,282,373	-
Lease rental revenue bonds payable (net)	-	-	-	33,305,368
Notes and loans payable	1,454,291	14,498,998	15,953,289	-
Capital lease obligations	6,408,278	-	6,408,278	33,305,368
Mortgage payable	42,000	-	42,000	-
Accrued interest payable - revenue bonds	-	2,559,007	2,559,007	-
Net pension obligation	77,548,293	46,382	77,594,675	-
Other long-term liabilities	-	188,600	188,600	-
Total noncurrent liabilities	130,267,127	84,498,404	214,765,531	66,610,736
Total liabilities	156,571,520	103,066,046	259,637,566	67,539,142
Net assets				
Invested in capital assets, net of related debt	474,569,833	303,383,318	777,953,151	(14,467,082)
Restricted for:				
Debt service	-	10,555,643	10,555,643	-
Capital projects	-	9,817,977	9,817,977	-
Community trust	-	23,365,314	23,365,314	-
Maintenance	-	90,000	90,000	-
Other purposes	(65,058,338)	-	(65,058,338)	215,217
Unrestricted	47,479,838	25,694,838	73,174,676	37,070,292
Total net assets	\$ 456,991,333	\$ 372,907,090	\$ 829,898,423	\$ 22,818,427

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, 2003

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary government:								
Governmental activities:								
General government	\$ 32,060,690	\$ 25,809,371	\$ 2,826,125	\$ -	\$ (3,425,194)	\$ -	\$ (3,425,194)	\$ -
Public safety	91,028,917	1,033,709	2,025,531	-	(87,969,677)	-	(87,969,677)	-
Highways and streets	21,542,069	3,788,484	8,787,989	-	(8,965,596)	-	(8,965,596)	-
Sanitation	2,416	-	1,650	-	(766)	-	(766)	-
Health and welfare	1,874,292	354,641	128,638	-	(1,391,013)	-	(1,391,013)	-
Economic opportunity	537,038	-	175,700	-	(361,338)	-	(361,338)	-
Economic development	12,224,524	515,399	8,000	-	(11,701,125)	-	(11,701,125)	-
Culture and recreation	15,503,106	4,542,137	1,014,717	-	(9,946,252)	-	(9,946,252)	-
Urban redevelopment and housing	8,018,354	62,746	7,025,547	-	(930,061)	-	(930,061)	-
Total governmental activities	182,791,406	36,106,487	21,993,897	-	(124,691,022)	-	(124,691,022)	-
Business-type activities:								
Water	19,640,535	24,049,050	-	2,962,666	-	7,371,181	7,371,181	-
Wastewater	20,479,191	28,386,482	-	2,199,667	-	10,106,958	10,106,958	-
Stormwater	4,722,977	5,063,904	-	2,289,042	-	2,629,969	2,629,969	-
Parking garages	930,172	972,886	-	-	-	42,714	42,714	-
Solid waste	6,639,150	6,397,489	-	-	-	(241,661)	(241,661)	-
Other	510,025	1,859,519	-	-	-	1,349,494	1,349,494	-
Total business-type activities	52,922,050	66,729,330	-	7,451,375	-	21,258,655	21,258,655	-
Total primary government	\$ 235,713,456	\$ 102,835,817	\$ 21,993,897	\$ 7,451,375	(124,691,022)	21,258,655	(103,432,367)	-
Component units:								
HANDS	690,641	-	253,152	-	-	-	-	(437,489)
Summit	10	-	-	-	-	-	-	(10)
UEA	465,558	79,304	-	-	-	-	-	(386,254)
C&TA	2,347,724	894,357	-	3,311,250	-	-	-	1,857,883
RA	-	-	-	-	-	-	-	-
Total component units	\$ 3,503,933	\$ 973,661	\$ 253,152	\$ 3,311,250	-	-	-	1,034,130
General revenues:								
Property taxes					59,519,121	-	59,519,121	-
CEDIT					14,514,745	-	14,514,745	-
Indiana room tax income					-	-	-	2,188,821
Other tax					18,754,745	-	18,754,745	144,848
Grants and contributions not restricted to a specific program					14,096,020	-	14,096,020	-
Unrealized gain (See Note 13)					-	3,385,848	3,385,848	-
Unrestricted investment earnings					655,507	1,711,378	2,366,885	85,466
Refunds and reimbursements					783,150	-	783,150	10,377
Other					2,739,993	19,767	2,759,760	71,808
Transfers					4,691,782	(4,691,782)	-	-
Special item:								
Loss on abandonment (See Note 14)					-	(1,940,334)	(1,940,334)	-
Total general revenues, transfers and special items					115,755,063	(1,515,123)	114,239,940	2,501,320
Change in net assets					(8,935,959)	19,743,532	10,807,573	3,535,450
Net assets - beginning					465,927,292	353,163,558	819,090,850	19,282,977
Net assets - ending					\$ 456,991,333	\$ 372,907,090	\$ 829,898,423	\$ 22,818,427

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, 2003

	General	Highways and Streets	CEDIT	Parks
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 6,274,453	\$ 5,656,905	\$ 740,955
Investments	-	-	-	-
Receivables (net of allowances for uncollectibles):				
Interest	16,712	-	-	-
Taxes	15,401,635	-	-	3,773,362
Assessments	-	-	-	-
Intergovernmental	595,622	941,465	23,600	61,963
Loans	734,614	-	255,000	-
Miscellaneous	573,277	39,005	-	5,290
Interfund receivable - pooled cash	-	-	8,661,873	-
Due from other funds	121,236	1,141	11,240	-
Net investment in direct financing lease	652,281	-	-	-
Assets held for resale	-	-	40,013	-
	<u>-</u>	<u>-</u>	<u>40,013</u>	<u>-</u>
 Total assets	 <u>\$ 18,095,377</u>	 <u>\$ 7,256,064</u>	 <u>\$ 14,648,631</u>	 <u>\$ 4,581,570</u>
 <u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 582,434	\$ 106,605	\$ 306,112	\$ 286,519
Contracts payable	-	-	42,512	131,760
Retainage payable	-	132,895	16,669	14,640
Interfund payable	171,584	-	-	-
Interfund payable - pooled cash	1,395,843	-	-	-
Advance from other funds	563,030	-	-	-
Due to other funds	735	-	63,952	532
Accrued interest payable	16,712	-	-	-
Deferred revenue:				
Unavailable	8,427,542	-	-	1,827,667
Unearned	2,767,732	7,506	23,600	96,462
	<u>13,925,612</u>	<u>247,006</u>	<u>452,845</u>	<u>2,357,580</u>
 Fund balances:				
Reserved for:				
Encumbrances	310,318	927,013	1,690,880	1,068,617
Noncurrent loans receivable	563,030	-	102,500	-
Assets held for resale	-	-	40,013	-
Unreserved, reported in:				
General fund	3,296,417	-	-	-
Special revenue funds	-	6,082,045	-	1,155,373
Capital projects funds	-	-	12,362,393	-
	<u>4,169,765</u>	<u>7,009,058</u>	<u>14,195,786</u>	<u>2,223,990</u>
 Total liabilities and fund balances	 <u>\$ 18,095,377</u>	 <u>\$ 7,256,064</u>	 <u>\$ 14,648,631</u>	 <u>\$ 4,581,570</u>

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

<u>Fire</u>	<u>Redevelopment</u>	<u>Non-major Governmental Funds</u>	<u>Totals</u>
\$ -	\$ 9,823,922	\$ 6,277,575	\$ 28,773,810
-	-	995,000	995,000
-	-	4,582	21,294
8,569,649	540,468	969,505	29,254,619
-	-	710,031	710,031
185,781	2,302	981,406	2,792,139
-	-	1,118,233	2,107,847
1,610	1,369	210,688	831,239
-	-	419,471	9,081,344
-	-	126,391	260,008
-	-	-	652,281
-	4,831,684	-	4,871,697
<u>\$ 8,757,040</u>	<u>\$ 15,199,745</u>	<u>\$ 11,812,882</u>	<u>\$ 80,351,309</u>

\$ 42,706	\$ 128,705	\$ 424,286	\$ 1,877,367
-	-	391,032	565,304
-	73,021	124,778	362,003
-	-	-	171,584
7,266,030	-	419,471	9,081,344
-	-	-	563,030
-	20,890	24,152	110,261
-	-	-	16,712
5,422,565	68,498	581,907	16,328,179
-	-	201,929	3,097,229
<u>12,731,301</u>	<u>291,114</u>	<u>2,167,555</u>	<u>32,173,013</u>

105,616	78,276	1,970,610	6,151,330
-	-	801,398	1,466,928
-	4,831,684	-	4,871,697
-	-	-	3,296,417
(4,079,877)	-	4,020,923	7,178,464
-	9,998,671	2,852,396	25,213,460
<u>(3,974,261)</u>	<u>14,908,631</u>	<u>9,645,327</u>	<u>48,178,296</u>
<u>\$ 8,757,040</u>	<u>\$ 15,199,745</u>	<u>\$ 11,812,882</u>	<u>\$ 80,351,309</u>

City of Fort Wayne, Indiana
Reconciliation of the Balance Sheet to the Statement of Net Assets
Governmental Funds
December 31, 2003

Total fund balances for governmental funds \$ 48,178,296

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	16,425,709	
Roads accounted for using the modified approach	396,692,144	
Construction in progress	1,492,459	
Buildings, net of \$17,538,378 accumulated depreciation	36,264,094	
Improvements other than buildings, net of \$9,773,059 accumulated depreciation	63,533,166	
Machinery and equipment, net of \$24,439,964 accumulated depreciation	19,706,528	
Net investment in joint venture, net of \$628,394 accumulated depreciation	<u>2,931,200</u>	
Total capital assets		537,045,300

Bond issuance costs associated with new debt issued by the City in 2003 were reported as expenditures in the governmental funds when the debt was issued, whereas bond issuance costs are deferred in the statement of net assets. Deferred bond issuance costs are amortized, over the life of the debt issued, as an adjustment to interest expense (functionalized) in the statement of activities.

592,881

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

1,796,045

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:

1,017,051

City tax collections related to 2003 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.

15,026,600

State shared revenue appropriated during the State of Indiana's fiscal year ended June 30, 2003 will be collected by the City in calendar year 2004. Revenue and a corresponding receivable for the amount appropriated but not received by December 31, 2003 are included in the government-wide statements.

67,509

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.

1,232,385

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

Balances at December 31, 2003 are:

Bonds payable	(51,990,000)	
Bond interest payable	(573,418)	
Deferred loss on refunding	141,631	
Unamortized discount	172,955	
Unamortized premium	(226,384)	
Leases payable	(8,420,993)	
Lease interest payable	(153,887)	
Loans payable	(1,954,454)	
Loan interest payable	(31,236)	
Mortgage payable	(42,000)	
Compensated absences payable	<u>(7,338,655)</u>	
Total long-term liabilities		(70,416,441)

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.

(77,548,293)

Total net assets of governmental activities \$ 456,991,333

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, 2003

	General	Highways and Streets	CEDIT	Parks
Revenues:				
Taxes	\$ 37,224,781	\$ 1,760,953	\$ 16,522,168	\$ 6,641,970
Special assessments	-	-	-	-
Licenses and permits	1,775,643	-	-	39,304
Intergovernmental	2,758,140	8,786,396	-	-
Charges for services	3,511,767	1,164,030	-	4,465,712
Fines and forfeits	1,247,093	-	-	-
Other	1,055,244	221,187	250,216	1,183,899
Total revenues	47,572,668	11,932,566	16,772,384	12,330,885
Expenditures:				
Current:				
General government	10,600,983	-	-	-
Public safety	39,744,258	-	-	-
Highways and streets	5,112,453	15,725,405	-	-
Sanitation	-	-	-	-
Health and welfare	1,750,082	-	-	-
Economic opportunity	537,038	-	-	-
Economic development	2,978,722	-	-	-
Culture and recreation	-	-	-	16,148,620
Urban redevelopment and housing	-	-	-	-
Debt service:				
Principal	-	-	2,472,968	-
Interest	-	-	687,953	-
Bond issuance costs	-	-	-	-
Capital outlay	-	-	10,579,907	-
Total expenditures	60,723,536	15,725,405	13,740,828	16,148,620
Excess (deficiency) of revenues over (under) expenditures	(13,150,868)	(3,792,839)	3,031,556	(3,817,735)
Other financing sources (uses):				
Transfers in	3,016,134	500,000	5,765,057	3,078,663
Transfers out	(200,000)	-	(11,972,057)	(655,663)
First mortgage refunding bond proceeds	-	-	-	-
First mortgage refunding bond payments	-	-	-	-
Capital leases issued	-	-	-	-
Total other financing sources (uses)	2,816,134	500,000	(6,207,000)	2,423,000
Net change in fund balances	(10,334,734)	(3,292,839)	(3,175,444)	(1,394,735)
Fund balances - beginning	14,504,499	10,301,897	17,371,230	3,618,725
Fund balances - ending	\$ 4,169,765	\$ 7,009,058	\$ 14,195,786	\$ 2,223,990

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

<u>Fire</u>	<u>Redevelopment</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 18,776,924	\$ 2,473,770	\$ 1,041,822	\$ 84,442,388
-	-	1,882,144	1,882,144
-	-	697,978	2,512,925
-	-	5,761,601	17,306,137
11,223	-	403,455	9,556,187
2,013	-	515,975	1,765,081
<u>16,006</u>	<u>4,584,309</u>	<u>1,081,746</u>	<u>8,392,607</u>
<u>18,806,166</u>	<u>7,058,079</u>	<u>11,384,721</u>	<u>125,857,469</u>
-	-	1,256,185	11,857,168
25,589,774	-	2,660,273	67,994,305
-	-	4,234	20,842,092
-	-	2,416	2,416
-	-	83,374	1,833,456
-	-	-	537,038
-	-	206,925	3,185,647
-	-	-	16,148,620
-	-	3,092,572	3,092,572
-	899,129	1,945,000	5,317,097
-	318,680	614,317	1,620,950
-	-	101,653	101,653
-	<u>8,970,959</u>	<u>7,228,008</u>	<u>26,778,874</u>
<u>25,589,774</u>	<u>10,188,768</u>	<u>17,194,957</u>	<u>159,311,888</u>
<u>(6,783,608)</u>	<u>(3,130,689)</u>	<u>(5,810,236)</u>	<u>(33,454,419)</u>
-	3,910,000	7,222,316	23,492,170
(10)	(950,000)	(5,022,658)	(18,800,388)
-	-	6,781,384	6,781,384
-	-	(6,655,000)	(6,655,000)
-	-	<u>2,900,000</u>	<u>2,900,000</u>
<u>(10)</u>	<u>2,960,000</u>	<u>5,226,042</u>	<u>7,718,166</u>
(6,783,618)	(170,689)	(584,194)	(25,736,253)
<u>2,809,357</u>	<u>15,079,320</u>	<u>10,229,521</u>	<u>73,914,549</u>
<u>\$ (3,974,261)</u>	<u>\$ 14,908,631</u>	<u>\$ 9,645,327</u>	<u>\$ 48,178,296</u>

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, 2003

Net change in **fund balances** - total governmental funds \$ (25,736,253)

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

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

Land	828,000	
Roads accounted for using the modified approach	5,320,636	
Construction in progress	(5,068,157)	
Buildings, net of \$1,535,400 depreciation expense	1,322,202	
Improvements other than buildings, net of \$1,858,426 depreciation expense	12,758,772	
Machinery and equipment, net of \$3,632,567 depreciation expense	(583,534)	
Net investment in joint venture, net of \$78,572 depreciation expense	<u>16,057</u>	
Net changes in capital assets		14,593,976

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

12,024,247

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.

(158,662)

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.

(47,791)

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.

(18,135,030)

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

8,148,510

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.

(514,792)

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.

889,836

Changes in **net assets** of governmental activities \$ (8,935,959)

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, 2003

	Business-type Activities - Enterprise Funds				Governmental Activities -	
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds	Totals	Internal Service Funds
Assets						
Current assets:						
Cash and cash equivalents	\$ 3,403,105	\$ 20,183,222	\$ 4,610,990	\$ 2,316,534	\$ 30,513,851	\$ 2,669,868
Interest receivable	-	-	-	86,849	86,849	-
Accounts receivable (net of allowance for uncollectables)	2,406,384	2,770,013	540,625	30,849	5,747,871	-
Miscellaneous receivable	-	-	-	7,676	7,676	322,241
Interfund receivable	-	-	-	171,584	171,584	-
Due from other funds	22,592	1,461	544	919,380	943,977	61,491
Inventories	746,909	94,603	-	-	841,512	24,607
Prepaid expenses	64,695	64,891	911	-	130,497	24,696
Total current assets	6,643,685	23,114,190	5,153,070	3,532,872	38,443,817	3,102,903
Noncurrent assets:						
Restricted cash and cash equivalents	2,816,788	28,853,646	-	3,121,955	34,792,389	-
Restricted investments	-	-	-	20,087,455	20,087,455	-
Advance to other funds	-	-	-	563,030	563,030	-
Assessments receivable	-	29,123	-	-	29,123	-
Unamortized issuance cost	345,852	1,049,684	-	63,951	1,459,487	-
Capital assets:						
Land, improvements to land and construction in progress	13,023,280	46,522,118	2,102,940	1,130,409	62,778,747	27,277
Other capital assets (net of accumulated depreciation)	114,577,587	153,115,974	46,094,596	5,184,461	318,972,618	575,042
Total noncurrent assets	130,763,507	229,570,545	48,197,536	30,151,261	438,682,849	602,319
Total assets	137,407,192	252,684,735	53,350,606	33,684,133	477,126,666	3,705,222
Liabilities						
Current liabilities:						
Accounts payable	1,409,423	3,415,300	319,539	516,511	5,660,773	691,713
Due to other funds	503,435	451,682	191,943	6,470	1,153,530	-
Compensated absences - current portion	443,807	296,678	70,310	3,136	813,931	10,131
Accrued group insurance benefits	-	-	-	-	-	1,405,900
Other current liabilities	177,029	320,472	14,090	8,335	519,926	580,427
Total current liabilities	2,533,694	4,484,132	595,882	534,452	8,148,160	2,688,171
Current liabilities payable from restricted assets:						
Customer deposits	1,249,419	-	-	-	1,249,419	-
Revenue bonds payable - current portion	2,130,000	4,966,886	-	130,000	7,226,886	-
Accrued interest payable	42,948	3,005,598	-	48,161	3,096,707	-
Total current liabilities payable from restricted assets	3,422,367	7,972,484	-	178,161	11,573,012	-
Noncurrent liabilities:						
Compensated absences payable	564,143	309,230	47,613	2,058	923,044	-
Revenue bonds payable (net of discounts/premiums)	11,714,606	52,767,767	-	1,800,000	66,282,373	-
Accrued interest payable - revenue bonds	-	2,559,007	-	-	2,559,007	-
Loans payable	-	14,498,998	-	-	14,498,998	-
Other long-term liabilities	-	188,600	-	-	188,600	-
Accrued pension cost	5,310	2,124	-	38,948	46,382	-
Total noncurrent liabilities	12,284,059	70,325,726	47,613	1,841,006	84,498,404	-
Total liabilities	18,240,120	82,782,342	643,495	2,553,619	104,219,576	2,688,171
Net assets						
Invested in capital assets, net of related debt	114,335,752	136,513,321	48,197,536	4,336,709	303,383,318	602,319
Restricted for:						
Debt service	240,809	9,739,275	-	575,559	10,555,643	-
Capital projects	1,092,921	8,725,056	-	-	9,817,977	-
Community trust	-	-	-	23,365,314	23,365,314	-
Maintenance	-	-	-	90,000	90,000	-
Unrestricted	3,497,590	14,924,741	4,509,575	2,762,932	25,694,838	414,732
Total net assets	\$ 119,167,072	\$ 169,902,393	\$ 52,707,111	\$ 31,130,514	\$ 372,907,090	\$ 1,017,051

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, 2003

	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	\$ 24,049,050	\$ 28,386,482	\$ 5,063,904	\$ 7,509,245	\$ 65,008,681	\$ 3,649,418
Leases	-	-	-	1,720,649	1,720,649	-
City contributions	-	-	-	-	-	15,223,081
Employee contributions	-	-	-	-	-	1,831,755
Total operating revenues	24,049,050	28,386,482	5,063,904	9,229,894	66,729,330	20,704,254
Operating expenses:						
Personnel services	5,420,453	3,931,674	979,999	222,047	10,554,173	455,571
Contractual services	1,783,027	2,884,620	201,453	6,947,167	11,816,267	3,188,271
Utilities	812,275	996,366	-	43,018	1,851,659	23,076
Chemicals	1,287,821	206,365	-	-	1,494,186	-
Administrative services	3,612,329	3,812,550	859,284	58,397	8,342,560	-
Other supplies and services	2,482,713	1,524,957	1,563,416	246,074	5,817,160	1,226,421
Insurance claims and premiums	-	-	-	-	-	15,174,168
Depreciation	4,067,898	5,646,775	1,118,825	414,298	11,247,796	40,689
Total operating expenses	19,466,516	19,003,307	4,722,977	7,931,001	51,123,801	20,108,196
Operating income	4,582,534	9,383,175	340,927	1,298,893	15,605,529	596,058
Nonoperating revenues (expenses):						
Interest and investment revenue	167,331	763,277	81,469	699,301	1,711,378	7,142
Unrealized gain (Note 13)	-	-	-	3,385,848	3,385,848	-
Miscellaneous revenue	-	-	-	19,767	19,767	350,270
Interest expense	(97,650)	(1,308,567)	-	(103,565)	(1,509,782)	-
Amortization of debt issuance costs	(76,369)	(159,317)	-	(3,553)	(239,239)	-
Loss on abandonment (Note 14)	(970,167)	(970,167)	-	-	(1,940,334)	-
Miscellaneous expense	-	(8,000)	-	(41,228)	(49,228)	(63,634)
Total nonoperating revenue (expenses)	(976,855)	(1,682,774)	81,469	3,956,570	1,378,410	293,778
Income before contributions and transfers	3,605,679	7,700,401	422,396	5,255,463	16,983,939	889,836
Capital contributions	2,962,666	2,199,667	2,289,042	-	7,451,375	-
Transfers out	(1,040,878)	(1,475,904)	-	(2,175,000)	(4,691,782)	-
Change in net assets	5,527,467	8,424,164	2,711,438	3,080,463	19,743,532	889,836
Total net assets - beginning	113,639,605	161,478,229	49,995,673	28,050,051	353,163,558	127,215
Total net assets - ending	\$ 119,167,072	\$ 169,902,393	\$ 52,707,111	\$ 31,130,514	\$ 372,907,090	\$ 1,017,051

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, 2003

	Business-type Activities - Enterprise Funds					Governmental
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds	Total	Activities - Internal Service Funds
Cash flows from operating activities:						
Receipts from customers and users	\$ 24,081,555	\$ 28,819,097	\$ 4,999,903	\$ 7,689,593	\$ 65,590,148	\$ 21,012,149
Receipts from leases	-	-	-	1,690,000	1,690,000	-
Payments to suppliers	(9,303,769)	(7,087,537)	(2,241,163)	(7,222,542)	(25,855,011)	(19,726,705)
Payments to employees	(5,400,774)	(3,916,266)	(975,037)	(223,010)	(10,515,087)	(458,326)
Other receipts	10,647	156,004	11,038	-	177,689	-
Net cash provided by operating activities	<u>9,387,659</u>	<u>17,971,298</u>	<u>1,794,741</u>	<u>1,934,041</u>	<u>31,087,739</u>	<u>827,118</u>
Cash flows from noncapital financing activities:						
Transfer to other funds	(1,040,878)	(2,991,860)	-	(2,175,000)	(6,207,738)	-
Cash flows from capital and related financing activities:						
Proceeds from capital debt	5,618,293	21,667,785	-	-	27,286,078	-
Capital contributions	322,276	950,125	57,747	-	1,330,148	-
Bond discount and premium issuance	41,462	50,982	-	-	92,444	-
Acquisition and construction of capital assets	(14,191,104)	(36,299,778)	(2,307,171)	-	(52,798,053)	-
Principal paid on capital debt	(2,110,000)	(4,511,041)	-	(70,000)	(6,691,041)	-
Interest paid on capital debt	(119,991)	(1,115,558)	-	(106,103)	(1,341,652)	-
Net cash used by capital and related financing activities	<u>(10,439,064)</u>	<u>(19,257,485)</u>	<u>(2,249,424)</u>	<u>(176,103)</u>	<u>(32,122,076)</u>	<u>-</u>
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	-	-	-	1,497,111	1,497,111	-
Purchase of investments	-	-	-	(2,073,979)	(2,073,979)	-
Interest received	167,331	763,277	81,469	966,260	1,978,337	7,361
Net cash provided by investing activities	<u>167,331</u>	<u>763,277</u>	<u>81,469</u>	<u>389,392</u>	<u>1,401,469</u>	<u>7,361</u>
Net increase (decrease) in cash and cash equivalents	(1,924,952)	(3,514,770)	(373,214)	(27,670)	(5,840,606)	834,479
Cash and cash equivalents, January 1	<u>8,144,845</u>	<u>52,551,638</u>	<u>4,984,204</u>	<u>5,466,159</u>	<u>71,146,846</u>	<u>1,835,389</u>
Cash and cash equivalents, December 31	<u>\$ 6,219,893</u>	<u>\$ 49,036,868</u>	<u>\$ 4,610,990</u>	<u>\$ 5,438,489</u>	<u>\$ 65,306,240</u>	<u>\$ 2,669,868</u>
Reconciliation of operating income to net cash provided by operating activities:						
Operating income	\$ 4,582,534	\$ 9,383,175	\$ 340,927	\$ 1,298,893	\$ 15,605,529	\$ 596,058
Adjustments to reconcile operating income to net cash provided by operating activities:						
Nonoperating revenue	-	-	-	19,767	19,767	350,270
Depreciation expense	4,067,898	5,646,775	1,118,825	414,298	11,247,796	40,689
(Increase) decrease in assets:						
Accounts receivable	32,505	432,615	(64,001)	167,920	569,039	(55,854)
Intergovernmental receivables	-	-	-	-	-	4,816
Due from other funds	-	-	-	(37,988)	(37,988)	8,663
Allowance for uncollectible accounts	3,793	193,816	11,071	-	208,680	-
Inventories	-	-	-	-	-	(465)
Prepaid items	-	-	-	-	-	27,973
Other assets	6,854	(37,812)	(33)	-	(30,991)	-
Increase (decrease) in liabilities:						
Accounts payable	694,075	2,352,729	387,952	72,114	3,506,870	(224,060)
Amounts payable related to equipment purchases	-	-	-	-	-	42,402
Compensated absence payable	-	-	-	(963)	(963)	(2,756)
Other current liabilities	-	-	-	-	-	39,382
Total adjustments	<u>4,805,125</u>	<u>8,588,123</u>	<u>1,453,814</u>	<u>635,148</u>	<u>15,482,210</u>	<u>231,060</u>
Net cash provided by operating activities	<u>\$ 9,387,659</u>	<u>\$ 17,971,298</u>	<u>\$ 1,794,741</u>	<u>\$ 1,934,041</u>	<u>\$ 31,087,739</u>	<u>\$ 827,118</u>
Noncash investing, capital and financing activities:						
Capital assets included in accounts payable	\$ 761,318	\$ 2,827,897	\$ 331,955	\$ -	\$ 3,921,170	\$ -
Contributions of capital assets from government	2,640,390	2,765,497	2,231,295	-	7,637,182	-
Capitalized interest added to capital assets	412,529	1,872,217	-	-	2,284,746	-

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, 2003

	Pension Trust Funds	Agency Funds
	<u> </u>	<u> </u>
<u>Assets</u>		
Cash and cash equivalents	\$ 428,982	\$ 6,341,666
Receivables:		
Taxes	1,358,188	-
Intergovernmental	21,078	442
Miscellaneous	2,397	65,634
Interfund receivables - pooled cash	204,276	49,627
Due from other funds	-	221
Investments at fair value:		
Participation in investment pools of other governments	3,858,080	-
Certificates of deposit	<u> -</u>	<u> 5,000</u>
 Total assets	 <u>5,873,001</u>	 <u>\$ 6,462,590</u>
<u>Liabilities</u>		
Accounts payable	-	\$ 14,764
Accrued payroll and deductions	58,820	6,386,881
Trust payable	-	9,412
Due to other funds	-	1,906
Interfund payables - pooled cash	204,276	49,627
Deferred revenue - unavailable	<u>672,336</u>	<u> -</u>
 Total liabilities	 <u>935,432</u>	 <u>\$ 6,462,590</u>
 <u>Net assets</u>		
Held in trust for:		
Employees' pension benefits	<u>\$ 4,937,569</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, 2003

	<u>Pension Trust Funds</u>
<u>Additions</u>	
Contributions:	
Employer	\$ 10,875,400
Plan members	118,910
Other	5,856
Investment income:	
Interest	<u>23,188</u>
 Total additions	 <u>11,023,354</u>
 <u>Deductions</u>	
Benefits and refunds paid to plan members and beneficiaries	14,207,092
Administrative expenses	<u>31,473</u>
 Total deductions	 <u>14,238,565</u>
 Changes in net assets	 (3,215,211)
Net assets - beginning	<u>8,152,780</u>
Net assets - ending	<u>\$ 4,937,569</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, 2003

	HANDS	Summit	UEA	C&TA	RA	Totals
Assets						
Current assets:						
Cash and cash equivalents	\$ -	\$ 87,516	\$ 763,040	\$ 3,258,074	\$ -	\$ 4,108,630
Investments	-	-	-	555,844	-	555,844
Receivables (net of allowances for uncollectibles):						
Accounts	-	-	3,538	251,804	-	255,342
Intergovernmental	76,626	-	-	32,025,186	-	32,101,812
Loans	314,153	-	161,030	-	-	475,183
Miscellaneous	1,232	-	-	69,929	-	71,161
Interfund receivable - pooled cash	-	-	248,318	-	-	248,318
Total current assets	392,011	87,516	1,175,926	36,160,837	-	37,816,290
Noncurrent assets:						
Restricted cash and cash equivalents	-	-	-	-	26,983,017	26,983,017
Net investment in direct financing lease (Note 19)	-	-	-	-	6,521,173	6,521,173
Deferred debits	-	-	-	-	447,121	447,121
Capital assets:						
Land, improvements and construction in progress	-	-	-	9,712,996	-	9,712,996
Other capital assets, net of depreciation	-	-	744,091	8,381,199	-	9,125,290
Total noncurrent assets	-	-	744,091	18,094,195	33,951,311	52,789,597
Total assets	392,011	87,516	1,920,017	54,255,032	33,951,311	90,605,887
Liabilities						
Current liabilities:						
Accounts payable	15,171	-	51,329	163,712	-	230,212
Interfund payable - pooled cash	248,318	-	-	-	-	248,318
Customer deposits	34,101	-	-	18,150	-	52,251
Total current liabilities	297,590	-	51,329	181,862	-	530,781
Current liabilities payable from restricted assets:						
Accrued interest payable	-	-	-	-	645,943	645,943
Noncurrent liabilities:						
Capital lease payable	-	-	-	33,305,368	-	33,305,368
Lease rental revenue bonds payable (net of premium) (Note 19)	-	-	-	-	33,305,368	33,305,368
Total noncurrent Liabilities	-	-	-	33,305,368	33,305,368	66,610,736
Total liabilities	297,590	-	51,329	33,487,230	33,951,311	67,787,460
Net assets						
Invested in capital assets, net of related debt	-	-	744,091	(15,211,173)	-	(14,467,082)
Restricted for:						
Other purposes	215,217	-	-	-	-	215,217
Unrestricted	(120,796)	87,516	1,124,597	35,978,975	-	37,070,292
Total net assets	\$ 94,421	\$ 87,516	\$ 1,868,688	\$ 20,767,802	\$ -	\$ 22,818,427

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, 2003

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	HANDS	Summit	UEA	C&TA	RA	Totals
Component units:										
HANDS	\$ 690,641	\$ -	\$ 253,152	\$ -	\$ (437,489)	\$ -	\$ -	\$ -	\$ -	\$ (437,489)
Summit	10	-	-	-	(10)	-	-	-	-	(10)
UEA	465,558	79,304	-	-	-	-	(386,254)	-	-	(386,254)
C&TA	2,347,724	894,357	-	3,311,250	-	-	-	1,857,883	-	1,857,883
RA	-	-	-	-	-	-	-	-	-	-
Total component units	\$ 3,503,933	\$ 973,661	\$ 253,152	\$ 3,311,250	(437,489)	(10)	(386,254)	1,857,883	-	1,034,130
General revenues:										
Indiana room tax income					-	-	-	2,188,821	-	2,188,821
Other tax					-	-	-	144,848	-	144,848
Unrestricted investment earnings					-	396	15,348	69,722	-	85,466
Reimbursement					-	-	10,377	-	-	10,377
Miscellaneous					-	61,599	10,209	-	-	71,808
Total general revenues					-	61,995	35,934	2,403,391	-	2,501,320
Change in net assets					(437,489)	61,985	(350,320)	4,261,274	-	3,535,450
Net assets - beginning					531,910	25,531	2,219,008	16,506,528	-	19,282,977
Net assets - ending					\$ 94,421	\$ 87,516	\$ 1,868,688	\$ 20,767,802	\$ -	\$ 22,818,427

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

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NOTES TO THE FINANCIAL STATEMENTS



CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2003

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

Blended Component Unit

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

Discretely Presented Component Units

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

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

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

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

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

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

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

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

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

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

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

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

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

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

City of Fort Wayne/Public Transportation Corporation Parking Garage Joint Venture

The primary government is a participant with Fort Wayne Public Transportation Corporation (PTC) in a joint venture to operate a downtown parking garage. Fort Wayne Public Transportation Corporation (PTC) owns 50 percent of one of the two Civic Center parking garages in downtown Fort Wayne. PTC is a related organization under the criteria set by GASB. In an agreement between the City and PTC, the City agrees to lease from the PTC the interest of the PTC in the parking garage. In return, the City agrees to pay the net revenue from the jointly owned parking garage to PTC. Net revenue is defined in the agreement as revenues less operating expenses which includes the cost of maintenance. The agreement requires the City to deposit \$30,000 a year into a maintenance account for each of the first 20 years of the agreement. PTC financed its share of the agreement by a general obligation bond issue. This issue is not a liability of the City. These bonds are to be retired by a PTC tax levy. The revenues and expenses for this facility are being accounted for in the Parking Garage II Fund, a non-major Enterprise fund, on the financial statements. Complete separate financial statements for the Parking Garage Joint Venture may be obtained from the Controller, City of Fort Wayne, Room 930, One Main Street, Fort Wayne, IN 46802.

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

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

The City and County each have a 50 percent equity interest in the venture, with each entity having invested approximately \$4.7 million in the project. The City's share of the construction cost was financed primarily from proceeds of a 1995 Tax Incremental Financing bond issue and a \$1.7 million 2001 Parking Garage Revenue bond issue. The City's equity interest was recorded in the City's Capital Assets. The Net Investment in Joint Venture will be increased (decreased) by 50% of the Association's net income (loss) each year. The City's equity interest increased \$94,629 for its share of 2003 net income. Complete separate financial statements for the Association may be obtained from the Controller, City of Fort Wayne, Room 930, One Main Street, Fort Wayne, IN 46802.

Related Organizations

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

B. Government-Wide and Fund Financial Statements

Government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these

statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

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

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

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

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

The government reports the following major governmental funds:

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

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

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

The Parks fund (special revenue) accounts for the financial resources and expenses for the construction, operation and maintenance of the City's park system. The Park and Recreation General, Park Land and Water Conservation, Park Bond Redemption, Park Cumulative Building, Park Trust, Park Nonreverting Capital, 1994 Park Bond, Park Nonreverting Operating, and McMillen Ice Arena Construction Bond funds have been combined to form the Parks fund.

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

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

The government reports the following major proprietary funds:

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

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

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

Additionally, the government reports the following fund types:

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

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

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

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

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

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

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

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

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

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

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

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

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

Open-end mutual funds are reported at fair value.

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

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

The City has invested \$3,858,080 in an external investment pool administered by the Public Employees' Retirement Fund Board of Trustees in accordance with IC 5-11-10.3-4.7. The fair value of the position in the pool is the same as the value of the pool shares. There is no regulatory oversight of the pool.

2. Interfund Transactions and Balances

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

3. Property Taxes

Property taxes levied are collected by the Treasurer of Allen County and are remitted to the City Controller in June and in December. State statutes (Indiana Code 6-1.1-17-16) require the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Due to problems with property tax reassessment in 2003, the County Treasurer sent out two provisional tax statements in 2003 and the final statement in April 2004 with the final payment due May 10, 2004. The County Treasurer distributed a portion of the collections in February 2004 with final distribution expected on June 30, 2004. Both of these amounts are recorded as receivable as of December 31, 2003 net of an allowance for

uncollectible amounts. The offset for the final distribution amount is to “Deferred revenue-unavailable” since the amounts are not considered available within 60 days.

4. Cash and Cash Equivalents

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

5. Inventories and Prepaid Items

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

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

6. Restricted Assets

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

7. Capital Assets

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

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

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

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

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. In 2003, net interest capitalized for the Water Utility and Wastewater Utility was \$412,529 and \$1,872,217, respectively.

8. Assets Held for Resale

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

9. Compensated Absences

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

Police Officers and Firefighters

Vacation Leave:

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

Sick Leave:

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

Employees Other Than Police Officers and Firefighters

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

Vacation Leave:

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

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

Sick Leave:

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

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

10. Unbilled Revenue

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

11. Deferred Revenues

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

12. Long-Term Obligations

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

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

13. Fund Equity

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

Note 2. Deposits and Investments

A. Primary Government

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

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

The City's investments are categorized below to give an indication of the risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for

	Category			Reported Amount	Fair Value
	1	2	3		
Repurchase Agreements	\$ -	\$ -	\$25,938,658	\$25,938,658	\$25,938,658
Bonds	-	3,802,022	-	3,802,022	3,802,022
U.S. Government Securities	-	-	-	-	-
Common Stock	-	-	-	-	-
Total by Category	<u>\$ -</u>	<u>\$3,802,022</u>	<u>\$25,938,658</u>	<u>29,740,680</u>	<u>29,740,680</u>
Investments Not Subject To Mutual Funds				-	
				<u>18,741,829</u>	<u>18,741,829</u>
Totals – Primary Government				<u>\$48,482,509</u>	<u>\$48,482,509</u>

The City has \$3,858,080 (reported amount and fair value) in an external investment pool administered by the Public Employees Retirement Fund Board of Trustees. This investment is not required to be categorized.

B. Discretely Presented Component Units

1. Deposits

The City's discretely presented component units' deposits with financial institutions of \$31,091,647 were entirely insured by federal depository insurance, with the exception of UEA's deposits in the amount of \$800,964. The UEA's deposits are categorized below to give an indication of the level of risk assumed by the UEA at year-end. Category 1 includes deposits that are insured or collateralized with securities held by the UEA or its agent in UEA's name. Category 2 includes deposits collateralized with securities held by the counter party's trust department or agent in UEA's name. Category 3 includes uncollateralized deposits, including any bank balance that is collateralized with securities held by the counter party, or by its trust department or agent but not in UEA's name:

	1	2	3	Bank Balance
Deposits - UEA	<u>\$222,533</u>	<u>\$800,964</u>	<u>\$ -</u>	<u>\$1,023,497</u>

Note 3. Capital Assets

Capital asset activity for the year ended December 31, 2003 was as follows:

<u>Primary government</u>	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 15,624,986	\$ 828,000	\$ -	\$ 16,452,986
Roads accounted for using the Modified approach	391,371,508	5,320,636	-	396,692,144
Construction in progress	<u>6,560,616</u>	<u>1,334,169</u>	<u>6,402,326</u>	<u>1,492,459</u>
Total capital assets, not being depreciated	<u>413,557,110</u>	<u>7,482,805</u>	<u>6,402,326</u>	<u>414,637,589</u>
Capital assets, being depreciated:				
Buildings	51,663,922	3,008,602	150,999	54,521,525
Improvements other than buildings	58,689,027	14,617,198	-	73,306,225
Machinery and equipment	41,660,814	4,352,570	1,424,165	44,589,219
Net investment in joint venture	<u>3,464,965</u>	<u>94,629</u>	<u>-</u>	<u>3,559,594</u>
Totals	<u>155,478,728</u>	<u>22,072,999</u>	<u>1,575,164</u>	<u>175,976,563</u>
Less accumulated depreciation for:				
Buildings	16,394,364	1,549,561	-	17,943,925
Improvements other than buildings	7,914,633	1,904,898	46,472	9,773,059
Machinery and equipment	21,019,051	4,959,038	1,356,934	24,621,155
Net investment in joint venture	<u>549,822</u>	<u>78,572</u>	<u>-</u>	<u>628,394</u>
Totals	<u>45,877,870</u>	<u>8,492,069</u>	<u>1,403,406</u>	<u>52,966,533</u>
Total capital assets, being depreciated, net	<u>109,600,858</u>	<u>13,580,930</u>	<u>171,758</u>	<u>123,010,030</u>
Total governmental activity capital assets, net	<u>\$ 523,157,968</u>	<u>\$ 21,063,735</u>	<u>\$ 6,574,084</u>	<u>\$ 537,647,619</u>

<u>Primary government (continued)</u>	Beginning Balance	Additions	Reductions	Adjustments	Ending Balance
Business type activities:					
Capital assets, not being depreciated:					
Land	\$ 4,176,536	\$ -	\$ -	\$ -	\$ 4,176,536
Construction in progress	<u>32,036,370</u>	<u>39,348,056</u>	<u>12,782,215</u>	<u>-</u>	<u>58,602,211</u>
Total capital assets, not being depreciated	<u>36,212,906</u>	<u>39,348,056</u>	<u>12,782,215</u>	<u>-</u>	<u>62,778,747</u>
Capital assets, being depreciated:					
Distribution and collection	291,293,490	18,323,146	873,640	81,508	308,824,504
Buildings and improvements	90,515,729	56,854	4,059	(40,957)	90,527,567
Equipment and other	93,115,182	14,036,086	5,225,857	8,189	101,933,600
Totals	<u>474,924,401</u>	<u>32,416,086</u>	<u>6,103,556</u>	<u>48,740</u>	<u>501,285,671</u>
Less accumulated depreciation for:					
Distribution and collection	83,093,209	4,415,712	873,640	-	86,635,281
Buildings and improvements	39,893,540	1,388,171	4,059	-	41,277,652
Equipment and other	52,127,874	5,477,825	5,197,472	1,991,893	54,400,120
Totals	<u>175,114,623</u>	<u>11,281,708</u>	<u>6,075,171</u>	<u>1,991,893</u>	<u>182,313,053</u>
Total capital assets, being depreciated, net	<u>299,809,778</u>	<u>21,134,378</u>	<u>28,385</u>	<u>1,943,153</u>	<u>318,972,618</u>
Total proprietary funds					
Capital assets, net	<u>\$ 336,022,684</u>	<u>\$ 60,482,434</u>	<u>\$ 12,810,600</u>	<u>\$ (1,943,153)</u>	<u>\$ 381,751,365</u>

<u>Discretely presented component units</u>	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 975,000	\$ -	\$ -	\$ 975,000
Construction in progress		8,737,996		8,737,996
Total capital assets not being depreciated	<u>975,000</u>	<u>8,737,998</u>	<u>-</u>	<u>8,737,996</u>
Capital assets, being depreciated:				
Buildings and improvements	10,345,808	903,739	-	11,249,547
Machinery and equipment	<u>3,347,155</u>	<u>41,033</u>	<u>1,029,347</u>	<u>2,358,841</u>
Totals	<u>13,692,963</u>	<u>944,772</u>	<u>1,029,347</u>	<u>13,608,388</u>
Less accumulated depreciation for:				
Buildings and improvements	1,920,704	591,408	-	2,512,112
Machinery and equipment	<u>2,242,695</u>	<u>93,719</u>	<u>365,428</u>	<u>1,970,986</u>
Totals	<u>4,163,399</u>	<u>685,127</u>	<u>365,428</u>	<u>4,483,098</u>
Total capital assets, being depreciated, net	<u>9,529,564</u>	<u>259,645</u>	<u>663,919</u>	<u>9,125,290</u>
Total discretely presented component Unit capital assets, net	<u>\$ 10,504,564</u>	<u>\$ 8,997,641</u>	<u>\$ 663,919</u>	<u>\$ 18,838,286</u>

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

Governmental activities:

General government	\$ 339,037
Public safety	3,813,298
Highways and streets	2,117,020
Health and welfare	106,825
Urban redevelopment and housing	10,886
Culture and recreation	2,060,294
Internal service funds*	<u>40,689</u>

Total depreciation expense - governmental activities \$ 8,488,049

Business-type activities:

Water	\$ 4,067,898
Wastewater	5,646,775
Stormwater	1,118,825
Parking garages	202,976
Solid waste	1,789
Other	<u>209,533</u>

Total depreciation expense - business-type activities \$ 11,247,796

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

Note 4. Long-term Debt

A.. Changes in Long-term Debt

During the year ended December 31, 2003, the following changes occurred in liabilities reported on the Statement of Net Assets:

	Balance, 1/1/2003	Additions	Reductions	Balance, 12/31/2003	Current Portion
Governmental Activities:					
General obligation bonds	\$ 15,100,000	\$ -	\$ 2,420,000	\$ 12,680,000	\$ 2,610,000
Special obligation bonds	38,320,000	-	8,460,000	29,860,000	4,630,000
Compensated absences	6,610,825	5,836,696	5,098,735	7,348,786	5,626,450
First mortgage bonds	11,035,000	6,555,000	8,140,000	9,450,000	1,580,000
Capital leases	7,411,397	29,000,000	1,890,404	8,420,993	2,012,715
Notes and loans payable	2,523,297	-	568,843	1,954,455	500,163
Mortgages payable	42,000	-	-	42,000	-
Net pension obligation	<u>59,413,263</u>	<u>18,135,030</u>	<u>-</u>	<u>77,548,293</u>	<u>-</u>
Totals	<u>\$ 140,455,782</u>	<u>\$ 33,426,726</u>	<u>\$ 26,577,982</u>	<u>\$ 147,304,526</u>	<u>\$ 16,959,328</u>
Business-type Activities:					
Revenue bonds	\$ 59,504,988	\$ 18,150,000	\$ 5,509,602	\$ 72,145,386	\$ 6,437,886
Compensated absences	1,548,270	1,718,860	1,530,155	1,736,975	813,931
Accrued interest payable	3,740,448	-	1,181,441	2,559,007	-
Notes and loans payable	5,607,957	9,680,041	-	15,287,999	789,000
Accrued pension cost	45,044	1,338	-	46,382	-
Other long-term liabilities	<u>180,600</u>	<u>8,000</u>	<u>-</u>	<u>188,600</u>	<u>-</u>
Totals	<u>\$ 70,627,307</u>	<u>\$ 29,558,239</u>	<u>\$ 8,221,198</u>	<u>\$ 91,964,349</u>	<u>\$ 8,040,817</u>

Discretely presented component units:

Lease rental revenue					
bonds payable	\$	-	\$31,985,000	\$	-
Capital leases		-	<u>33,305,368</u>		-
Totals	\$	-	<u>\$65,290,368</u>	\$	-

B. Description of Bond Issues

Primary government:

General Obligation Bonds:	Balance, 12/31/2003	Current Portion	Premium (Discount)	Net Long-term
\$8,950,000, 1994 Park District Bonds due in installments of \$1,200,000 to \$1,350,000 plus interest through January 1, 2005; interest at 5.5 percent.	\$ 2,550,000	\$ 1,200,000	\$ -	\$ 1,350,000
\$4,000,000, 1994 Public Safety Bonds due in installments of \$490,000 plus interest through January 1, 2004; interest at 5.0 percent.	490,000	490,000	(3,323)	(3,323)
\$8,580,000, 1998 Redevelopment District Refunding and Improvement Bonds due in installments of \$750,000 to \$1,020,000 plus interest through February 1, 2010; interest at 4.10 percent to 6.45 percent.	5,620,000	750,000	(5,527)	4,864,473
\$4,500,000, 1999 Park District Improvement Bonds due in installments of \$170,000 to \$360,000 plus interest through July 1, 2019; interest at 5.6 percent to 6.05 percent.	<u>4,020,000</u>	<u>170,000</u>		<u>3,850,000</u>
Total General Obligation Bonds	<u>\$ 12,680,000</u>	<u>\$ 2,610,000</u>	<u>\$ (8,850)</u>	<u>\$ 10,061,150</u>
Special Obligation Bonds:	Balance 12/31/2003	Current Portion	Premium (Discount)	Net Long-term
\$14,810,000, 1999 Economic Development Income Tax Revenue Bonds due in installments of \$1,000,000 to \$1,310,000 plus interest through December 1, 2006; interest at 4.0 percent to 4.25 percent.	\$ 6,610,000	\$ 2,000,000	\$ (5,456)	\$ 4,604,544
\$16,500,000, 2001 Economic Development Income Tax Revenue Bonds Due in installments of \$880,000 to \$1,170,000 plus interest through December 1, 2010; interest at 4.0 percent to 4.25 percent.	14,270,000	1,780,000	(63,494)	12,426,506
\$10,225,000, 2002 Infrastructure Bonds due in installments of \$420,000 to \$595,000 plus interest through December 1, 2012; interest at 3.5 percent to 4.25 percent.	<u>8,980,000</u>	<u>850,000</u>	<u>(63,241)</u>	<u>8,066,759</u>
Total Special Obligation Bonds	<u>\$ 29,860,000</u>	<u>\$ 4,630,000</u>	<u>\$ (132,191)</u>	<u>\$ 25,097,809</u>

First Mortgage Bonds:	Balance, 12-31-03	Current Portion	Premium (Discount) (Deferral of loss on refunding)	Net Long-term
\$2,400,000, 2000A First Mortgage Bonds due in installments of \$240,000 to \$325,000 plus interest through January 15, 2010; interest at 4.65 percent to 4.75 percent.	\$ 1,950,000	\$ 240,000	\$ (8,626)	\$ 1,701,374
\$1,035,000, 2002 First Mortgage Bonds due in installments of \$90,000 to \$125,000 plus interest through January 1, 2012; interest at 3.05 percent to 4.7 percent.	945,000	90,000	(23,288)	831,712
\$6,555,000, 2003 First Mortgage Refunding Bonds due in installments of \$1,250,000 to \$1,400,000 plus interest through January 15, 2008; interest at 2.0 percent to 3.25 percent.	<u>6,555,000</u>	<u>1,250,000</u>	<u>84,753</u>	<u>5,389,753</u>
Total First Mortgage Bonds	<u>\$ 9,450,000</u>	<u>\$ 1,580,000</u>	<u>\$ 52,839</u>	<u>\$ 7,922,839</u>

Revenue Bonds:	Balance, 12-31-03	Current Portion	Premium (Discount)	Net Long-term
\$1,000,000, 1979 Parking Garage Revenue bonds due in installments of \$70,000 to \$85,000 plus interest through January 1, 2006; interest at 7.25 percent.	\$ 230,000	\$ 70,000	\$ -	\$ 160,000
\$18,096,275, 1985 Sewage Works Revenue Refunding Bonds due in installments of \$697,886 to \$1,557,500 plus interest through 2005; interest 9.625 percent.	2,255,386	697,886	-	1,557,500
\$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 \$470,000 to \$680,000, redeemable at 100 percent beginning in 2004.	4,540,000	470,000	(32,202)	4,037,798
\$10,640,000, 1998 Sewage Works Junior Revenue Bonds, Series A due in installments of \$660,000 to \$975,000 plus interest through August 1, 2012; interest at 4.25 percent to 5.0 percent.	7,240,000	660,000	(9,388)	6,570,612
\$16,760,000, 1998 Sewage Works Junior Revenue Bonds, Series B due in installments of \$1,095,000 to \$1,535,000 plus interest through August 1, 2012; interest at 4.0 percent to 4.5 percent.	11,685,000	1,095,000	(9,103)	10,580,897
\$1,700,000, 2001 Parking Garage Revenue Bonds due in installments of \$60,000 to \$140,000 plus interest through January 15, 2021; interest at 3.87 percent to 5.59 percent.	1,700,000	60,000	-	1,640,000

\$5,220,000, 2002 Water Works Refunding Revenue Bonds due in installments of \$1,150,000 to \$1,350,000 plus interest through 2006; interest at 3.0 percent.	3,760,000	1,350,000	45,091	2,455,091
\$19,080,000, 2002 Sewage Works Junior Refunding Revenue Bonds, Series B due in installments of \$735,000 to \$1,100,000 plus interest through 2017; interest at 3.5 percent to 5.5 percent.	17,445,000	735,000	495,858	17,205,858
\$5,750,000, 2002 Sewage Works Junior Revenue Bonds, Series C due in installments of \$310,000 to \$500,000 plus interest through 2017; interest at 1.3 percent to 4.55 percent.	5,445,000	310,000	-	5,135,000
\$5,800,000, 2003 Water Works Revenue Bond due in installments of \$310,000 to \$505,000 plus interest through 2017; interest at 2.0 percent to 4.25 percent.	5,495,000	310,000	36,718	5,221,718
\$12,350,000, 2003 Sewage Works Junior Revenue bonds in installments of \$680,000 to \$1,045,000 plus interest through 2018; interest at 2.0 percent to 3.80 percent.	<u>12,350,000</u>	<u>680,000</u>	<u>47,899</u>	<u>11,717,899</u>
Total Revenue Bonds	<u>\$ 72,145,386</u>	<u>\$ 6,437,886</u>	<u>\$ 574,873</u>	<u>\$ 66,282,373</u>

Discretely presented component units:

Lease Rental Revenue Bonds:	Balance, 12/31/2003	Current Portion	Premium (Discount)	Net Long-term
\$31,985,000 Lease Rental Revenue Bonds due in installments of \$580,000 to \$2,170,000 plus interest through February 1, 2028; interest at 2.5 percent to 5 percent.	<u>\$ 31,985,000</u>	<u>\$ -</u>	<u>\$ 1,320,368</u>	<u>\$ 33,305,368</u>

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

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

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

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

C. Debt Service Requirement to Maturity - Bonds

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

Primary government:

Year Ended December 31	General Obligation			Special Obligation		
	Principal	Interest	Totals	Principal	Interest	Totals
2004	\$ 2,610,000	\$ 606,208	\$ 3,216,208	\$ 4,630,000	\$ 1,169,732	\$ 5,799,732
2005	2,345,000	474,048	2,819,048	4,740,000	986,968	5,726,968
2006	1,045,000	382,443	1,427,443	5,460,000	790,832	6,250,832
2007	1,125,000	327,466	1,452,466	2,975,000	596,244	3,571,244
2008	1,180,000	272,709	1,452,709	3,105,000	473,944	3,578,944
2009-2013	2,480,000	811,580	3,291,580	8,950,000	672,413	9,622,413
2014-2018	1,535,000	391,978	1,926,978	-	-	-
2019-2023	360,000	21,780	381,780	-	-	-
Total	<u>\$ 12,680,000</u>	<u>\$ 3,288,210</u>	<u>\$ 15,968,210</u>	<u>\$ 29,860,000</u>	<u>\$ 4,690,133</u>	<u>\$ 34,550,133</u>

Year Ended December 31	First Mortgage			Revenue		
	Principal	Interest	Totals	Principal	Interest	Totals
2004	\$ 1,580,000	\$ 324,933	\$ 1,904,933	\$ 6,437,886	\$ 4,724,491	\$ 11,162,377
2005	1,595,000	272,928	1,867,928	7,362,500	5,910,539	13,273,039
2006	1,660,000	206,347	1,866,347	6,665,000	2,460,709	9,125,709
2007	1,730,000	143,515	1,873,515	5,660,000	2,204,634	7,864,634
2008	1,790,000	82,971	1,872,971	5,920,000	1,969,732	7,889,732
2009-2013	1,095,000	75,070	1,170,070	25,950,000	6,164,950	32,114,950
2014-2018	-	-	-	13,750,000	1,771,953	15,521,953
2019-2023	-	-	-	400,000	34,378	434,378
Total	<u>\$ 9,450,000</u>	<u>\$ 1,105,764</u>	<u>\$ 10,555,764</u>	<u>\$ 72,145,386</u>	<u>\$ 25,241,386</u>	<u>\$ 97,386,772</u>

Discretely presented component units:

Year Ended December 31	Lease Rental Revenue		
	Principal	Interest	Totals
2004	\$ -	\$ 1,550,262	\$ 1,550,262
2005	-	1,550,262	1,550,262
2006	-	1,550,262	1,550,262
2007	735,000	1,541,075	2,276,075
2008	845,000	1,520,270	2,365,270
2009-2013	5,785,000	6,917,325	12,702,325
2014-2018	6,545,000	5,368,625	11,913,625
2019-2023	8,215,000	3,518,875	11,733,875
2024-2028	9,860,000	1,280,500	11,140,500
Total	<u>\$ 31,985,000</u>	<u>\$ 24,797,456</u>	<u>\$ 56,782,456</u>

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

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

D. Capital Leases Payable

Primary Government:

Primary Government:

In 1999, the City entered into a capital lease for police equipment with a carrying value of \$575,247. In 2000, the City entered into a capital lease for equipment with a carrying value of \$1,113,399. In 2001, the City entered into a capital lease for machinery and equipment with a carrying value of \$1,963,032. In 2002, the City entered into a capital lease for equipment with a carrying value of \$3,950,000. In 2002, the City entered into a capital lease for street maintenance equipment with a carrying value of \$1,176,000. In 2003, the City entered into a capital lease for equipment with a carrying value of \$2,700,000. At December 31, 2003, vehicles with a carrying value of \$2,646,849 had been acquired. The remainder of \$53,151 will be applied to future debt service in 2004. In 2003, the City entered into a capital lease for street maintenance equipment with a carrying value of \$200,000. At December 31, 2003, equipment with a carrying value of \$198,790 had been acquired. The remainder of \$1,210 will be applied to account fees and future debt service in 2004.

Discretely presented component units:

In 2003, the Fort Wayne-Allen County Convention and Tourism Authority entered into a \$33,305,368 capital lease for expansion of the Grand Wayne Center. See Note 19 for additional information.

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, 2003:

Year Ended December 31	Primary Government Governmental Activities	Discretely Presented Component Units
2004	\$ 2,298,466	\$ 854,640
2005	2,108,439	854,640
2006	1,982,762	854,640
2007	1,554,483	1,572,797
2008	837,784	1,731,579
2009-2013	403,557	12,209,171
2014-2018	-	12,052,348
2019-2023	-	11,837,806
2024-2028	-	12,093,145
Total minimum lease payments	9,185,492	54,060,766
Less amount representing interest	764,499	20,755,398
Present value of net minimum lease payments	<u>\$ 8,420,993</u>	<u>\$ 33,305,368</u>

Loans Payable

Governmental Activities:

12/31/2003

The City borrowed \$1,460,000 secured by a lease in 1993. The payments are due in installments of \$89,919 to \$173,779 plus interest at 5.04 percent through January 15, 2004. This loan is payable from the Fire Fund.

\$ 89,919

The City borrowed \$1,235,000 secured by a lease in 1994. The payments are due in installments of \$75,897 to \$80,500 plus interest at 6.0 percent through January 12, 2005. This loan is payable from the Fire Fund.

234,560

The City borrowed \$500,000 in 1999. The payments are due in installments of \$27,918 to \$30,454 plus interest at 2.5 percent through February 15, 2008. This loan is payable from the Redevelopment Fund.

261,976

The City borrowed \$1,140,000 in 1999. Payments are due in installments of \$50,000 to \$105,000 plus interest 3.9 to 5.2 percent through August 1, 2016. This loan is payable from the Community Development Block Grant Fund (non-major special revenue fund).

945,000

The City borrowed \$803,000 in 2001. Payments are due in installments of \$48,000 to \$75,000 plus a variable rate of interest based on 68 percent of the 6 month LIBOR plus 2.0 percent through July 31, 2006. This loan is payable from the Redevelopment Fund.

423,000

Total

\$ 1,954,455

Business-type Activities:

During 2002 the City entered into a finance assistance agreement with the State of Indiana's Wastewater Revolving Loan program that allows for a maximum of \$23,500,000 for improvements to the wastewater treatment facility. At December 31, 2003, \$15,287,998 has been drawn down. The City anticipates drawing down the total amount by the end of 2004. Payments are due in installments of \$789,000 to \$1,663,000 plus interest at 4.0 percent through 2023. The following debt service requirements to maturity reflect the anticipated loan payments.

\$ 15,287,998

Annual debt service requirements to maturity for the loans as of December 31, 2003, are as follows:

Year Ended December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	Principal	Interest	Totals
2004	\$ 500,163	\$ 68,534	\$ 568,697	\$ 789,000	\$ 721,577	\$ 1,510,577
2005	338,098	51,529	389,626	821,000	908,440	1,729,440
2006	237,047	42,532	279,578	854,000	875,600	1,729,600
2007	120,532	37,249	157,781	888,000	841,440	1,729,440
2008	88,615	33,972	122,586	923,000	805,920	1,728,920
2009-2013	375,000	128,505	503,505	5,200,000	3,445,280	8,645,280
2014-2018	295,000	30,926	325,926	6,327,000	2,318,720	8,645,720
2019-2023	-	-	-	7,698,000	947,960	8,645,960
Total	<u>\$ 1,954,455</u>	<u>\$ 393,245</u>	<u>\$ 2,347,700</u>	<u>\$ 23,500,000</u>	<u>\$ 10,864,937</u>	<u>\$ 34,364,937</u>

F. Mortgages Payable

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

G. Bond Refunding

On July 15, 2003, the City issued \$6,555,000 in mortgage refunding bonds with an average interest rate of 3.0 percent to refund \$6,655,000 of outstanding 1997 series bonds with an average interest rate of 4.75 percent. The net proceeds of \$6,453,347 (after payment of \$101,653 in issuance costs) and local contributions of \$63,076 were used to refund the outstanding 1997 bonds. The refunding resulted in an accounting loss of \$141,631, which has been recognized on the Statement of Net Assets as Deferral of loss on refunding (netted against First mortgage bonds payable). This amount will be amortized using the straight-line method and charged to interest expense over the next five years. The City reduced its aggregate debt service payments over the next five years by \$302,755 and realized an economic gain (difference between present values of the old and new debt service payments) of \$256,088.

Note 5. Operating Leases

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

The City has a lease agreement with Allen County for space in the City-County Building. Rent is figured on a percentage of the total City-County building maintenance and operations cost based on the square footage occupied. The lease provides for annual adjustments based on the change in the consumer price index. The City's cost of this lease for 2003 amounted to \$989,960.

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

The City has a lease with the McMillen Foundation, commencing July 1, 1994 and terminating June 30, 2004 for \$235,600 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 one ten-year period with 360 days notice. The renewal provides for a decrease in the annual rental payment to \$217,980.

Note 6. Deficit Fund Balances – Deficit Net Assets

The following funds have deficit fund balances at December 31, 2003:

Governmental funds – Deficit Fund Balances:	
Major Governmental funds:	
Fire	\$3,974,261
Non-major Special Revenue funds:	
Omnibus Crime	\$ 2,958
Emergency Shelter Grant	<u>21,247</u>
Total Non-major Special Revenue funds	<u>24,205</u>
Total Deficit Fund Balances	<u>\$3,998,466</u>

The following fund has deficit net assets at December 31, 2003:

Proprietary funds – Deficit Net Assets:	
Non-major Internal Service fund:	
Group Health Insurance	<u>\$242,500</u>

The deficit fund balances and deficit net assets listed above will be eliminated in 2004 by a decrease in expenditures and an increase in revenues.

7. Interfund Balances and Activity

A. Due To/From Other Funds

The following are reported in the fund financial statements:

Receivable Fund		Payable Fund	
Governmental:		Proprietary:	
General	\$ 121,236	Water Utility	\$ 23,423
		Wastewater Utility	9,427
		Stormwater Utility	802
		Other Non-major Enterprise	14
		Governmental:	
		CEDIT	63,952
		Other Non-major Governmental	23,618
CEDIT	11,240	Proprietary:	
		Stormwater Utility	11,240
Highways and Streets	1,141	Proprietary:	
		Wastewater Utility	705
		Stormwater Utility	436
Other Non-major Governmental	126,391	Proprietary:	
		Water Utility	49,599
		Stormwater Utility	76,792
Proprietary:		Governmental:	
Water Utility	22,592	General	735
Wastewater Utility	1,461	Redevelopment	20,890
Stormwater Utility	544	Parks	532
		Other Non-major Governmental	534
		Fiduciary:	
		Agency	1,906
Proprietary:		Proprietary:	
Other Non-major Enterprise	919,380	Water Utility	398,092
		Wastewater Utility	420,157
		Stormwater Utility	94,696
		Other Non-major Enterprise	6,435
Proprietary:		Proprietary:	
Internal Service	61,491	Water Utility	32,228
		Wastewater Utility	21,284
		Storm water Utility	7,960
		Other Non-major Enterprise	19
Fiduciary:		Proprietary:	
Agency	221	Water Utility	93
		Wastewater Utility	109
		Stormwater Utility	17
		Other Non-major Enterprise	2
Totals:	<u>\$ 1,265,697</u>		<u>\$ 1,265,697</u>

B. Interfund Receivables/Payables

The following are reported in the fund financial statements:

Receivable Fund		Payable Fund	
Proprietary:		Governmental:	
Other Non-major Enterprise	<u>\$ 171,584</u>	General	<u>\$ 171,584</u>

Interfund balances resulted from the time lag between the dates that (1) Interfund loans are repaid, (2) Interfund goods and services are provided or reimbursable expenditures occur, (3) transactions are recorded in the accounting system, and (4) payments between funds are made.

C. Advances To/From Other Funds:

The following are reported in the fund financial statements:

Receivable Fund		Payable Fund	
Proprietary:		Governmental:	
Other Non-major Enterprise	<u>\$ 563,030</u>	General	<u>\$ 563,030</u>

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

D. Transfers:

The following are reported in the fund financial statements:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental:		
General	\$ 3,016,134	\$ 200,000
Highways and Streets	500,000	-
CEDIT	5,765,057	11,972,057
Parks	3,078,663	655,663
Fire	-	10
Redevelopment	3,910,000	950,000
Other Non-major Governmental	7,222,316	5,022,658
Proprietary:		
Water Utility	-	1,040,878
Wastewater Utility	-	1,475,904
Other Non-major Enterprise	-	2,175,000
Totals:	<u>\$ 23,492,170</u>	<u>\$ 23,492,170</u>

Note 8. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; medical benefits to employees, retirees, and dependents; and natural disaster. The City assumes some of these risks as described below and carries commercial insurance from independent third parties for excess risk. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

General and Auto Liability

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

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

At December 31, 2003, the total of these liabilities was \$395,408. This liability is the City's best estimate based on available information. An analysis of claims activities is presented below:

		Claims and			
	Beginning	Changes	Claim	Ending	
	Balance	in Estimates	Payments	Balance	
2002	\$ 1,195,856	\$ (189,545)	\$ 616,307	\$ 390,004	
2003	390,004	(263,944)	258,540	395,408	

B. Group Health Insurance

The City's Group Health Insurance fund, an internal service fund, services the risk of loss related to employee health claims. An excess policy covers individual claims in excess of \$150,000 per year. In addition, the insurance company assumes the risk when total monthly claims exceed an amount based upon an aggregate monthly factor that averaged \$1,067,677 in 2002.

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

At December 31, 2003, the total of these liabilities was \$1,405,900. This liability is the City's best estimate based on available information. An analysis of claims activities is presented below:

		Claims and			
	Beginning	Charges	Claim	Ending	
	Balance	In Estimates	Payments	Balance	
2002	\$ 548,151	\$ 12,220,524	\$ 11,405,177	\$ 1,363,498	
2003	1,363,498	12,845,114	12,802,712	1,405,900	

C. Worker's Compensation Insurance

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

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

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

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

At December 31, 2003, the total of these liabilities was \$185,019. 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
2002	\$ 88,750	\$ 320,300	\$ 258,009	\$ 151,041
2003	151,041	254,991	221,013	185,019

Note 9. Segment Information

	Parking Garage I	2001 Parking Garage Addition	
Types of Good or Services Provided:	Used to account for revenues and expenses in connection with operating the Civic Center Parking Garage I.	Used to account for revenues and expenses in connection with the joint City and County parking facility addition.	
Condensed Statement of Net Assets			<u>Totals</u>
Assets:			
Current assets	\$ 679,017	\$ -	\$ 679,017
Restricted assets	308,364	267,195	575,559
Unamortized bond issuance costs	-	63,951	63,951
Capital assets	<u>1,710,673</u>	<u>1,553,170</u>	<u>3,263,843</u>
Total assets	<u>2,698,054</u>	<u>1,884,316</u>	<u>4,582,370</u>
Liabilities:			
Current liabilities	78,337	99,624	177,961
Noncurrent liabilities	<u>160,000</u>	<u>1,640,000</u>	<u>1,800,000</u>
Total liabilities	<u>238,337</u>	<u>1,739,624</u>	<u>1,977,961</u>
Net assets:			
Invested in capital assets, net of related debt	1,472,336	(186,654)	1,285,682
Restricted	308,364	267,195	575,559
Unrestricted	<u>679,017</u>	<u>63,951</u>	<u>742,968</u>
Total net assets	<u>\$ 2,459,717</u>	<u>\$ 144,492</u>	<u>\$ 2,604,209</u>
Condensed Statement of Revenues, Expenses and Changes in Net Assets			
Charges for goods and services	\$ 359,943	\$ 65,167	\$ 425,110
Leases	30,649	-	30,649
Depreciation expense	94,230	40,873	135,103
Other operating expenses	<u>130,931</u>	<u>-</u>	<u>130,931</u>
Operating income	165,431	24,294	189,725
Nonoperating revenues (expenses):			
Investment earnings	-	3,197	3,197
Interest expense	(16,675)	(86,890)	(103,565)
Amortization of bond issuance costs	<u>-</u>	<u>(3,553)</u>	<u>(3,553)</u>
Change in net assets	148,756	(62,952)	85,804
Total net assets - beginning	<u>2,310,961</u>	<u>207,444</u>	<u>2,518,405</u>
Total net assets - ending	<u>\$ 2,459,717</u>	<u>\$ 144,492</u>	<u>\$ 2,604,209</u>
Condensed Statement of Cash Flows			
Net cash provided (used) by:			
Operating activities	\$ 259,661	\$ 65,167	\$ 324,828
Noncapital financing activities	-	-	-
Capital and related financing activities	(89,213)	(86,890)	(176,103)
Investing activities	<u>-</u>	<u>3,197</u>	<u>3,197</u>
Net increase (decrease) in cash and cash equivalents	170,448	(18,526)	151,922
Cash and cash equivalents, January 1	<u>814,379</u>	<u>285,721</u>	<u>1,100,100</u>
Cash and cash equivalents, December 31	<u>\$ 984,827</u>	<u>\$ 267,195</u>	<u>\$ 1,252,022</u>

Note 10. Post Employment Health Care Benefits

In addition to providing pension benefits, the City, as authorized by IC 5-10-8, also provides health care benefits for 181 retired police officers and firefighters based upon union agreements. Police officers who are members of the Patrolmen's Benevolent Association and all firefighters, earn 20 percent credit for each year completed after 20 years toward health insurance. This continues up to a maximum of 25 years completed which would give an individual a 100 percent City paid health insurance plan. Police officers who are members of the Fraternal Order of Police and retire with 20 years of service, are eligible for 100 percent City paid health insurance. The City also provides health care benefits for 37 retirees from other departments throughout the City who retire and select to receive their sick leave payment in the form of health insurance premiums (see Note 1.D.9). No other retired employees receive City funded health care benefits. These and similar benefits for active employees are provided through an insurance company whose premiums are based on the benefits paid during the year. The City recognizes the cost of providing these benefits by recording expenditures when paid in the appropriate governmental funds. During the year, the cost of providing post retirement health care was approximately \$2,419,388.

Note 11. Conduit Debt

From time to time, the City of Fort Wayne has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City of Fort Wayne, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2003, there were 25 series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for 13 series issued after July 1, 1995 was \$63,490,600. The aggregate principal amount payable for the 12 series issued prior to July 1, 1995, could not be determined; however, their original issue amounts totaled \$44,997,000.

Note 12. Restricted Assets

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

Sinking Fund Account

The Sewage Works Junior Revenue Bonds of 1998, Series A and Series B, require monthly deposits into a sinking fund account of net revenues of the Wastewater Utility in an amount equal to at least 1/12 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 Bonds of 2002, Series C, require monthly deposits into a sinking fund account of net revenues of the Wastewater Utility in an amount equal to at least 1/12 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 City cover the Sewage Works Reserve Account requirements.

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

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

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

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

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

Construction Account

Bond issue proceeds used in the construction of capital assets.

Maintenance Account

The Parking Administration is required to make \$30,000 in annual payments (twenty years through 2002) to this account to maintain one of the City's parking garages.

Replacement Account

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

Customer Deposits Account

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

Connection Fees Account

Resources to be used to implement capital improvements required by the Regional Sewer Service Plan for the part of the area served by the St. Joe Interceptor Sewer.

Tank Painting Account

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

Depreciation Account

Any excess revenues of the Water Utility after making the necessary deposits to operate, repair, and maintain the Water Utility and satisfy fund requirements are paid into this account to be expended for additions, improvements and extensions to the Water Utility.

Community Trust

See Note 16.

Restricted assets at year-end consisted of the following:

Asset Type / Account	Enterprise Funds			Totals
	Water Utility	Wastewater Utility	Other Non-major Enterprise	
Cash and cash equivalents				
Sinking account	\$ 240,809	\$ 9,739,276	\$ 575,559	\$ 10,555,644
Construction account	233,639	10,618,203	-	10,851,842
Maintenance account	-	-	90,000	90,000
Replacement account	-	6,657,609	-	6,657,609
Customer deposits account	1,249,419	-	-	1,249,419
Connection fees account	-	1,838,558	-	1,838,558
Tank painting account	92,921	-	-	92,921
Depreciation account	1,000,000	-	-	1,000,000
Community trust	-	-	2,456,396	2,456,396
Totals	<u>2,816,788</u>	<u>28,853,646</u>	<u>3,121,955</u>	<u>34,792,389</u>
Investments				
Community trust	-	-	20,087,455	20,087,455
Total Restricted assets	<u>\$ 2,816,788</u>	<u>\$ 28,853,646</u>	<u>\$ 23,209,410</u>	<u>\$ 54,879,844</u>

Note 13. Unrealized Gain

An unrealized gain of \$3,385,848 is reported in the government-wide (business-type activities) and proprietary fund financial statements. This gain is the result of Community Trust investment activity in the Electric Utility.

Note 14. Loss on Abandonment

The Sewage Works Junior Revenue Bond, Series 2002C for \$5,750,000 and the Waterworks Revenue Bonds of 2003 for \$5,800,000 were issued for the purpose of purchasing and installing an automatic meter reading system. The old meters were removed from capital assets and the net book value was recognized as loss on abandonment. The water and wastewater utilities share the costs of meters equally. Therefore, the loss on abandonment of \$1,940,334 was charged equally to the Water Utility for \$970,167 and the Wastewater Utility for \$970,167.

Note 15. Lease of Electric Utility

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

Annual Amount	Five Year Period	Five Year Totals	Received	Future Rentals
\$ 1,440,000	3-1-75 to 2-29-80	\$ 7,200,000	\$ 7,200,000	\$ -
\$ 1,490,000	3-1-80 to 2-28-85	7,450,000	7,450,000	-
\$ 1,540,000	3-1-85 to 2-28-90	7,700,000	7,700,000	-
\$ 1,590,000	3-1-90 to 2-28-95	7,950,000	7,950,000	-
\$ 1,640,000	3-1-95 to 2-29-00	8,200,000	8,200,000	-
\$ 1,690,000	3-1-00 to 2-28-05	8,450,000	6,478,333	1,971,667
\$ 1,740,000	3-1-05 to 2-25-10	8,700,000	-	8,700,000
Totals		<u>55,650,000</u>	<u>44,978,333</u>	<u>10,671,667</u>

16. City of Fort Wayne Community Trust

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

17. Net Investment in Direct Financing Lease

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

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

Year	Amount
2004	\$69,947
2005	69,947
2006	69,947
2007	69,947
2008	69,947
2009-2013	349,735
2014-2016	<u>180,702</u>
Total Minimum Lease Payments	\$880,172
Less: Unearned Interest Income	-227,891
Net Investment in Direct Financing Lease	<u>\$652,281</u>

Note 18. Deferred Revenue

The City reports the following deferred revenue balances in the governmental funds as of December 31, 2003:

	Taxes	Direct Financing Lease	Assessments	Inter- governmental	Total
Unavailable:					
General	\$ 7,706,067	\$ 652,281	\$ -	\$ 69,194	\$ 8,427,542
Parks	1,827,667	-	-	-	1,827,667
Fire	5,422,565	-	-	-	5,422,565
Redevelopment	68,498	-	-	-	68,498
Other Non-major Governmental	<u>1,803</u>	-	<u>580,104</u>	-	<u>581,907</u>
Total	<u>\$ 15,026,600</u>	<u>\$ 652,281</u>	<u>\$ 580,104</u>	<u>\$ 69,194</u>	<u>\$ 16,328,179</u>
Unearned:					
General	\$ 2,767,732	\$ -	\$ -	\$ -	\$ 2,767,732
Highways and Streets	-	-	-	7,506	7,506
CEDIT	-	-	-	23,600	23,600
Parks	96,462	-	-	-	96,462
Other Non-major Governmental	<u>-</u>	<u>-</u>	<u>-</u>	<u>201,929</u>	<u>201,929</u>
Total	<u>\$ 2,864,194</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,035</u>	<u>\$ 3,097,229</u>

Note 19. Redevelopment Authority – Grand Wayne Center Expansion Project

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

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

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

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

The C&TA will report on their financial statements a Capital Lease Payable of \$33,305,368, which is the net present value of the lease payable at December 31, 2003. The Redevelopment Authority will report on their financial statements a lease rental revenue bonds payable of \$33,305,368, which is the net amount of the lease rental revenue bonds and bond premium due at December 31, 2003.

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

Note 20. Commitments and Contingencies

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

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

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

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

The Utilities have committed to funding three City projects in 2003 and forward. The Innovation Center was to receive \$375,000 in 2003 and \$187,500 per year until at least 2009. The Grand Wayne Center project received \$1,475,000 in 2003 and \$736,000 per year until at least 2009. The Utilities assisted in funding the Southtown Redevelopment by funding \$700,000 in 2003 and \$400,000 per year until at least 2009. In total, the Utilities have committed \$10.52 million through 2009.

The Utilities have entered into many contracts for various construction projects. Remaining contract payments as of year-end for each utility are as follows:

Water	\$	782,175
Wastewater		6,258,800
Stormwater		465,152
	\$	<u>7,506,127</u>

Note 21. Subsequent Events

In March 2004, the City of Fort Wayne Redevelopment Commission entered into a \$3,000,000 six month secured time loan. The loan proceeds were used to purchase Southtown Mall, including land and buildings. The total purchase price, ordered by the Allen County Circuit Court, was \$3,440,001. This issue is in litigation, with a jury trial scheduled for September 2004. Depending on the outcome, additional costs for the purchase of Southtown Mall may be incurred.

In March 2004, the City of Fort Wayne entered into a \$2,100,000 Capital Lease. The lease proceeds will be used to purchase vehicles for several City departments.

In May 2004, the City of Fort Wayne entered into a contract with American LaFrance for the purchase of 14 fire trucks, over a three year period, with a total cost of \$4,808,800. The financing of this purchase has not yet been secured.

Note 22. Pension Plans

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

a. Public Employees' Retirement Fund

Plan Description

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

compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The primary government's annual pension cost and related information, as provided by the actuary, is presented in this note.

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.

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.

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.

Funding Policy and Annual Pension Cost

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

e. Tables of Required Information

	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
Annual Required Contribution	\$ 2,181,487	\$ 13,737,000	\$ 11,809,000	\$ 892,263
Interest in NPO	(102,054)	2,428,000	1,966,000	29,857
Adjustment to Annual Required Contribution	<u>116,298</u>	<u>450,614</u>	<u>714,936</u>	<u>(7,604)</u>
Annual Pension Cost	2,195,731	16,615,614	14,489,936	914,516
Contributions Made	2,105,103	7,189,000	6,520,000	176,036
Increase in NPO	90,628	9,426,614	7,969,936	738,480
NPO, Beginning of Year	(1,407,639)	31,635,386	25,271,064	2,506,813
NPO, Year End	<u>\$ (1,317,011)</u>	<u>\$ 41,062,000</u>	<u>\$ 33,241,000</u>	<u>\$ 3,245,293</u>

The Net Pension Obligation reported in the Statement of Net Assets is \$77,548,293 (1925 Police Officers' Pension, \$41,062,000; 1937 Firefighters' Pension, \$33,241,000; Sanitary Officers' Pension, \$3,245,293). The change in Net Pension Obligation for the year as reported in the Statement of Activities, as an expense in the Public Safety category of Governmental activities, is \$18,135,030 (1925 Police Officers' Pension, \$9,426,614; 1937 Firefighters' Pension, \$7,969,936; Sanitary Officers' Pension, \$738,480).

	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
Contribution Rates:				
City	6%	1,767%	689%	704%
Plan Members	3%	6%	6%	3%
	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
Actuarial Valuation Date	07/01/03	01/01/03	01/01/03	01/01/03
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 o Projected Payroll, Closed
Remaining Amortization Period	34 Years	14	14	14
Asset Valuation Method	4 year Smoothed Market	4 year Smoothed Market	4 year Smoothed Market	4 year Smoothed Market
Actuarial Assumptions:				
	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension	Sanitary Officers' Pension
Investment Rate of Return	7.25%	7%	7%	6.75%
Projected Future Salary Increases	5%	5%	5%	10%
Attributed to Inflation	4%	4%	4%	5%
Attributed to Merit/Seniority	1%	1%	1%	0%
Attributed to Post-Retirement Benefit	0%	0%	0%	5%
Cost-of-Living Adjustments	2%	2%	2%	5%

Three Year Trend Information

PERF

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/01	\$ 1,669,705	125%	\$ (1,154,185)
06/30/02	1,796,732	114%	(1,407,639)
06/30/03	2,195,731	96%	(1,317,012)

1925 Police Officers' Pension Plan

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/00	\$ 12,161,900	64%	\$ 29,646,570
12/31/01	12,704,500	97%	31,635,386
12/31/02	16,615,614	43%	41,062,000

1937 Firefighters' Pension Plan

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/00	\$ 10,535,200	61%	\$ 25,028,789
12/31/01	10,649,600	42%	25,271,064
12/31/02	14,489,936	45%	33,241,000

Sanitary Officers' Pension Plan

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/00	\$ 837,716	49%	\$ 2,034,488
12/31/01	892,343	47%	2,506,813
12/31/02	914,516	19%	3,245,293

Plan Membership

<u>Group</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
Retirees and Beneficiaries Currently Receiving Benefits	352	303	20
Active Employees – Vested	35	18	3
Active Employees – Nonvested	0	0	0

f. Financial Statements for Defined Benefit Plans

Statements of Fiduciary Net Assets

	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
<u>Assets</u>			
Cash and cash equivalents	\$ -	\$ 376,371	\$ 52,611
Receivables:			
Taxes	917,620	387,520	53,048
Intergovernmental	11,387	9,691	-
Miscellaneous	701	-	1,696
Interfund receivables - pooled cash	-	204,276	-
Investments at fair value:			
Participation in investment pools of other governments	<u>2,045,798</u>	<u>1,812,282</u>	<u>-</u>
 Total assets	 <u>2,975,506</u>	 <u>2,790,140</u>	 <u>107,355</u>
<u>Liabilities</u>			
Accrued payroll and deductions	30,749	25,885	2,186
Interfund payables - pooled cash	204,276	-	-
Deferred revenue - unavailable	<u>338,887</u>	<u>282,977</u>	<u>50,472</u>
 Total liabilities	 <u>573,912</u>	 <u>308,862</u>	 <u>52,658</u>
<u>Net assets</u>			
Held in trust for:			
Employees' pension benefits	<u>\$ 2,401,594</u>	<u>\$ 2,481,278</u>	<u>\$ 54,697</u>

CITY OF FORT WAYNE
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
NON-MAJOR PENSION TRUST FUNDS
For The Year Ended December 31, 2003

	<u>1925 Police Officer's Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Sanitary Officers' Pension</u>
<u>Additions</u>			
Contributions:			
Employer	\$ 5,674,832	\$ 5,024,532	\$ 176,036
Plan members	75,756	40,568	2,586
Other	3,838	457	1,561
Investment income:			
Interest	<u>11,594</u>	<u>11,594</u>	<u>-</u>
 Total additions	 <u>5,766,020</u>	 <u>5,077,151</u>	 <u>180,183</u>
<u>Deductions</u>			
Benefits and refunds paid to plan members and beneficiaries	7,289,165	6,503,780	414,147
Administrative expenses	<u>13,052</u>	<u>15,924</u>	<u>2,497</u>
 Total deductions	 <u>7,302,217</u>	 <u>6,519,704</u>	 <u>416,644</u>
 Changes in net assets	 (1,536,197)	 (1,442,553)	 (236,461)
Net assets - beginning	<u>3,937,791</u>	<u>3,923,831</u>	<u>291,158</u>
 Net assets - ending	 <u>\$ 2,401,594</u>	 <u>\$ 2,481,278</u>	 <u>\$ 54,697</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, 2003, 2002, and 2001 were \$6,085,404, \$5,444,440, and \$4,965,259, 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, 2003

	General Fund			
	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 45,314,550	\$ 45,314,550	\$ 37,224,781	\$ (8,089,769)
Licenses and permits	1,756,670	1,756,670	1,775,643	18,973
Intergovernmental	3,764,260	3,764,260	2,758,140	(1,006,120)
Charges for services	7,300,458	7,300,458	3,511,767	(3,788,691)
Fines and forfeits	821,646	821,646	1,247,093	425,447
Other	920,688	920,688	1,055,244	134,556
Total revenues	59,878,272	59,878,272	47,572,668	(12,305,604)
Expenditures:				
Current:				
General government	11,145,655	11,005,511	10,600,983	404,528
Public safety	39,437,597	40,074,817	39,744,258	330,559
Highways and streets	5,598,445	5,349,414	5,112,453	236,961
Health and welfare	1,785,394	1,787,720	1,750,082	37,638
Economic opportunity	616,052	583,065	537,038	46,027
Economic development	2,905,731	3,069,151	2,978,722	90,429
Total expenditures	61,488,874	61,869,678	60,723,536	1,146,142
Other financing sources (uses):				
Operating transfers in	478,324	478,324	3,016,134	2,537,810
Operating transfers out	(200,000)	(200,000)	(200,000)	-
Total other financing sources	278,324	278,324	2,816,134	2,537,810
Net change in fund balance	(1,332,278)	(1,713,082)	(10,334,734)	(8,621,652)
Fund balance - beginning	14,504,499	14,504,499	14,504,499	-
Fund balance - ending	\$ 13,172,221	\$ 12,791,417	\$ 4,169,765	\$ (8,621,652)

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, 2003

	Highways and Streets			Parks			Fire			
	Budgeted Amounts		Variance Positive (Negative)	Budgeted Amounts		Variance Positive (Negative)	Budgeted Amounts		Variance Positive (Negative)	
	Original	Final	Actual	Original	Final	Actual	Original	Final	Actual	
Revenues:										
Taxes	\$ 1,770,681	\$ 1,770,681	\$ 1,760,953	\$ (9,728)	\$ 8,471,819	\$ 8,471,819	\$ 24,336,040	\$ 24,336,040	\$ 18,776,924	\$ (5,559,116)
Licenses and permits	-	-	-	-	26,500	39,304	-	-	-	-
Intergovernmental	8,571,730	8,571,730	8,786,396	214,666	-	-	-	-	-	-
Charges for services	951,864	951,864	1,164,030	212,166	4,742,711	4,465,712	9,881	9,881	11,223	1,342
Fines and forfeits	-	-	-	-	-	-	1,800	1,800	2,013	212
Other	15,940	15,940	221,187	205,247	1,039,593	1,183,899	5,000	5,000	16,006	11,006
Total revenues	11,310,215	11,310,215	11,932,566	622,351	14,280,623	12,330,885	24,352,721	24,352,722	18,806,166	(5,546,556)
Expenditures:										
Current:										
Public safety:										
Personal services	-	-	-	-	-	-	-	-	23,914,309	493,934
Supplies	-	-	-	-	-	-	24,440,940	24,408,243	550,475	6,315
Other services and charges	-	-	-	-	-	-	597,434	556,790	984,590	10,358
Capital outlay	-	-	-	-	-	-	1,106,146	994,948	143,915	3,515
Highways and streets:										
Personal services	7,121,318	7,236,950	7,178,017	58,933	-	-	-	-	-	-
Supplies	1,914,930	2,099,783	2,094,589	5,194	-	-	-	-	-	-
Other services and charges	2,731,683	2,574,298	2,446,141	128,157	-	-	-	-	-	-
Capital outlay	2,002,100	5,153,401	4,006,658	1,146,743	-	-	-	-	-	-
Culture and recreation:										
Personal services	-	-	-	-	8,274,244	8,038,331	-	-	-	-
Supplies	-	-	-	-	1,419,181	1,467,354	-	-	-	-
Other services and charges	-	-	-	-	5,525,700	5,212,802	-	-	-	-
Capital outlay	-	-	-	-	1,521,061	1,430,133	-	-	-	-
Total expenditures	13,770,031	17,064,432	15,725,405	1,339,027	16,740,186	16,148,620	26,264,118	26,103,896	25,589,774	514,122
Other financing sources (uses):										
Operating transfers in	-	-	500,000	500,000	3,175,124	3,078,663	-	-	-	-
Operating transfers out	-	-	-	-	(655,663)	(655,663)	(10)	(10)	(10)	-
Total other financing sources (uses)	-	-	500,000	500,000	2,519,461	2,423,000	(10)	(10)	(10)	-
Net change in fund balances	(2,459,816)	(5,754,217)	(3,292,839)	2,461,378	59,898	(1,394,735)	(1,911,407)	(1,751,184)	(6,783,618)	(5,032,434)
Fund balances - beginning	10,301,897	10,301,897	10,301,897	-	3,618,725	3,618,725	2,809,357	2,809,357	2,809,357	-
Fund balances - ending	\$ 7,842,081	\$ 4,547,680	\$ 7,009,058	\$ 2,461,378	\$ 3,678,623	\$ 2,223,990	\$ 897,950	\$ 1,058,173	\$ (3,974,261)	\$ (5,032,434)

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>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Arterial					
Needed	\$3,633,337	\$6,858,502	N/A	N/A	N/A
Actual	3,563,575	7,634,647	N/A	N/A	N/A
Collector					
Needed	731,323	210,935	N/A	N/A	N/A
Actual	524,084	146,895	N/A	N/A	N/A
Residential					
Needed	6,757,534	4,888,170	N/A	N/A	N/A
Actual	5,883,572	5,945,313	N/A	N/A	N/A

Condition Rating:

Average Pavement Condition Index (PCI)

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

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07/01/01	\$ 42,372,969	\$ 40,239,036	2,133,933	105%	\$ 33,693,216	6%
07/01/02	42,795,969	47,602,537	(4,806,568)	90%	36,081,493	(13%)
07/01/03	43,176,722	44,231,973	(1,055,251)	98%	38,021,759	(3%)

1925 Police Officers' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01/01/98	\$ 276,860	\$ 133,133,180	(132,856,320)	0%	\$ 3,049,610	(4,366%)
01/01/99	791,192	125,825,500	(125,034,308)	1%	2,673,700	(4,676%)
01/01/00	284,721	127,979,700	(127,694,979)	0%	2,136,300	(5,977%)
01/01/01	1,699,371	132,369,100	(130,669,729)	1%	1,859,800	(7,026%)
01/01/02	5,503,965	127,661,900	(122,157,935)	4%	1,635,400	(7,470%)
01/01/03	3,937,791	122,111,000	(118,173,209)	3%	2,324,000	(5,085%)

1937 Firefighters' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01/01/98	\$ 409,805	\$ 122,504,796	(122,094,991)	0%	\$ 2,264,785	(5,409%)
01/01/99	775,783	111,863,400	(111,087,617)	1%	1,586,500	(7,002%)
01/01/00	353,446	110,838,200	(110,484,754)	0%	1,483,000	(7,450%)
01/01/01	750,868	112,144,900	(111,394,032)	1%	1,072,600	(10,385%)
01/01/02	4,848,516	110,820,900	(105,972,384)	4%	914,400	(11,589%)
01/01/03	3,923,831	94,791,000	(90,867,169)	4%	1,610,000	(5,644%)

Sanitary Officers' Pension

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01/01/98	\$ 116,462	\$ 8,535,700	(8,419,238)	1%	\$ 283,700	(4,366%)
01/01/99	88,100	8,749,100	(8,661,000)	1%	216,800	(3,995%)
01/01/00	124,557	8,176,700	(8,052,143)	2%	187,400	(4,366%)
01/01/01	187,515	7,755,934	(7,568,419)	2%	197,855	(3,920%)
01/01/02	108,987	7,967,195	(7,858,208)	1%	204,430	(3,844%)
01/01/03	291,158	8,007,386	(7,716,228)	4%	126,741	(6,088%)

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
12/31/97	\$ 12,644,900	22%	23%
12/31/98	12,989,100	24%	22%
12/31/99	12,555,600	23%	21%
12/31/00	13,001,000	37%	23%
12/31/01	13,788,400	25%	53%
12/31/02	13,737,000	41%	11%

1937 Firefighters' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
		City	State
12/31/97	\$ 11,528,900	24%	26%
12/31/98	11,828,700	27%	23%
12/31/99	10,972,500	23%	25%
12/31/00	11,165,400	33%	24%
12/31/01	11,564,300	33%	57%
12/31/02	11,809,000	42%	13%

Sanitary Officers' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed
		City
12/31/97	\$ 874,800	31%
12/31/98	873,000	41%
12/31/99	853,600	48%
12/31/00	837,716	49%
12/31/01	875,476	47%
12/31/02	892,263	20%

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE, INDIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2003

Note 1. Budgets and Budgetary Accounting

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

8. Budgeted amounts are as originally adopted, or as amended by the City Council and approved by the Indiana Department of Local Government Finance in the regular legal manner. Net increases to the original appropriations totaled \$3,266,025 in 2003.

B. Expenditures in Excess of Appropriations

For the year ended December 31, 2003, expenditures exceeded budgeted appropriations at the legal level of control (object classification for all funds except the General Fund, which is by object classification within each department) in the following funds, by the amounts below:

<u>Fund</u>	<u>Department</u>	<u>Object</u>	<u>Excess</u>
General	Board of Works	Personal services	\$ 3,087
General	Data Processing/ACS	Other services and charges	143,666
General	Payroll	Personal services	66
General	Purchasing	Personal services	3,134
General	Police Merit Commission	Supplies	19,372
General	Police	Personal services	17,140
Domestic Violence		Supplies	254

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

Note 2. Infrastructure Assets – Modified Approach

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

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

SUPPLEMENTARY INFORMATION



Major Governmental Funds

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

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

General Government:

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

Public Safety:

**Weights and Measures
Police Merit Commission
Police
Communications**

Highways and Streets:

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

Health and Welfare:

Animal Control

Economic Opportunity:

Metropolitan Human Relations

Economic Development:

Community and Economic Development

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

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

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

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

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

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

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

CITY OF FORT WAYNE
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2003

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
General government:				
Mayor				
Personal services	\$ 747,305	\$ 770,334	\$ 740,747	\$ 29,587
Supplies	12,585	11,559	8,466	3,093
Other services and charges	118,618	69,868	66,914	2,954
Capital outlay	13,450	340	340	-
Controller				
Personal services	672,872	672,004	655,646	16,358
Supplies	7,910	7,910	7,324	586
Other services and charges	718,610	700,999	598,501	102,498
Capital outlay	13,000	6,610	3,819	2,791
City Clerk and Council				
Personal services	701,571	726,820	724,703	2,117
Supplies	10,250	12,021	7,403	4,618
Other services and charges	67,110	57,271	51,156	6,115
Capital outlay	2,550	1,776	1,738	38
Board of Works				
Personal services	280,154	284,487	287,574	(3,087)
Supplies	4,100	3,441	1,857	1,584
Other services and charges	1,954,823	1,974,403	1,971,538	2,865
Capital outlay	900	-	-	-
Law				
Personal services	290,436	267,501	263,442	4,059
Supplies	2,540	2,187	1,753	434
Other services and charges	164,251	202,257	135,729	66,528
Capital outlay	1,050	1,047	823	224
Internal Audit				
Personal services	203,316	174,857	158,650	16,207
Supplies	670	299	253	46
Other services and charges	10,474	11,101	8,534	2,567
Capital outlay	1,950	-	-	-
Data Processing / ACS				
Personal services	91,517	72,366	53,343	19,023
Supplies	64,500	68,228	55,555	12,673
Other services and charges	2,044,459	1,861,800	2,005,466	(143,666)
Capital outlay	229,500	313,438	216,218	97,220
Property Management				
Personal services	100,624	98,233	98,193	40
Supplies	1,430	823	761	62
Other services and charges	1,117,483	1,135,902	1,099,262	36,640
Capital outlay	19,000	-	-	-

(Continued)

CITY OF FORT WAYNE, INDIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2003
(Continued)

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
General government:				
Human Resources				
Personal services	485,966	504,287	489,876	14,411
Supplies	7,651	7,651	4,208	3,443
Other services and charges	159,069	152,531	78,612	73,919
Capital outlay	13,200	11,787	6,370	5,417
Payroll				
Personal services	214,816	217,975	218,041	(66)
Supplies	2,845	2,557	2,553	4
Other services and charges	11,991	7,881	6,855	1,026
Capital outlay	3,550	-	-	-
Purchasing				
Personal services	352,343	349,215	352,349	(3,134)
Supplies	31,840	22,743	19,059	3,684
Other services and charges	190,726	219,002	197,352	21,650
Capital outlay	2,650	-	-	-
Total General government	<u>11,145,655</u>	<u>11,005,511</u>	<u>10,600,983</u>	<u>404,528</u>
Public safety:				
Weights and Measures				
Personal services	97,496	104,836	99,474	5,362
Supplies	6,602	5,689	5,665	24
Other services and charges	13,099	10,053	10,050	3
Police Merit Commission				
Personal services	5,500	5,500	4,425	1,075
Supplies	200	200	19,572	(19,372)
Other services and charges	21,900	21,900	-	21,900
Police				
Personal services	30,513,009	31,122,885	31,140,025	(17,140)
Supplies	751,400	775,873	719,380	56,493
Other services and charges	3,181,409	3,099,859	3,022,649	77,210
Capital outlay	292,482	257,492	238,947	18,545
Communications				
Personal services	4,317,869	4,459,533	4,279,510	180,023
Supplies	74,660	72,180	68,799	3,381
Other services and charges	124,171	121,176	121,164	12
Capital outlay	37,800	17,641	14,598	3,043
Total Public safety	<u>39,437,597</u>	<u>40,074,817</u>	<u>39,744,258</u>	<u>330,559</u>

(Continued)

CITY OF FORT WAYNE, INDIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2003
(Continued)

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
Highways and streets:				
Street Lighting				
Personal services	694,805	704,561	689,239	15,322
Supplies	667,335	537,206	448,040	89,166
Other services and charges	1,688,882	1,651,722	1,589,570	62,152
Capital outlay	12,500	5,795	4,765	1,030
City Engineer				
Personal services	224,815	233,667	229,389	4,278
Supplies	1,939	1,895	1,405	490
Other services and charges	12,256	10,710	9,952	758
Flood Control				
Personal services	124,286	126,715	126,554	161
Supplies	5,560	6,482	5,100	1,382
Other services and charges	185,372	216,675	179,136	37,539
Capital outlay	101,250	24,142	23,798	344
Traffic Engineering Administration				
Personal services	439,387	439,387	439,387	-
Right of Way				
Personal services	276,562	280,725	280,352	373
Supplies	2,990	2,493	2,322	171
Other services and charges	7,801	6,994	6,548	446
Capital outlay	2,100	1,602	1,602	-
Transportation Engineering Services				
Personal services	997,706	967,879	967,623	256
Supplies	54,433	49,642	37,355	12,287
Other services and charges	98,466	81,122	70,316	10,806
Total Highways and streets	<u>5,598,445</u>	<u>5,349,414</u>	<u>5,112,453</u>	<u>236,961</u>
Health and welfare:				
Animal Control				
Personal services	1,411,435	1,453,959	1,428,790	25,169
Supplies	78,145	73,651	69,121	4,530
Other services and charges	286,934	256,845	249,362	7,483
Capital outlay	8,880	3,265	2,809	456
Total Health and welfare	<u>1,785,394</u>	<u>1,787,720</u>	<u>1,750,082</u>	<u>37,638</u>

(Continued)

CITY OF FORT WAYNE, INDIANA
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
 GENERAL FUND
 For The Year Ended December 31, 2003
 (Continued)

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
Economic opportunity:				
Metropolitan Human Relations				
Personal services	517,000	532,923	495,155	37,768
Supplies	5,960	6,363	4,568	1,795
Other services and charges	84,892	39,314	32,850	6,464
Capital outlay	<u>8,200</u>	<u>4,465</u>	<u>4,465</u>	<u>-</u>
Total Economic opportunity	<u>616,052</u>	<u>583,065</u>	<u>537,038</u>	<u>46,027</u>
Economic development:				
Community and Economic Development				
Personal services	2,342,913	2,391,169	2,379,585	11,584
Supplies	37,280	36,316	33,719	2,597
Other services and charges	493,338	618,733	544,858	73,875
Capital outlay	<u>32,200</u>	<u>22,933</u>	<u>20,560</u>	<u>2,373</u>
Total Economic development	<u>2,905,731</u>	<u>3,069,151</u>	<u>2,978,722</u>	<u>90,429</u>
Total General Fund	<u>\$ 61,488,874</u>	<u>\$ 61,869,678</u>	<u>\$ 60,723,536</u>	<u>\$ 1,146,142</u>

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER BUDGETED MAJOR GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2003

	Redevelopment				CEDIT			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 2,541,669	\$ 2,541,669	\$ 2,473,770	\$ (67,899)	\$ 16,522,168	\$ 16,522,168	\$ 16,522,168	\$ -
Other	<u>4,839,678</u>	<u>4,839,678</u>	<u>4,584,309</u>	<u>(255,369)</u>	<u>100,000</u>	<u>100,000</u>	<u>250,216</u>	<u>150,216</u>
Total revenues	<u>7,381,347</u>	<u>7,381,347</u>	<u>7,058,079</u>	<u>(323,268)</u>	<u>16,622,168</u>	<u>16,622,168</u>	<u>16,772,384</u>	<u>150,216</u>
Expenditures:								
Debt Service:								
Principal	899,129	899,129	899,129	-	2,472,968	2,472,968	2,472,968	-
Interest	318,680	318,680	318,680	-	687,953	687,953	687,953	-
Capital Outlay	<u>9,443,558</u>	<u>9,434,056</u>	<u>8,970,959</u>	<u>463,097</u>	<u>12,620,176</u>	<u>12,826,539</u>	<u>10,579,907</u>	<u>2,246,632</u>
Total expenditures	<u>10,661,367</u>	<u>10,651,865</u>	<u>10,188,768</u>	<u>463,097</u>	<u>15,781,097</u>	<u>15,987,460</u>	<u>13,740,828</u>	<u>2,246,632</u>
Other financing sources (uses):								
Transfers in	3,910,000	3,910,000	3,910,000	-	5,765,057	5,765,057	5,765,057	-
Transfers out	<u>(950,000)</u>	<u>(950,000)</u>	<u>(950,000)</u>	<u>-</u>	<u>(11,972,057)</u>	<u>(11,972,057)</u>	<u>(11,972,057)</u>	<u>-</u>
Total other financing sources (uses)	<u>2,960,000</u>	<u>2,960,000</u>	<u>2,960,000</u>	<u>-</u>	<u>(6,207,000)</u>	<u>(6,207,000)</u>	<u>(6,207,000)</u>	<u>-</u>
Net change in fund balances	(320,020)	(310,518)	(170,689)	139,829	(5,365,929)	(5,572,292)	(3,175,444)	2,396,848
Fund balances - beginning	<u>15,079,320</u>	<u>15,079,320</u>	<u>15,079,320</u>	<u>-</u>	<u>17,371,230</u>	<u>17,371,230</u>	<u>17,371,230</u>	<u>-</u>
Fund balances - ending	<u>\$ 14,759,300</u>	<u>\$ 14,768,802</u>	<u>\$ 14,908,631</u>	<u>\$ 139,829</u>	<u>\$ 12,005,301</u>	<u>\$ 11,798,938</u>	<u>\$ 14,195,786</u>	<u>\$ 2,396,848</u>

Non-major Governmental Funds

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

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

Non-major Governmental Funds (continued)

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

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

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

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

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

Civic Center Urban Renewal 1995 – to account for Courthouse Green Project.

Cumulative Capital Improvement – to account for cigarette tax distributions.

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

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

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

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

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

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 December 31, 2003

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Capital Projects Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 2,731,226	\$ -	\$ 3,546,349	\$ 6,277,575
Investments	235,000	-	760,000	995,000
Receivables (net of allowances for uncollectibles):				
Interest	4,443	-	139	4,582
Taxes	969,505	-	-	969,505
Assessments	-	-	710,031	710,031
Intergovernmental	981,406	-	-	981,406
Loans	1,118,233	-	-	1,118,233
Due from other funds	-	-	126,391	126,391
Miscellaneous	209,953	-	735	210,688
Interfund receivable - pooled cash	419,471	-	-	419,471
Total assets	<u>\$ 6,669,237</u>	<u>\$ -</u>	<u>\$ 5,143,645</u>	<u>\$ 11,812,882</u>
<u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 406,566	\$ -	\$ 17,720	\$ 424,286
Contracts payable	-	-	391,032	391,032
Retainage payable	-	-	124,778	124,778
Due to other funds	24,152	-	-	24,152
Interfund payable - pooled cash	419,471	-	-	419,471
Deferred revenue:				
Unavailable	1,803	-	580,104	581,907
Unearned	201,929	-	-	201,929
Total liabilities	<u>1,053,921</u>	<u>-</u>	<u>1,113,634</u>	<u>2,167,555</u>
Fund balances:				
Reserved for:				
Encumbrances	792,995	-	1,177,615	1,970,610
Noncurrent loans receivable	801,398	-	-	801,398
Unreserved, reported in:				
Special revenue funds	4,020,923	-	-	4,020,923
Capital projects funds	-	-	2,852,396	2,852,396
Total fund balances	<u>5,615,316</u>	<u>-</u>	<u>4,030,011</u>	<u>9,645,327</u>
Total liabilities and fund balances	<u>\$ 6,669,237</u>	<u>\$ -</u>	<u>\$ 5,143,645</u>	<u>\$ 11,812,882</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, 2003

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Capital Projects Funds	Totals
Revenues:				
Taxes	\$ 971,581	\$ -	\$ 70,241	\$ 1,041,822
Special assessments	-	-	1,882,144	1,882,144
Licenses and permits	697,978	-	-	697,978
Intergovernmental	5,017,884	-	743,717	5,761,601
Charges for services	403,455	-	-	403,455
Fines and forfeits	515,975	-	-	515,975
Other	<u>925,942</u>	-	<u>155,804</u>	<u>1,081,746</u>
 Total revenues	 <u>8,532,815</u>	 <u>-</u>	 <u>2,851,906</u>	 <u>11,384,721</u>
Expenditures:				
Current:				
General government	1,256,185	-	-	1,256,185
Public safety	2,660,273	-	-	2,660,273
Highways and streets	4,234	-	-	4,234
Sanitation	2,416	-	-	2,416
Health and welfare	83,374	-	-	83,374
Economic development	206,925	-	-	206,925
Urban redevelopment and housing	3,092,572	-	-	3,092,572
Debt service:				
Principal	-	460,000	1,485,000	1,945,000
Interest	-	36,000	578,317	614,317
Bond issue cost	-	-	101,653	101,653
Capital outlay	<u>-</u>	<u>-</u>	<u>7,228,008</u>	<u>7,228,008</u>
 Total expenditures	 <u>7,305,979</u>	 <u>496,000</u>	 <u>9,392,978</u>	 <u>17,194,957</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>1,226,836</u>	 <u>(496,000)</u>	 <u>(6,541,072)</u>	 <u>(5,810,236)</u>
Other financing sources (uses):				
Transfers in	200,450	2,365,000	4,656,866	7,222,316
Transfers out	(85,196)	(1,869,000)	(3,068,462)	(5,022,658)
First mortgage refunding bond proceeds	-	-	6,781,384	6,781,384
First mortgage refunding bond payments	-	-	(6,655,000)	(6,655,000)
Capital leases issued	<u>-</u>	<u>-</u>	<u>2,900,000</u>	<u>2,900,000</u>
 Total other financing sources	 <u>115,254</u>	 <u>496,000</u>	 <u>4,614,788</u>	 <u>5,226,042</u>
 Net change in fund balances	 1,342,090	 -	 (1,926,284)	 (584,194)
 Fund balances - beginning	 <u>4,273,226</u>	 <u>-</u>	 <u>5,956,295</u>	 <u>10,229,521</u>
 Fund balances - ending	 <u>\$ 5,615,316</u>	 <u>\$ -</u>	 <u>\$ 4,030,011</u>	 <u>\$ 9,645,327</u>

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2003

	Urban Development Action Grant	Urban Enterprise Association	Emergency Shelter Grant	Central City Housing	Levy Excess	General Donation	Domestic Violence	Animal Care Donation	Animal Control Special Project	Barrett Law Surplus	Rainy Day Fund	Totals
Assets												
Cash and cash equivalents	\$ 351,106	\$ -	\$ -	\$ 88,612	\$ 75,294	\$ 27,595	\$ 2,592	\$ 495,809	\$ 100,098	\$ 8,906	\$ -	\$ 2,731,226
Investments	-	-	-	-	-	-	-	-	-	235,000	-	235,000
Receivables (net of allowances for uncollectibles):												
Interest	-	-	-	-	-	-	4,211	-	-	4,443	-	4,443
Taxes	-	-	-	-	-	20,706	61	-	-	-	965,294	969,505
Intergovernmental	-	-	16,663	-	-	-	-	-	-	-	-	961,406
Loans	99,600	-	-	-	-	2,276	-	175	5,190	-	-	1,118,233
Miscellaneous	-	25,702	-	-	-	419,471	-	-	-	-	-	209,953
Interfund receivable - pooled cash	-	-	-	-	-	-	-	-	-	-	-	419,471
Total assets	\$ 450,706	\$ 25,702	\$ 16,663	\$ 88,612	\$ 75,294	\$ 470,048	\$ 6,864	\$ 495,984	\$ 105,288	\$ 246,349	\$ 965,294	\$ 6,669,237

Liabilities and fund balances

Liabilities:												
Accounts payable	\$ -	\$ -	\$ 16,677	\$ 120	\$ 75,294	\$ 34,849	\$ 3,800	\$ 475	\$ 5,288	\$ -	\$ -	\$ 406,566
Contracts payable	-	-	-	-	-	-	-	-	-	-	-	-
Retainage payable	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	25,702	19,233	-	-	-	-	-	-	23,618	-	24,152
Interfund payable - pooled cash	-	-	-	-	-	-	-	-	-	-	-	419,471
Deferred revenue:												
Unavailable	-	-	-	-	-	130,813	1,803	-	-	-	-	1,803
Unearned	-	-	-	-	-	-	-	-	-	-	-	201,929
Total liabilities	\$ -	\$ 25,702	\$ 37,910	\$ 120	\$ 75,294	\$ 165,662	\$ 5,603	\$ 475	\$ 5,288	\$ 23,618	\$ -	\$ 1,053,921

Fund balances:

Reserved for:												
Encumbrances	-	-	-	-	-	78,845	-	3,500	18,270	-	-	792,995
Noncurrent loans receivable	83,000	-	-	-	-	-	-	-	-	-	-	801,398
Unreserved, reported in:												
Special revenue funds	367,706	-	(21,247)	88,492	-	225,441	1,261	492,009	81,730	224,731	965,294	4,020,923
Total fund balances	\$ 450,706	\$ -	\$ (21,247)	\$ 88,492	\$ -	\$ 304,386	\$ 1,261	\$ 495,509	\$ 100,000	\$ 224,731	\$ 965,294	\$ 5,615,316
Total liabilities and fund balances	\$ 450,706	\$ 25,702	\$ 16,663	\$ 88,612	\$ 75,294	\$ 470,048	\$ 6,864	\$ 495,984	\$ 105,288	\$ 246,349	\$ 965,294	\$ 6,669,237

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 December 31, 2003

	Equipment Purchase	Civic Center Urban Renewal 1995	Cumulative Capital Improvement	TIF Allocation	1994 Safety Bond	2001 Safety Bond	Building Project	Barrett Law Revolving Improvement	Totals
<u>Assets</u>									
Cash and cash equivalents	\$ 57,904	\$ 117	\$ 1,244,566	\$ 22,797	\$ 6,375	\$ 984,980	\$ 876,454	\$ 353,156	\$ 3,546,349
Investments	-	-	-	-	-	-	-	760,000	760,000
Receivables (net of allowances for uncollectibles):									
Interest	-	-	-	-	-	-	139	-	139
Assessments	-	-	-	-	-	-	-	710,031	710,031
Due from other funds	-	-	-	-	-	-	-	126,391	126,391
Miscellaneous	-	-	735	-	-	-	-	-	735
Total assets	\$ 57,904	\$ 117	\$ 1,245,301	\$ 22,797	\$ 6,375	\$ 984,980	\$ 876,593	\$ 1,949,578	\$ 5,143,645
<u>Liabilities and fund balances</u>									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ 17,370	\$ -	\$ -	\$ 350	\$ -	\$ -	\$ 17,720
Contracts payable	-	-	34,200	-	-	-	-	356,832	391,032
Retainage payable	-	-	-	-	-	-	-	124,778	124,778
Deferred revenue:									
Unavailable	-	-	-	-	-	-	-	580,104	580,104
Total liabilities	-	-	\$ 51,570	-	-	350	-	1,061,714	1,113,634
Fund balances:									
Reserved for:									
Encumbrances	-	-	286,595	-	-	14,427	876,593	-	1,177,615
Unreserved, reported in:									
Capital projects funds	57,904	117	907,136	22,797	6,375	970,203	-	887,864	2,852,396
Total fund balances	57,904	117	1,193,731	22,797	6,375	984,630	876,593	887,864	4,030,011
Total liabilities and fund balances	\$ 57,904	\$ 117	\$ 1,245,301	\$ 22,797	\$ 6,375	\$ 984,980	\$ 876,593	\$ 1,949,578	\$ 5,143,645

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, 2003

	118	124	132	153	160	166	175	180	183	186	187	191
	Weather Service	Abandoned Vehicle	Parking Meter	Law Enforcement Training	Omnibus Crime	Cable Television	Community Development Block Grants	Reimbursable State Grants	Unsafe Building	DED International Trade	HOME	Federal Revolving
Revenues:												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	22,605	-	675,373	-	-	-	-	-	-
Intergovernmental	-	-	-	-	79,308	-	2,390,506	547,251	-	-	703,729	712,704
Charges for services	-	-	200,099	111,670	-	-	-	-	-	-	61,824	-
Fines and forfeits	-	-	-	34,743	-	-	-	-	146,466	-	-	213,222
Other	-	-	399	35	30	50,000	-	-	-	26,914	21,728	170,284
Total revenues	-	-	200,498	169,053	79,338	725,373	2,390,506	547,251	146,466	26,914	787,281	1,096,210
Expenditures:												
Current:												
General government	-	-	390,795	-	-	702,289	-	38,449	-	-	-	-
Public safety	-	521	-	111,919	79,154	-	-	385,223	270,712	-	-	1,070,660
Highways and streets	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	19,139	-	-
Urban redevelopment and housing	-	-	-	-	-	-	2,349,136	23,183	-	-	505,224	117
Total expenditures	-	521	390,795	111,919	79,154	702,289	2,349,136	446,855	270,712	19,139	505,224	1,070,777
Excess (deficiency) of revenues over (under) expenditures	-	(621)	(190,297)	57,134	184	23,084	41,370	100,396	(124,246)	7,775	282,057	25,433
Other financing sources (uses):												
Transfers in	-	-	200,000	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(31,700)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	200,000	-	-	(31,700)	-	-	-	-	-	-
Net change in fund balances	-	(621)	9,703	57,134	184	(8,616)	41,370	100,396	(124,246)	7,775	282,057	25,433
Fund balances - beginning	53	78,865	(2,395)	160,646	(3,142)	291,316	32,793	(9,619)	400,742	24,355	1,323,282	318,619
Fund balances - beginning	53	78,865	(2,395)	160,646	(3,142)	291,316	32,793	(9,619)	400,742	24,355	1,323,282	318,619
Fund balances - ending	53	78,344	7,308	217,780	(2,958)	282,700	74,163	90,777	276,496	32,130	1,605,339	344,052

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, 2003

	Urban Development Action Grant	Urban Enterprise Association	Emergency Shelter Grant	Central City Housing	Levy Excess	General Donation	Domestic Violence	Animal Care Donation	Animal Control Special Project	Barrett Law Surplus	Rainy Day Fund	Totals
Revenues:												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,287	\$ -	\$ -	\$ -	\$ 965,294	\$ 971,581
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	697,978
Intergovernmental	-	-	106,287	-	-	478,099	-	-	-	-	-	5,017,884
Charges for services	-	-	-	-	-	29,862	-	-	-	-	-	403,455
Fines and forfeits	-	-	-	-	-	121,544	-	-	-	-	-	515,975
Other	3,695	187,786	-	1,204	-	275,061	-	71,924	86,453	30,429	-	925,942
Total revenues	3,695	187,786	106,287	1,204	-	904,566	6,287	71,924	86,453	30,429	965,294	8,532,815
Expenditures:												
Current:												
General government	-	-	-	-	-	40,925	-	-	-	83,727	-	1,256,185
Public safety	-	-	-	-	-	734,881	7,203	-	-	-	-	2,660,273
Highways and streets	-	-	-	-	-	4,234	-	-	-	-	-	4,234
Sanitation	-	-	-	-	-	2,416	-	-	-	-	-	2,416
Health and welfare	-	-	-	-	-	-	-	13,267	70,107	-	-	83,374
Economic development	-	-	-	-	-	-	-	-	-	-	-	206,925
Urban redevelopment and housing	-	187,786	127,504	79,378	-	8,030	-	-	-	-	-	3,092,572
Total expenditures	-	187,786	127,504	79,378	-	790,486	7,203	13,267	70,107	83,727	-	7,395,979
Excess (deficiency) of revenues over (under) expenditures	3,695	-	(21,217)	(78,174)	-	114,080	(916)	58,657	16,346	(53,298)	965,294	1,226,836
Other financing sources (uses):												
Transfers in	-	-	-	-	-	450	-	-	-	-	-	200,450
Transfers out	-	-	-	-	-	(440)	-	(53,056)	-	-	-	(85,196)
Total other financing sources (uses)	-	-	-	-	-	10	-	(53,056)	-	-	-	115,254
Net change in fund balances	3,695	-	(21,217)	(78,174)	-	114,090	(916)	5,601	16,346	(53,298)	965,294	1,342,090
Fund balances - beginning	447,011	-	(30)	166,666	-	190,296	2,177	489,908	83,654	278,029	-	4,273,226
Fund balances - beginning	447,011	-	(30)	166,666	-	190,296	2,177	489,908	83,654	278,029	-	4,273,226
Fund balances - ending	\$ 450,706	\$ -	\$ (21,247)	\$ 88,492	\$ -	\$ 304,386	\$ 1,261	\$ 495,509	\$ 100,000	\$ 224,731	\$ 965,294	\$ 5,615,316

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, 2003

	Equipment Purchase	Civic Center Urban Renewal 1995	Cumulative Capital Improvement	TIF Allocation	1994 Safety Bond	2001 Safety Bond	Building Project	Barrett Law Revolving Improvement	Totals
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ 70,241	\$ -	\$ -	\$ -	\$ -	\$ 70,241
Special assessments	-	-	-	-	-	-	-	1,882,144	1,882,144
Intergovernmental	-	-	743,717	-	-	-	-	-	743,717
Other	2,749	-	108,441	-	-	26,488	9,418	8,708	155,804
Total revenues	2,749	-	852,158	70,241	-	26,488	9,418	1,890,852	2,851,906
Expenditures:									
Debt service:									
Principal	-	-	-	-	-	-	1,485,000	-	1,485,000
Interest	-	-	-	-	-	-	578,317	-	578,317
Bond issue cost	-	-	-	-	-	-	101,653	-	101,653
Capital outlay	3,522,150	-	287,889	100,343	-	1,143,063	4,309	2,170,254	7,228,008
Total expenditures	3,522,150	-	287,889	100,343	-	1,143,063	2,169,279	2,170,254	9,392,978
Excess (deficiency) of revenues over (under) expenditures	(3,519,401)	-	564,269	(30,102)	-	(1,116,575)	(2,159,861)	(279,402)	(6,541,072)
Other financing sources (uses):									
Transfers in	2,604,136	-	49,730	-	-	-	2,003,000	-	4,656,866
Transfers out	(2,604,136)	-	(414,596)	-	-	(49,730)	-	-	(3,068,462)
First mortgage refunding bond proceeds	-	-	-	-	-	-	6,781,384	-	6,781,384
First mortgage refunding bond payments	-	-	-	-	-	-	(6,655,000)	-	(6,655,000)
Capital leases issued	2,900,000	-	-	-	-	-	-	-	2,900,000
Total other financing sources (uses)	2,900,000	-	(364,866)	-	-	(49,730)	2,129,384	-	4,614,788
Net change in fund balances	(619,401)	-	199,403	(30,102)	-	(1,166,305)	(30,477)	(279,402)	(1,926,284)
Fund balances - beginning	677,305	117	994,328	52,899	6,375	2,150,935	907,070	1,167,266	5,956,295
Fund balances - ending	\$ 57,904	\$ 117	\$ 1,193,731	\$ 22,797	\$ 6,375	\$ 984,630	\$ 876,593	\$ 887,864	\$ 4,030,011

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2003

	Abandoned Vehicle				Parking Meter			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 198,400	\$ 198,400	\$ 200,099	\$ 1,699
Other	-	-	-	-	-	-	399	399
Total revenues	-	-	-	-	198,400	198,400	200,498	2,098
Expenditures:								
General government:								
Personal services	-	-	-	-	371,046	369,304	364,347	4,957
Supplies	-	-	-	-	15,804	12,617	10,808	1,809
Other services and charges	-	-	-	-	22,422	22,136	15,640	6,496
Capital outlay	-	-	-	-	31,500	31,500	-	31,500
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	146	146	146	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	375	375	375	-	-	-	-	-
Total expenditures	521	521	521	-	440,772	435,557	390,795	44,762
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	200,000	200,000
Total other financing sources	-	-	-	-	-	-	200,000	200,000
Net change in fund balances	(521)	(521)	(521)	-	(242,372)	(237,157)	9,703	246,860
Fund balances - beginning	78,865	78,865	78,865	-	(2,395)	(2,395)	(2,395)	-
Total beginning fund balance - restated	78,865	78,865	78,865	-	(2,395)	(2,395)	(2,395)	-
Fund balances - ending	\$ 78,344	\$ 78,344	\$ 78,344	\$ -	\$ (244,767)	\$ (239,552)	\$ 7,308	\$ 246,860
Law Enforcement Training								
Cable Television								
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
	Revenues:							
Licenses and permits	\$ 24,090	\$ 24,090	\$ 22,605	\$ (1,485)	\$ 776,000	\$ 776,000	\$ 675,373	\$ (100,627)
Intergovernmental	33,151	-	-	-	-	-	-	-
Charges for services	92,500	92,500	111,670	19,170	-	-	-	-
Fines and forfeits	-	33,151	34,743	1,592	-	-	-	-
Other	259	259	35	(224)	50,000	50,000	50,000	-
Total revenues	150,000	150,000	169,053	19,053	826,000	826,000	725,373	(100,627)
Expenditures:								
General government:								
Other services and charges	-	-	-	-	794,300	729,596	702,289	27,307
Public safety:								
Other services and charges	160,000	158,495	106,115	52,380	-	-	-	-
Capital outlay	10,000	10,000	5,804	4,196	-	-	-	-
Total expenditures	170,000	168,495	111,919	56,576	794,300	729,596	702,289	27,307
Other financing sources (uses):								
Transfers out	-	-	-	-	(31,700)	(31,700)	(31,700)	-
Total other financing uses	-	-	-	-	(31,700)	(31,700)	(31,700)	-
Net change in fund balances	(20,000)	(18,495)	57,134	75,629	-	64,704	(8,616)	(73,320)
Fund balances - beginning	160,646	160,646	160,646	-	291,316	291,316	291,316	-
Fund balances - ending	140,646	142,151	217,780	75,629	291,316	356,020	282,700	(73,320)

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2003

	Unsafe Building				Domestic Violence			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 7,962	\$ 7,962	\$ 6,287	\$ (1,675)
Intergovernmental	325,000	325,000	-	(325,000)	-	-	-	-
Fines and forfeits	150,000	150,000	146,466	(3,534)	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	475,000	475,000	146,466	(328,534)	7,962	7,962	6,287	(1,675)
Expenditures:								
Public safety:								
Supplies	-	-	-	-	150	150	404	(254)
Other services and charges	165,000	40,000	14,641	25,359	7,150	7,150	6,799	351
Capital outlay	310,000	538,439	256,071	282,368	-	-	-	-
Total expenditures	475,000	578,439	270,712	307,727	7,300	7,300	7,203	97
Net change in fund balances	-	(103,439)	(124,246)	(20,807)	662	662	(916)	(1,578)
Fund balances - beginning	400,742	400,742	400,742	-	2,177	2,177	2,177	-
Fund balances - ending	<u>\$ 400,742</u>	<u>\$ 297,303</u>	<u>\$ 276,496</u>	<u>\$ (20,807)</u>	<u>\$ 2,839</u>	<u>\$ 2,839</u>	<u>\$ 1,261</u>	<u>\$ (1,578)</u>
	City Bond Redemption				Cumulative Capital Improvement			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 1,129,597	\$ 1,129,597	\$ 743,717	\$ (385,880)
Other	-	-	-	-	40,000	40,000	108,441	68,441
Total revenues	-	-	-	-	1,169,597	1,169,597	852,158	(317,439)
Expenditures:								
Debt Service:								
Principal	460,000	460,000	460,000	-	-	-	-	-
Interest	36,000	36,000	36,000	-	-	-	-	-
Capital outlay	-	-	-	-	1,270,000	1,083,771	287,889	795,882
Total expenditures	496,000	496,000	496,000	-	1,270,000	1,083,771	287,889	795,882
Other financing sources (uses):								
Transfers in	2,365,000	2,365,000	2,365,000	-	49,730	49,730	49,730	-
Transfers out	(1,869,000)	(1,869,000)	(1,869,000)	-	(414,596)	(414,596)	(414,596)	-
Total other financing sources (uses)	496,000	496,000	496,000	-	(364,866)	(364,866)	(364,866)	-
Net change in fund balances	-	-	-	-	(465,269)	(279,040)	199,403	478,443
Fund balances - beginning	-	-	-	-	994,328	994,328	994,328	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 529,059</u>	<u>\$ 715,288</u>	<u>\$ 1,193,731</u>	<u>\$ 478,443</u>

Non-major Proprietary Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET ASSETS
 NON-MAJOR PROPRIETARY FUNDS
 December 31, 2003

	Business-type Activities - Other Non-major Enterprise Funds										Governmental Activities - Internal Service Funds										
	Solid Waste Management	Parking Garage I	Parking Garage II	Parking Garage	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals	Group Health Insurance	General and Auto Liability Insurance	Worker's Compensation	Garage	Totals							
Assets																					
Current assets:																					
Cash and cash equivalents	676,463	\$	63,723	\$	9,727	\$	1,250,964	\$	88,958	\$	2,316,534	\$	1,309,534	\$	445,769	\$	388,067	\$	526,498	\$	2,669,868
Interest receivable	-	-	-	-	-	-	86,849	-	86,849	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable (net of allowance for uncollectables)	-	-	-	-	-	-	1,222	-	29,627	-	30,849	-	-	-	-	-	-	-	-	-	-
Contracts receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous receivable	14	-	-	-	5,108	-	171,584	-	7,676	-	171,584	-	95,641	-	222,112	-	1,000	-	3,458	-	322,241
Interfund receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	919,380	-	-	-	-	-	919,380	-	919,380	-	-	-	-	-	-	-	-	-	-	-	61,491
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24,607
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24,606	-	-	-	-	-	24,606
Total current assets	1,146,093		679,017		63,723		1,510,619		118,585		3,532,872		1,405,175		692,377		389,097		616,054		3,102,903
Noncurrent assets:																					
Restricted cash and cash equivalents	-	-	308,364	-	90,000	-	2,456,386	-	3,121,955	-	-	-	-	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	267,195	-	-	-	-	20,087,455	-	-	-	-	-	-	-	-	-	-
Restricted interest receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-	563,030	-	563,030	-	-	-	-	-	-	-	-	-	-	-	-
Unamortized issuance cost	-	-	-	-	-	-	-	-	63,951	-	-	-	-	-	-	-	-	-	-	-	-
Capital assets:																					
Land, improvements to land and construction in progress	-	488,901	-	-	488,901	-	132,607	-	1,130,409	-	-	-	-	-	-	-	-	-	-	-	27,277
Other capital assets (net of accumulated depreciation)	-	1,211,772	-	781,698	-	337,500	1,234,066	-	66,255	-	5,184,461	-	-	-	-	-	-	-	-	-	575,042
Total noncurrent assets	-	2,019,037	-	1,370,599	-	337,500	24,473,554	-	66,255	-	30,151,261	-	-	-	-	-	-	-	-	-	602,319
Total assets	1,146,093		2,698,054		1,434,322		25,984,173		184,840		33,684,133		1,405,175		692,377		389,097		1,218,373		3,705,222
Liabilities																					
Current liabilities:																					
Accounts payable	516,037	\$	-	\$	-	\$	271	\$	203	\$	516,511	\$	241,775	\$	58,650	\$	3,167	\$	388,121	\$	691,713
Due to other funds	-	-	-	-	-	-	3,697	-	2,773	-	6,470	-	-	-	-	-	-	-	-	-	-
Compensated absences - current portion	1,470	-	-	-	-	-	952	-	714	-	3,136	-	-	-	3,010	-	3,072	-	4,049	-	10,131
Accrued group insurance benefits	-	-	-	-	-	-	-	-	-	-	1,405,900	-	-	-	-	-	-	-	-	-	1,405,900
Other current liabilities	-	-	-	-	-	-	8,216	-	119	-	8,335	-	-	-	395,408	-	185,019	-	-	-	560,427
Total current liabilities	517,507		-		-		13,136		3,809		534,452		1,647,675		457,668		191,258		392,170		2,686,171
Current liabilities payable from restricted assets:																					
Revenue bonds payable - current portion	-	70,000	-	-	-	60,000	-	-	-	-	130,000	-	-	-	-	-	-	-	-	-	-
Accrued interest payable	-	8,337	-	-	-	39,824	-	-	-	-	48,161	-	-	-	-	-	-	-	-	-	-
Total current liabilities payable from restricted assets	-	78,337	-	-	-	99,824	-	-	-	-	178,161	-	-	-	-	-	-	-	-	-	-
Noncurrent liabilities:																					
Compensated absences payable	-	-	-	-	-	-	1,176	-	892	-	2,098	-	-	-	-	-	-	-	-	-	-
Revenue bonds payable (net of discount)	-	180,000	-	-	-	1,640,000	-	-	-	-	1,800,000	-	-	-	-	-	-	-	-	-	-
Accrued pension cost	-	-	-	-	-	-	38,948	-	-	-	38,948	-	-	-	-	-	-	-	-	-	-
Total noncurrent liabilities	-	180,000	-	-	-	1,640,000	40,124	-	892	-	1,841,006	-	-	-	-	-	-	-	-	-	-
Total liabilities	517,507		238,337		-		53,260		4,691		2,553,619		1,647,675		457,668		191,258		392,170		2,686,171
Net assets																					
Invested in capital assets, net of related debt	-	1,472,336	-	1,280,599	-	337,500	1,366,673	-	66,255	-	4,336,709	-	-	-	-	-	-	-	-	-	602,319
Restricted for:																					
Debt service	-	308,364	-	-	-	267,195	-	-	-	-	575,559	-	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community trust	-	-	-	-	-	-	23,365,314	-	-	-	23,365,314	-	-	-	-	-	-	-	-	-	-
Maintenance	-	-	-	-	90,000	-	-	-	-	-	90,000	-	-	-	-	-	-	-	-	-	-
Unrestricted	628,586		679,017		63,723		1,196,926		113,894		2,762,932		(242,500)		235,509		197,639		223,884		414,732
Total net assets	628,586		2,459,717		1,434,322		25,930,913		180,149		31,130,514		(242,500)		235,509		197,639		826,203		1,017,051

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 NON-MAJOR PROPRIETARY FUNDS
 For The Year Ended December 31, 2003

	Business-type Activities - Other Non-major Enterprise Funds										Governmental Activities - Internal Service Funds					
	Solid Waste Management	Parking Garage I	Parking Garage II	Parking Garage	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals	Group Health Insurance	General and Auto Liability Insurance	Worker's Compensation	Garage	Totals		
Operating Revenues:																
Charges for goods and services	\$ 6,397,489	\$ 359,943	\$ 442,818	\$ 74,309	\$ 74,309	\$ 65,167	\$ 831	\$ 168,688	\$ 7,509,245	\$ -	\$ -	\$ -	\$ 3,649,418	\$ 3,649,418		
Leases	-	30,849	-	-	-	-	1,690,000	-	1,720,649	-	1,268,137	592,172	-	15,223,081		
City contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Employee contributions	-	-	-	-	-	-	-	-	1,831,755	-	-	-	-	1,831,755		
Total operating revenues	6,397,489	390,592	442,818	74,309	74,309	65,167	1,690,831	168,688	9,229,894	15,194,527	1,268,137	592,172	3,649,418	20,704,254		
Operating expenses:																
Personnel services	156,043	-	-	-	-	-	-	66,004	222,047	95,824	111,027	109,538	139,182	455,571		
Contractual services	6,470,334	92,023	371,806	-	-	-	-	13,004	6,947,167	-	686,569	95,962	2,405,740	3,188,271		
Utilities	-	22,068	20,950	-	-	-	-	43,018	43,018	-	-	-	23,076	23,076		
Administrative services	-	-	-	-	-	-	33,370	25,027	58,397	-	-	-	-	-		
Other supplies and services	10,984	16,840	22,981	73,410	-	-	104,881	17,178	246,074	19,822	5,641	5,918	1,195,040	1,226,421		
Insurance claims and premiums	-	-	-	-	-	-	-	-	-	14,316,535	576,141	281,492	-	15,174,168		
Depreciation	1,789	94,230	55,373	12,500	12,500	40,873	201,909	7,624	414,298	-	-	-	40,689	40,689		
Total operating expenses	6,639,150	225,161	471,110	85,910	85,910	40,873	339,860	128,837	7,691,001	14,432,181	1,379,378	492,910	3,803,727	20,108,196		
Operating income (loss)	(241,661)	165,431	(28,292)	(11,601)	(11,601)	24,294	1,350,871	39,851	1,298,893	762,346	(111,241)	99,262	(154,309)	596,058		
Nonoperating revenues (expenses):																
Interest and investment revenue	-	-	-	-	-	3,197	696,104	-	699,301	-	7,142	-	-	7,142		
Unrealized gain (Note 13)	-	-	-	-	-	-	3,385,848	-	3,385,848	-	-	-	-	-		
Miscellaneous revenue	19,767	-	-	-	-	-	-	-	19,767	283,107	40,891	16,272	-	390,270		
Interest expense	-	(16,675)	-	-	-	(86,890)	-	-	(103,565)	-	-	-	-	-		
Amortization of debt issuance costs	-	-	-	-	-	(3,553)	-	-	(3,553)	-	-	-	-	-		
Miscellaneous expense	-	-	-	-	-	-	(41,228)	-	(41,228)	-	-	-	(63,634)	(63,634)		
Total nonoperating revenue (expenses)	19,767	(16,675)	-	-	-	(87,246)	4,040,724	-	3,956,570	283,107	48,033	16,272	(63,634)	293,778		
Income (loss) before contributions and transfers	(221,894)	148,756	(28,292)	(11,601)	(11,601)	(62,952)	5,391,595	39,851	5,255,463	1,055,453	(63,208)	115,534	(217,943)	889,836		
Transfers out	-	-	-	-	-	-	(2,175,000)	-	(2,175,000)	-	-	-	-	-		
Change in net assets	(221,894)	148,756	(28,292)	(11,601)	(11,601)	(62,952)	3,216,595	39,851	3,080,463	1,055,453	(63,208)	115,534	(217,943)	889,836		
Total net assets - beginning	850,480	2,310,961	1,462,614	363,936	363,936	207,444	22,714,318	140,298	28,050,051	(1,297,953)	298,717	82,305	1,044,146	127,215		
Total net assets - ending	\$ 628,586	\$ 2,459,717	\$ 1,434,322	\$ 352,335	\$ 352,335	\$ 144,492	\$ 25,500,913	\$ 180,149	\$ 31,130,514	\$ (242,500)	\$ 235,509	\$ 197,839	\$ 826,203	\$ 1,017,051		

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CASH FLOWS
 NON-MAJOR PROPRIETARY FUNDS
 For The Year Ended December 31, 2003

	Business-type Activities - Other Non-major Enterprise Funds							Governmental Activities - Internal Service Funds						
	Solid Waste Management	Parking Garage I	Parking Garage II	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals	Group Health Insurance	General and Auto Liability Insurance	Workers' Compensation	Garage	Totals	
Cash flows from operating activities:														
Receipts from customers and users	\$ 6,391,754	\$ 390,592	\$ 442,818	\$ 75,614	\$ 66,167	\$ 171,418	\$ 152,230	\$ 7,689,693	\$ 15,391,593	\$ 1,351,196	\$ 607,414	\$ 3,861,546	\$ 21,012,149	
Receipts from leases	-	-	-	-	-	1,690,000	-	1,690,000	-	-	-	-	-	
Payments to suppliers	(6,394,168)	(130,931)	(415,737)	(73,409)	-	(137,143)	(71,154)	(7,222,542)	(14,423,536)	(1,233,005)	(321,337)	(3,748,827)	(19,726,705)	
Payments to employees	(157,006)	-	-	-	-	-	(66,004)	(223,010)	(95,824)	(112,106)	(108,862)	(141,534)	(458,326)	
Net cash provided (used) by operating activities	(159,420)	259,661	27,081	2,205	66,167	1,724,275	15,072	1,934,041	872,633	6,085	177,215	(228,815)	827,118	
Cash flows from noncapital financing activities:														
Transfer to other funds	-	-	-	-	-	(2,175,000)	-	(2,175,000)	-	-	-	-	-	
Net cash provided (used) by noncapital financing activities	-	-	-	-	-	(2,175,000)	-	(2,175,000)	-	-	-	-	-	
Cash flows from capital and related financing activities:														
Principal paid on capital debt	-	(70,000)	-	-	(86,890)	-	-	(70,000)	-	-	-	-	-	
Interest paid on capital debt	-	(19,213)	-	-	-	-	-	(106,103)	-	-	-	-	-	
Net cash used by capital and related financing activities	-	(89,213)	-	-	(86,890)	-	-	(176,103)	-	-	-	-	-	
Cash flows from investing activities:														
Proceeds from sales and maturities of investments	-	-	-	-	-	1,497,111	-	1,497,111	-	-	-	-	-	
Purchase of investments	-	-	-	-	-	(2,073,979)	-	(2,073,979)	-	-	-	-	-	
Interest received	-	-	3,197	-	-	963,063	-	966,260	-	7,361	-	-	7,361	
Net cash provided by investing activities	-	-	3,197	-	3,197	366,195	-	369,392	-	7,361	-	-	7,361	
Net increase (decrease) in cash and cash equivalents	(159,420)	170,448	27,081	2,205	(18,526)	(64,530)	15,072	(27,670)	872,633	13,446	177,215	(228,815)	834,479	
Cash and cash equivalents, January 1	386,119	814,379	126,642	7,522	285,721	3,771,890	73,888	5,466,159	436,901	432,323	210,852	755,313	1,835,389	
Cash and cash equivalents, December 31	226,699	984,827	153,723	9,727	267,195	3,707,360	88,960	5,438,489	1,309,534	445,769	388,067	526,498	2,669,868	
Reconciliation of operating income to net cash provided (used) by operating activities:														
Operating income	\$ (241,661)	\$ 165,431	\$ (28,292)	\$ (11,601)	\$ 24,294	\$ 1,350,871	\$ 39,851	\$ 1,298,893	\$ 762,346	\$ (111,241)	\$ 99,282	\$ (154,309)	\$ 596,058	
Adjustments to reconcile operating income to net cash provided (used) by operating activities:														
Nonoperating revenue	19,767	-	-	-	-	-	-	19,767	293,107	40,891	16,272	-	350,270	
Depreciation expense	1,789	94,230	55,373	12,500	40,873	201,909	7,624	414,298	-	-	-	40,689	40,689	
(Increase) decrease in assets:														
Miscellaneous receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	
Intergovernmental receivable	12,485	-	-	1,306	-	170,987	(16,469)	167,920	(95,641)	42,168	(1,030)	(1,351)	(55,854)	
Due from other funds	(37,988)	-	-	-	-	-	-	(37,988)	-	-	-	4,816	4,816	
Inventories	-	-	-	-	-	-	-	-	-	-	-	8,663	8,663	
Prepaid items	-	-	-	-	-	-	-	-	-	-	-	(465)	(465)	
Increase (decrease) in liabilities:														
Accounts payable	87,151	-	-	-	-	908	(15,945)	72,114	(139,681)	28,063	1,963	(124,505)	(24,060)	
Accrued group insurance benefits	-	-	-	-	-	-	-	-	42,402	-	-	-	42,402	
Compensated absences payable	(963)	-	-	-	-	-	-	(963)	-	676	(2,353)	-	(2,796)	
Other current liabilities	-	-	-	-	-	-	-	-	-	5,404	33,978	-	39,382	
Total adjustments	82,241	94,230	55,373	13,806	40,873	373,404	(24,779)	635,148	110,287	117,326	77,953	(74,506)	231,060	
Net cash provided (used) by operating activities	(159,420)	259,661	27,081	2,205	66,167	1,724,275	15,072	1,934,041	872,633	6,085	177,215	(228,815)	827,118	

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.

McMillen Park - to account for Community Development Block Grant Funds to be used for the McMillen Park Apartments renovation.

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

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

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

CITY OF FORT WAYNE
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 PENSION TRUST FUNDS
 December 31, 2003

	Pension Trust Funds			
	Fire Pension	Police Pension	Sanitary Officers' Pension	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 376,371	\$ -	\$ 52,611	\$ 428,982
Receivables:				
Taxes	387,520	917,620	53,048	1,358,188
Intergovernmental	9,691	11,387	-	21,078
Miscellaneous	-	701	1,696	2,397
Interfund receivables - pooled cash	204,276	-	-	204,276
Investments at fair value:				
Participation in investment pools of other governments	1,812,282	2,045,798	-	3,858,080
Total assets	2,790,140	2,975,506	107,355	5,873,001
<u>Liabilities</u>				
Accrued payroll and deductions	25,885	30,749	2,186	58,820
Interfund payables - pooled cash	-	204,276	-	204,276
Deferred revenue - unavailable	282,977	338,887	50,472	672,336
Total liabilities	308,862	573,912	52,658	935,432
<u>Net assets</u>				
Held in trust for:				
Employees' pension benefits	\$ 2,481,278	\$ 2,401,594	\$ 54,697	\$ 4,937,569

CITY OF FORT WAYNE
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 December 31, 2003

	Agency Funds				
	McMillen Park	Allocated Expense Clearing	Payroll	Barrett Law Regular Waivered	Totals
<u>Assets</u>					
Cash and cash equivalents	\$ -	\$ -	\$ 6,337,254	\$ 4,412	\$ 6,341,666
Receivables:					
Intergovernmental	-	442	-	-	442
Miscellaneous	-	65,634	-	-	65,634
Interfund receivables - pooled cash	-	-	49,627	-	49,627
Due from other funds	-	221	-	-	221
Investments at fair value:					
Certificates of deposit	-	-	-	5,000	5,000
Total assets	\$ -	\$ 66,297	\$ 6,386,881	\$ 9,412	\$ 6,462,590
<u>Liabilities</u>					
Accounts payable	\$ -	14,764	\$ -	\$ -	14,764
Accrued payroll and deductions	-	-	6,386,881	-	6,386,881
Trust payable	-	-	-	9,412	9,412
Due to other funds	-	1,906	-	-	1,906
Interfund payables - pooled cash	-	49,627	-	-	49,627
Total liabilities	\$ -	\$ 66,297	\$ 6,386,881	\$ 9,412	\$ 6,462,590

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 NON-MAJOR PENSION TRUST FUNDS
 For The Year Ended December 31, 2003

	Fire Pension	Police Pension	Sanitary Officers' Pension	Totals
<u>Additions</u>				
Contributions:				
Employer	\$ 5,024,532	\$ 5,674,832	\$ 176,036	\$ 10,875,400
Plan members	40,568	75,756	2,586	118,910
Other	457	3,838	1,561	5,856
Investment income:				
Interest	11,594	11,594	-	23,188
Total additions	5,077,151	5,766,020	180,183	11,023,354
<u>Deductions</u>				
Benefits and refunds paid to plan members and beneficiaries	6,503,780	7,289,165	414,147	14,207,092
Administrative expenses	15,924	13,052	2,497	31,473
Total deductions	6,519,704	7,302,217	416,644	14,238,565
Changes in net assets	(1,442,553)	(1,536,197)	(236,461)	(3,215,211)
Net assets - beginning	3,923,831	3,937,791	291,158	8,152,780
Net assets - ending	\$ 2,481,278	\$ 2,401,594	\$ 54,697	\$ 4,937,569

CITY OF FORT WAYNE, INDIANA
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 NON-MAJOR AGENCY FUNDS
 For The Year Ended December 31, 2003

	McMillen Park	Allocated Expense Clearing	Payroll	Barrett Law Regular Waivered	Totals
Assets:					
Cash and cash equivalents - January 1, 2003	\$ 852	\$ -	\$ 8,016,484	\$ 7,032	\$ 8,024,368
Additions	1,998,842	1,427,730	115,870,181	1,820	119,298,573
Deductions	(1,999,694)	(1,427,730)	(117,549,411)	(4,440)	(120,981,275)
Cash and cash equivalents - December 31, 2003	-	-	6,337,254	4,412	6,341,666
Investments - January 1, 2003	-	-	-	5,000	5,000
Additions	-	-	-	5,000	5,000
Deductions	-	-	-	(5,000)	(5,000)
Investments - December 31, 2003	-	-	-	5,000	5,000
Other assets - January 1, 2003	-	47,291	11,409	-	58,700
Additions	-	303,976	50,431	-	354,407
Deductions	-	(284,970)	(12,213)	-	(297,183)
Other assets - December 31, 2003	-	66,297	49,627	-	115,924
Total assets - December 31, 2003	\$ -	\$ 66,297	\$ 6,386,881	\$ 9,412	\$ 6,462,590
Liabilities:					
Payables - January 1, 2003	\$ 852	\$ 47,291	\$ 8,027,893	\$ 12,032	\$ 8,088,068
Additions	1,745,924	3,484,239	146,698,133	1,820	151,930,116
Deductions	(1,746,776)	(3,465,233)	(148,339,145)	(4,440)	(153,555,594)
Payables - December 31, 2003	-	66,297	6,386,881	9,412	6,462,590
Total liabilities - December 31, 2003	\$ -	\$ 66,297	\$ 6,386,881	\$ 9,412	\$ 6,462,590

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STATISTICAL SECTION



CITY OF FORT WAYNE

General Government Expenditures by Function (A)

Last Ten Years

Departmental and Modified Accrual Basis

<u>Function:</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
General Government	\$ 11,857,168	\$ 11,677,038	\$ 25,711,045	\$ 18,048,479	\$ 19,640,378	\$ 16,711,810
Public Safety	67,994,305	62,302,119	57,890,043	53,724,863	51,545,285	52,038,539
Highways, Streets, and Roads	20,842,092	18,867,710	18,012,598	18,832,618	17,764,056	16,812,844
Health	1,833,456	1,679,614	1,628,988	1,449,097	1,265,809	1,200,994
Sanitation	2,416	24,333	6,036,767	5,642,778	5,244,475	5,324,887
Culture and Recreation	16,148,620	16,183,009	12,903,351	11,988,866	11,197,462	11,166,277
Urban Redevelopment and Housing	3,092,572	3,578,450	3,581,177	4,122,015	4,245,232	3,526,221
Economic Opportunity	537,038	585,519	558,060	533,693	514,742	457,458
Economic Development	3,185,647	2,704,968	2,708,885	2,693,780	3,232,323	3,217,895
Capital Outlays	26,778,874	35,097,784	19,668,950	12,835,090	12,767,823	10,068,841
Debt Service	13,694,673	9,618,345	9,915,073	7,136,400	5,999,313	5,292,573
Total	\$ 165,966,861	\$ 162,318,889	\$ 158,614,937	\$ 137,007,679	\$ 133,416,898	\$ 125,818,339

<u>Function:</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1994</u>
General Government	\$ 16,711,810	\$ 19,000,840	\$ 16,645,427	\$ 15,000,758	\$ 13,550,722	\$ 13,550,722
Public Safety	52,038,539	48,019,327	43,277,723	38,610,125	33,017,679	33,017,679
Highways, Streets, and Roads	16,812,844	14,698,225	12,544,863	11,833,465	10,311,170	10,311,170
Health	1,200,994	1,156,904	1,077,111	1,022,734	962,933	962,933
Sanitation	5,324,887	4,813,290	4,342,236	4,150,169	3,486,050	3,486,050
Culture and Recreation	11,166,277	11,541,996	10,290,632	9,786,012	10,121,153	10,121,153
Urban Redevelopment and Housing	3,526,221	3,941,635	4,290,186	5,032,992	5,883,786	5,883,786
Economic Opportunity	457,458	387,937	363,883	435,367	444,998	444,998
Economic Development	3,217,895	3,400,491	2,986,801	2,875,385	2,527,932	2,527,932
Capital Outlays	10,068,841	12,963,624	10,700,800	18,461,481	11,711,841	11,711,841
Debt Service	5,292,573	6,616,092	6,338,469	6,609,774	7,590,466	7,590,466
Total	\$ 125,818,339	\$ 126,540,361	\$ 112,858,131	\$ 113,818,262	\$ 99,608,730	\$ 99,608,730

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

CITY OF FORT WAYNE

General Government Revenues by Source (A)

Last Ten Years

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Revenue Item:					
Taxes Based on Property	\$ 56,251,780	\$ 68,860,634	\$ 60,667,256	\$ 58,230,027	\$ 59,651,293
Taxes Based on Income	28,190,608	35,475,098	42,711,538	28,932,536	26,250,470
Licenses and Permits	2,512,925	2,355,775	2,376,153	2,243,689	2,189,976
Revolving Barrett Assessment	1,882,144	2,631,391	2,527,761	2,114,046	1,578,484
Intergovernmental Revenues	17,306,137	19,230,444	19,995,433	23,651,301	21,397,227
Charges for Services	9,556,261	9,827,560	16,516,981	15,841,217	14,828,674
Fines, Violations and Forfeits	1,776,651	1,684,280	1,315,150	1,361,492	1,234,866
Miscellaneous Revenues	8,380,963	4,810,585	6,883,953	8,311,837	7,254,937
Total	\$ 125,857,469	\$ 144,875,766	\$ 152,994,225	\$ 140,686,145	\$ 134,385,927
	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
Revenue Item:					
Taxes Based on Property	\$ 56,406,911	\$ 54,869,202	\$ 48,171,549	\$ 47,546,561	\$ 48,832,129
Taxes Based on Income	17,144,210	14,769,633	15,170,614	13,910,174	14,145,128
Licenses and Permits	1,949,428	1,659,642	1,673,773	1,696,860	397,181
Revolving Barrett Assessment	1,495,543	999,231	1,093,951	1,192,566	766,258
Intergovernmental Revenues	20,110,051	19,349,389	18,187,639	15,757,184	15,090,525
Charges for Services	13,792,941	16,851,986	15,356,919	15,178,210	11,751,606
Fines, Violations and Forfeits	1,341,878	1,100,203	947,996	797,931	476,050
Miscellaneous Revenues	6,053,295	8,538,116	8,714,223	11,678,396	6,204,347
Total	\$ 118,294,257	\$ 118,137,402	\$ 109,316,664	\$ 107,757,882	\$ 97,663,224

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

CITY OF FORT WAYNE

Tax Revenues by Source and Tax Base (A)

Last Ten Years

	2003	2002	2001	2000	1999
<u>Taxes Based on Property:</u>					
General Property Taxes (B)	\$ 47,977,202	\$ 60,762,061	\$ 53,055,807	\$ 51,365,910	\$ 52,455,541
Excise Tax	5,740,641	5,574,784	5,162,619	4,446,293	4,640,148
Wheel Tax	1,760,953	1,797,636	1,796,199	1,747,459	1,832,232
Financial Institutions Tax	772,984	726,151	652,631	670,365	723,372
Subtotal: Property Taxes	<u>\$ 56,251,780</u>	<u>\$ 68,860,631</u>	<u>\$ 60,667,256</u>	<u>\$ 58,230,027</u>	<u>\$ 59,651,293</u>
<u>Taxes Based on Income:</u>					
County Option Income Tax	\$ 10,703,146	\$ 13,438,524	\$ 17,548,884	\$ 11,263,966	\$ 10,303,279
County Econ. Dev. Income Tax (C)	17,487,462	22,036,574	25,162,654	17,668,570	15,947,191
Subtotal: Income Taxes	<u>\$ 28,190,608</u>	<u>\$ 35,475,098</u>	<u>\$ 42,711,538</u>	<u>\$ 28,932,536</u>	<u>\$ 26,250,470</u>
<u>Taxes Based on Consumption:</u>					
No existing consumption taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	<u>\$ 84,442,388</u>	<u>\$ 104,335,728</u>	<u>\$ 103,378,794</u>	<u>\$ 87,162,563</u>	<u>\$ 85,901,763</u>

Percent of Total by Tax Base:

Property	66.62%	66.00%	58.68%	66.81%	69.44%
Income	33.38%	34.00%	41.32%	33.19%	30.56%
Consumption	0.00%	0.00%	0.00%	0.00%	0.00%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

	1998	1997	1996	1995	1994
<u>Taxes Based on Property:</u>					
General Property Taxes (B)	\$ 49,436,025	\$ 49,059,032	\$ 42,694,048	\$ 42,002,121	\$ 43,318,928
Excise Tax	4,583,120	3,491,463	3,147,315	3,440,134	3,445,807
Wheel Tax	1,685,152	1,591,252	1,596,429	1,400,203	1,318,140
Financial Institutions Tax	702,614	727,455	733,757	704,103	749,254
Subtotal: Property Taxes	<u>\$ 56,406,911</u>	<u>\$ 54,869,202</u>	<u>\$ 48,171,549</u>	<u>\$ 47,546,561</u>	<u>\$ 48,832,129</u>
<u>Taxes Based on Income:</u>					
County Option Income Tax	\$ 9,871,928	\$ 8,076,933	\$ 8,970,603	\$ 8,894,182	\$ 9,780,201
County Econ. Dev. Income Tax (C)	7,272,282	6,692,700	6,200,011	5,015,992	4,364,927
Subtotal: Income Taxes	<u>\$ 17,144,210</u>	<u>\$ 14,769,633</u>	<u>\$ 15,170,614</u>	<u>\$ 13,910,174</u>	<u>\$ 14,145,128</u>
<u>Taxes Based on Consumption:</u>					
No existing consumption taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	<u>\$ 73,551,121</u>	<u>\$ 69,638,835</u>	<u>\$ 63,342,163</u>	<u>\$ 61,456,735</u>	<u>\$ 62,977,257</u>

Percent of Total by Tax Base:

Property	76.69%	78.79%	76.05%	77.37%	77.54%
Income	23.31%	21.21%	23.95%	22.63%	22.46%
Consumption	0.00%	0.00%	0.00%	0.00%	0.00%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

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

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

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

CITY OF FORT WAYNE

Allen County Property Tax Levies and Collections

Last Ten Years (A)

Tax Collections Measurement:	2003 (B)	2002	2001	2000	1999
Total Tax Levy	n/a	\$ 343,127,157	\$ 308,115,752	\$ 300,888,833	\$ 298,675,890
Current Tax Collections	n/a	\$ 324,143,475	\$ 306,771,546	\$ 297,308,400	\$ 291,497,902
Percent of Levy Collected	n/a	94.47%	99.56%	98.81%	97.60%
Delinquent Tax Collections (A)	n/a	\$ 10,442,943	\$ 11,186,590	\$ 11,253,948	\$ 9,043,097
Total Tax Collections	n/a	\$ 334,586,418	\$ 317,958,136	\$ 308,562,348	\$ 300,540,999
Percent of Total Tax Collections to Levy	n/a	97.51%	103.19%	102.55%	100.62%
Outstanding Delinquent Taxes	n/a	\$ 16,300,389	\$ 13,378,002	\$ 13,119,784	\$ 13,339,890
Percent of Delinquent Taxes to Levy	n/a	4.75%	4.34%	4.36%	4.47%

Tax Collections Measurement:	1998	1997	1996	1995	1994
Total Tax Levy	\$ 290,175,549	\$ 279,745,476	\$ 267,705,753	\$ 244,854,049	\$ 239,125,956
Current Tax Collections	\$ 287,919,723	\$ 276,816,607	\$ 255,058,209	\$ 238,631,064	\$ 232,500,074
Percent of Levy Collected	99.22%	98.95%	95.28%	97.46%	97.23%
Delinquent Tax Collections (A)	\$ 8,448,399	\$ 10,755,978	\$ 8,069,516	\$ 8,902,255	\$ 7,982,597
Total Tax Collections	\$ 296,368,122	\$ 287,572,585	\$ 263,127,725	\$ 247,533,319	\$ 240,482,671
Percent of Total Tax Collections to Levy	102.13%	102.80%	98.29%	101.09%	100.57%
Outstanding Delinquent Taxes	\$ 11,020,067	\$ 10,358,645	\$ 11,910,180	\$ 9,944,084	\$ 10,559,042
Percent of Delinquent Taxes to Levy	3.80%	3.70%	4.45%	4.06%	4.42%

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

(B) Due to a delay in reassessment, the information for 2003 was not available for presentation in the CAFR.

CITY OF FORT WAYNE

Assessed and Estimated Actual Value of Taxable Property

Last Ten Years

<u>Year (A)</u>	<u>Assessed Valuation (B)</u>	<u>Estimated Actual Value (C)</u>	<u>Percent Increase (D)</u>
2003*	\$ 7,431,358,261	\$ 7,431,358,261	32.55%
2002*	5,606,420,503	5,606,420,503	8.32%
2001	1,725,238,130	5,175,714,390	1.13%
2000	1,705,890,178	5,117,670,534	1.75%
1999	1,676,552,465	5,029,657,395	5.59%
1998	1,587,789,669	4,763,369,007	1.03%
1997	1,571,566,717	4,714,700,151	1.27%
1996	1,551,795,557	4,655,386,671	15.64%
1995	1,341,957,173	4,025,871,519	0.16%
1994	1,339,875,210	4,019,625,630	2.98%

Average Annual Rate of Increase

7.07%

- (A) A reassessment was completed in 1989 that is reflected in the values for 1992 - 1995.
A reassessment was completed in 1995 that is reflected in the values for 1996 - 2001.
A reassessment for 2002 is in the process, numbers to be received during 2003
- (B) Assessed values for personal property are updated annually.
- (C) Actual value is estimated at 3 times assessed value.
- (D) Change in assessed valuation.
- (*) In 2002 and 2003 assessed valuation reflects actual value.

CITY OF FORT WAYNE

Property Tax Rates and Tax Levies Direct and Overlapping Governments

Last Ten Years

Fort Wayne	2003	2002	2001	2000 (C)	1999
Rates per \$100 of assessed valuation (A):					
City of Fort Wayne (B)	\$ 0.8846	\$ 1.1100	\$ 3.3301	\$ 3.3303	\$ 3.3459
Municipal corporations	0.2026	0.2658	0.6503	0.6465	0.6429
School districts	1.2566	1.6064	4.7796	4.7739	4.7493
Allen County	0.4229	0.5685	1.7948	1.6881	1.7122
State of Indiana	0.0224	0.0292	0.0881	0.0879	0.1600
Townships and other	0.0757	0.0966	0.3192	0.3393	0.3014
Totals	\$ 2.8648	\$ 3.6765	\$ 10.9621	\$ 10.8660	\$ 10.9117
Property Tax Dollar Levies:					
City of Fort Wayne	\$ 65,737,795	\$ 62,231,268	\$ 57,452,155	\$ 56,811,261	\$ 56,095,769
Municipal corporations	15,055,932	14,901,866	11,219,224	11,028,580	10,778,556
School districts	93,382,448	90,061,539	82,459,482	81,437,491	79,624,506
Allen County	31,427,214	31,872,501	30,964,574	28,797,132	28,705,931
State of Indiana	1,664,624	1,637,075	1,519,935	1,499,477	2,682,484
Townships and other	5,625,538	5,415,802	5,506,960	5,788,085	5,053,129
Totals	\$ 212,893,551	\$ 206,120,050	\$ 189,122,329	\$ 185,362,027	\$ 182,940,375
Fort Wayne	1998	1997	1996	1995	1994
Rates per \$100 of assessed valuation (A):					
City of Fort Wayne (B)	\$ 3.3484	\$ 3.2898	\$ 2.9798	\$ 3.2962	\$ 3.2962
Municipal corporations	0.6453	0.6198	0.5964	0.6278	0.6081
School districts	4.8661	5.0260	5.0107	5.1271	4.7857
Allen County	1.6130	1.1501	1.0833	1.4255	1.6568
State of Indiana	0.1577	0.6113	0.6117	0.1535	0.1510
Townships and other	0.2461	0.2317	0.2196	0.3358	0.5471
Totals	\$ 10.8766	\$ 10.9287	\$ 10.5015	\$ 10.9659	\$ 11.0449
Property Tax Dollar Levies:					
City of Fort Wayne	\$ 52,416,662	\$ 51,304,147	\$ 46,134,931	\$ 44,122,186	\$ 44,068,252
Municipal corporations	10,246,007	9,740,571	9,254,909	8,424,807	-
School districts	77,263,433	78,986,943	77,755,820	68,803,486	-
Allen County	25,611,047	18,074,589	16,810,601	19,129,600	-
State of Indiana	2,503,944	9,606,987	9,492,333	2,059,904	-
Townships and other	3,907,550	3,641,320	3,407,743	4,506,292	-
Totals	\$ 171,948,644	\$ 171,354,557	\$ 162,856,337	\$ 147,046,275	\$ 44,068,252

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

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

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

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

Note: Assessed value

From: published rates for Wayne Township

CITY OF FORT WAYNE

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

Last Ten Years

Civil City:

Fiscal Year	Population (B)	Assessed Value (A)	Gross General Obligation Debt	Less: Funds Restricted for Debt Service	Net General Obligation Debt	Ratio of Net Debt to Assessed Value	Net Debt per Capita
2003	220,486	\$ 7,431,358,261	\$ 30,350,000	\$ 6,320,913	\$ 24,029,087	0.32%	109
2002	205,727	5,606,420,503	39,270,000	4,620,000	34,650,000	0.62%	168
2001	205,727	1,725,238,130	28,495,000	3,340,000	25,155,000	1.46%	122
2000	205,727	1,705,890,178	14,650,000	2,655,000	11,995,000	0.70%	58
1999	195,680	1,676,552,465	17,920,000	3,270,000	14,650,000	0.87%	75
1998	195,680	1,587,789,669	9,380,000	3,475,000	5,905,000	0.37%	30
1997	195,680	1,571,566,717	12,690,000	3,310,000	9,380,000	0.60%	48
1996	195,680	1,551,795,557	16,985,000	4,295,000	12,690,000	0.82%	65
1995	191,839	1,341,957,173	20,325,000	3,340,000	16,985,000	1.27%	89
1994	184,221	1,339,875,210	23,975,000	3,650,000	20,325,000	1.52%	110

Park District:

Fiscal Year	Population (B)	Assessed Value (A)	Gross General Obligation Debt	Less: Funds Restricted for Debt Service	Net General Obligation Debt	Ratio of Net Debt to Assessed Value	Net Debt per Capita
2003	220,486	\$ 7,280,831,511	\$ 6,570,000	\$ 1,725,000	\$ 4,845,000	0.07%	22
2002	205,727	5,467,405,614	7,835,000	1,265,000	6,570,000	0.12%	32
2001	205,727	1,682,168,100	8,985,000	1,150,000	7,835,000	0.47%	38
2000	205,727	1,660,970,898	10,050,000	1,065,000	8,985,000	0.54%	44
1999	195,680	1,628,633,810	10,900,000	850,000	10,050,000	0.62%	51
1998	195,680	1,541,575,731	7,175,000	775,000	6,400,000	0.42%	33
1997	195,680	1,534,982,864	7,875,000	700,000	7,175,000	0.47%	37
1996	195,680	1,516,019,426	8,525,000	650,000	7,875,000	0.52%	40
1995	191,839	1,324,131,993	8,950,000	425,000	8,525,000	0.64%	44
1994	184,221	1,332,805,710	8,950,000	-	8,950,000	0.67%	49

Redevelopment District: (C)

Fiscal Year	Population (B)	Assessed Value (A)	Gross General Obligation Debt	Less: Funds Restricted for Debt Service	Net General Obligation Debt	Ratio of Net Debt to Assessed Value	Net Debt per Capita
2003	220,486	\$ 7,431,358,261	\$ 5,620,000	\$ -	\$ 5,620,000	0.08%	25
2002	205,727	5,606,420,503	6,315,000	-	6,315,000	0.11%	31
2001	205,727	1,725,238,130	7,755,000	-	7,755,000	0.45%	38
2000	205,727	1,705,890,178	10,390,000	-	10,390,000	0.61%	51
1999	195,680	1,676,552,465	-	-	-	0.00%	-
1998	195,680	1,587,789,669	-	-	-	0.00%	-
1997	195,680	1,571,566,717	-	-	-	0.00%	-
1996	195,680	1,551,795,557	360,000	360,000	-	0.00%	-
1995	191,839	1,341,957,173	690,000	330,000	360,000	0.03%	2
1994	184,221	1,339,875,210	990,000	300,000	690,000	0.05%	4

Totals:

Fiscal Year	Population (B)	Assessed Value (A)	Gross General Obligation Debt	Less: Funds Restricted for Debt Service	Net General Obligation Debt	Ratio of Net Debt to Assessed Value	Net Debt per Capita
2003	220,486	\$ 22,143,548,033	\$ 42,540,000	\$ 8,045,913	\$ 34,494,087	0.16%	156
2002	205,727	16,680,246,620	53,420,000	5,885,000	47,535,000	0.28%	231
2001	205,727	5,132,644,360	45,235,000	4,490,000	40,745,000	0.79%	198
2000	205,727	5,072,751,254	35,090,000	3,720,000	31,370,000	0.62%	152
1999	195,680	4,981,738,740	28,820,000	4,120,000	24,700,000	0.50%	126
1998	195,680	4,717,155,069	16,555,000	4,250,000	12,305,000	0.26%	63
1997	195,680	4,678,116,298	20,565,000	4,010,000	16,555,000	0.35%	85
1996	195,680	4,619,610,540	25,870,000	5,305,000	20,565,000	0.45%	105
1995	191,839	4,008,046,339	29,965,000	4,095,000	25,870,000	0.65%	135
1994	184,221	4,012,556,130	33,915,000	3,950,000	29,965,000	0.75%	163

(A) Assessed values for real property for 1992 - 1995 represent 1989 values. A reassessment was completed in 1995 that is reflected in values for 1996 - 2002. All 2002 property tax rates are calculated using the new assessed compare with past property rates, multiply by 3.

(B) Population numbers 2003 were derived from the 2000 census. The increases in 1995, 1996, 2000 and 2003 were the result of additions due to annexations.

(C) Redevelopment does not include TIF bonds.

CITY OF FORT WAYNE

Direct and Overlapping Bonded Debt and Bonding Limit At December 31, 2003

Governmental Unit	Net Assessed Valuation/Adjusted Value (5)	Bonding Limit		Bonds Outstanding	
		Percent	Amount		
DIRECT DEBT:					
City of Fort Wayne	\$ 7,431,358,261	(3)	2.00%	\$ 148,627,165	\$ 30,350,000
Park District	\$ 7,280,831,511		2.00%	\$ 145,616,630	\$ 6,570,000
Redevelopment District	\$ 7,431,358,261	(7)			
General Obligation			2.00%	\$ 148,627,165	\$ 5,620,000
Total General Obligation Debt	\$ 22,143,548,033			\$ 442,870,961	\$ 42,540,000
OVERLAPPING DEBT:					
Municipal Corporations:					
Airport Authority	\$ 4,743,857,708		2.00%	\$ 94,877,154	\$ -
Allen County Public Library	\$ 4,743,857,708	(4)	2.00%	\$ 139,757,154	\$ 49,295,000
Public Transportation Corporation	\$ 2,740,812,672		2.00%	\$ 54,816,253	\$ -
Fort Wayne Fire District	\$ 7,231,266,761	(2)	2.00%	\$ 144,625,335	\$ -
Convention and Tourism Authority	\$ 4,743,857,708	(2)		\$ -	\$ -
Southwest Fire District	\$ 249,206,817		2.00%	\$ 4,984,136	\$ -
New Haven Park District	\$ 247,820,213		2.00%	\$ 4,956,404	\$ -
New Haven Annex	\$ 5,007,593		2.00%	\$ -	\$ -
Total municipal corporations				\$ 444,016,437	\$ 49,295,000
Allen County	\$ 4,743,857,708	(6)	2.00%	\$ 189,036,768	\$ 108,574,614
School Districts:					
Southwest Allen School District	\$ 793,402,443	(4)	2.00%	\$ 103,478,049	\$ 87,610,000
East Allen School District	801,480,277	(4)	2.00%	75,324,606	59,295,000
Fort Wayne Community Schools	2,706,485,912	(4)	2.00%	130,966,459	76,836,741
Northwest Allen School District	442,489,077	(4)	2.00%	98,129,782	89,280,000
Total School Districts	\$ 4,743,857,709			\$ 407,898,896	\$ 313,021,741
Other Cities and Towns:					
Grabill	\$ 14,891,783		2.00%	\$ 297,836	\$ -
Huntertown	36,895,227		2.00%	1,847,905	1,110,000
Leo/Cedarville	36,541,840		2.00%	730,837	-
Monroeville	10,064,857		2.00%	201,297	-
New Haven	174,185,007	(4)	2.00%	7,948,700	4,465,000
Woodburn	10,701,680		2.00%	214,034	30,000
Zanesville	1,032,977		2.00%	20,660	-
Total Other Cities and Towns	\$ 284,313,371			\$ 11,261,268	\$ 5,605,000
Townships:					
Aboite	\$ 689,988,896		2.00%	\$ 13,799,778	\$ 507,020,00
Adams	336,396,507	(4)	2.00%	6,727,930	-
Cedar Creek	163,642,170		2.00%	3,272,843	66,338
Eel River	50,583,257		2.00%	1,011,665	-
Jackson	14,513,987		2.00%	290,280	-
Jefferson	46,927,187		2.00%	938,544	-
Lafayette	103,413,547		2.00%	2,068,271	-
Lake	30,395,987		2.00%	607,920	-
Madison	27,126,470		2.00%	542,529	67,424
Marion	40,188,923		2.00%	803,778	-
Maumee	29,421,820		2.00%	588,436	-
Milan	70,034,987		2.00%	1,400,700	-
Monroe	22,625,967		2.00%	452,519	-
Perry	361,509,833		2.00%	7,230,197	-
Pleasant	84,058,247		2.00%	1,681,165	-
Scipio	7,189,227		2.00%	143,785	-
Springfield	47,986,753	(4)	2.00%	959,735	520,000
St. Joseph	741,469,297		2.00%	14,829,386	-
Washington	865,516,758		2.00%	17,310,335	-
Wayne	1,010,867,891		2.00%	20,217,358	1,781,200
Total Townships	\$ 4,743,857,711			\$ 94,877,153	\$ 2,941,982
Total Overlapping Debt					\$ 479,438,337
Total Direct and Overlapping Debt					\$ 521,978,337

(1) Excludes all revenue bonds not payable from ad valorem property taxes.

(2) No bonding authority.

(3) 2% statutory limit on debt for Park Districts. No limit on Redevelopment Districts for tax increment bonds.

(4) The statutory 2% limit on the debt of a municipal corporation does not apply to any debt that is incurred by a building corporation for constructing facilities to be leased to a municipal corporation at a payment level that will at least cover the corporation's annual debt service requirement. The bonding limit shown is the sum of the statutory limit plus the outstanding building corporation debt.

(5) The assessed valuation numbers represent amounts certified to the State Board of Tax Commissioners as of January 1, 2003. The adjusted value is determined by dividing the net assessed valuation by 3. Bonding limit is calculated by multiplying the adjusted value by 2%.

(6) Includes debt payable from Food and Beverage Tax. The bonding limit shown is the sum of the statutory limit plus the outstanding debt payable by the Food and Beverage Tax.

(7) Tax increment bonds are not payable from the full faith and credit of the Redevelopment District.

Source: Allen County Auditor's Office

CITY OF FORT WAYNE

Computation of Legal Debt Margin (A) At December 31, 2003

<u>Taxing District:</u>	<u>Assessed Value (B)</u>	<u>Debt Limit Percentage</u>	<u>Debt Limit</u>	<u>Bonds Outstanding</u>	<u>Subtotal</u>	<u>Plus Amount Available in Debt Service Fund</u>	<u>Legal Debt Margin</u>
Civil City	\$ 7,431,358,261	2%	\$ 148,627,165	\$ 30,350,000	\$ 118,277,165	\$ 6,320,913	\$ 124,598,078
Redevelopment District	7,431,358,251	2%	148,627,165	5,620,000	143,007,165	-	143,007,165
Fire District	7,231,266,761	(C)	-	-	-	-	-
Park District	7,280,831,511	2%	145,616,630	6,570,000	139,046,630	1,725,000	140,771,630

(A) Excludes revenue bonds not payable from ad valorem taxes.

(B) Represents the March 1, 2002, Allen County Auditor's "certified abstract" assessment for taxes due and payable in 2003.

(C) The Fire District has no bonding authority under current Indiana statutes.

CITY OF FORT WAYNE

Ratio of Annual Debt Service Expenditures For General Obligation Bonded Debt to Total General Governmental Expenditures

Last Ten Years

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>(A) Total General Expenditures</u>	<u>Ratio of Debt Service to General Expenditures</u>
2003	\$ 2,420,000	\$ 738,641	\$ 3,158,641	\$ 159,311,888	1.98%
2002	3,025,000	888,609	3,913,609	162,318,889	2.41%
2001	4,115,000	1,185,837	5,300,837	158,614,937	3.34%
2000	1,890,000	963,715	2,853,715	137,007,679	2.08%
1999	1,855,000	1,127,248	2,982,248	133,416,898	2.24%
1998	1,515,000	1,260,227	2,775,227	125,818,339	2.21%
1997	2,890,000	1,454,198	4,344,198	126,540,361	3.43%
1996	2,420,000	1,641,653	4,061,653	112,858,131	3.60%
1995	1,955,000	1,458,136	3,413,136	113,818,262	3.00%
1994	4,190,000	1,162,879	5,352,879	99,608,730	5.37%
Average					3.16%

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

CITY OF FORT WAYNE

Schedule of Water and Sewer Bond Requirements

Last Ten Years

Water Utility							
<u>Year</u>	(A) Net Revenue Available for		<u>Debt Service Requirements</u>			<u>Coverage</u>	
	<u>Debt Service</u>			<u>Principal</u>	<u>Interest</u>		<u>Total</u>
2003	\$ 7,622,561	\$	2,110,000	\$	517,231	\$ 2,627,231	290%
2002	9,276,697		2,955,000		552,035	3,507,035	265%
2001	7,850,111		3,100,000		802,008	3,902,008	201%
2000	8,463,854		2,965,000		944,823	3,909,823	216%
1999	8,482,934		2,825,000		1,076,820	3,901,820	217%
1998	7,966,310		2,620,000		1,194,105	3,814,105	209%
1997	7,572,431		2,530,000		1,112,958	3,642,958	208%
1996	7,906,188		2,235,000		1,069,278	3,304,278	239%
1995	8,595,378		2,160,000		1,147,038	3,307,038	260%
1994	3,667,436		2,145,000		1,213,533	3,358,533	109%
Averages							221%

Wastewater Utility							
<u>Year</u>	(A) Net Revenue Available for		<u>Debt Service Requirements</u>			<u>Coverage</u>	
	<u>Debt Service</u>			<u>Principal</u>	<u>Interest</u>		<u>Total</u>
2003	\$ 14,035,287	\$	3,329,602	\$	4,125,789	\$ 7,455,391	188%
2002	16,384,085		3,128,349		3,420,113	6,548,462	250%
2001	17,137,045		2,817,370		3,547,003	6,364,373	269%
2000	11,019,040		2,641,537		3,759,929	6,401,466	172%
1999	12,171,964		2,625,096		3,574,972	6,200,068	196%
1998	11,090,699		1,617,371		2,827,557	4,444,928	250%
1997	7,629,888		1,342,728		2,393,043	3,735,771	204%
1996	5,732,254		1,621,792		2,123,830	3,745,622	153%
1995	6,822,377		1,703,328		2,046,938	3,750,266	182%
1994	7,490,840		2,081,000		1,786,439	3,867,439	194%
Averages							206%

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

City of Fort Wayne

Schedule of Largest Water and Wastewater Customers

Water Utility

<u>Customer</u>	<u>2003 (ccf) Consumption</u>	<u>2003 Revenues</u>	<u>Percent of Total Revenue</u>
NEW HAVEN MUNICIPAL	545,963	\$ 511,525	2.13%
GENERAL MOTORS	399,275	102,012	0.42%
CANTERBURY GREEN APARTMENTS	164,995	176,466	0.73%
DANA CORP	161,349	169,247	0.70%
SLATER STEEL	79,220	89,996	<u>0.37%</u>
Total percentage for 5 largest customers			<u><u>4.35%</u></u>

Wastewater Utility *

<u>Customer</u>	<u>2002 (ccf) Consumption</u>	<u>2002 Revenues</u>	<u>Percent of Total Revenue</u>
CITY OF NEW HAVEN	885,530	\$ 757,128	2.60%
GENERAL MOTORS	389,091	755,303	2.59%
CANTERBURY GREEN APARTMENTS	160,238	311,107	1.07%
TOWN OF HUNTERTOWN	142,619	154,856	0.53%
LEO-CEDARVILLE RSD	137,449	148,857	<u>0.51%</u>
Total percentage for 5 largest customers			<u><u>7.30%</u></u>

* 2003 numbers were not available for Wastewater Utility.

CITY OF FORT WAYNE

Property Value, Construction, and Bank Deposits

Last Ten Years

Year	Residential Building Permits (1)		Commercial Building Permits	
	Number of Permits Issued	Estimated Actual Property Value	Number of Permits Issued	Estimated Actual Property Value
2003	3,155	\$ 62,421,375	901	\$ 138,998,988
2002	3,574	56,753,294	860	108,893,593
2001	1,311	58,877,225	768	133,508,576
2000	1,063	37,691,939	803	172,513,485
1999	1,154	38,118,701	802	124,687,545
1998	1,296	42,625,925	871	117,243,151
1997	1,142	39,320,748	834	139,253,329
1996	1,131	27,001,399	732	80,182,861
1995	1,166	32,550,317	817	94,159,976
1994	991	33,318,347	903	107,913,540

- (1) Residential repair and wrecking permits not included. Source: Allen County Building Department.
 (2) Source: Community Research Institute - Indiana University-Purdue University at Fort Wayne.
 (3) The 2002 and 2003 property value is actual, but the property value for 2001 and prior are estimated actual value, i.e., assessed valuation times three.
 * This information is no longer available.

CITY OF FORT WAYNE

Property Value, Construction, and Bank Deposits

Last Ten Years

Total Fort Wayne Building Permits				
Number of Permits Issued	Estimated Actual Property Value	Average Building Cost	Bank Deposits (2)	Property Value (3)
4,056	\$ 201,420,363	\$ 49,660	*	\$ 7,431,358,261
4,434	165,646,887	37,358	*	5,606,420,503
2,079	192,385,801	92,538	*	5,175,714,390
1,866	210,205,424	112,650	*	5,117,670,534
1,956	162,806,246	83,234	*	5,029,657,395
2,167	159,869,076	73,774	*	4,763,369,007
1,961	179,574,077	91,573	2,982,809,000	4,714,700,151
1,863	107,184,260	57,533	3,015,000,000	4,655,386,671
1,983	126,710,293	63,898	2,836,572,000	4,025,871,519
1,894	141,231,887	74,568	2,765,500,000	4,019,625,630

CITY OF FORT WAYNE

Principal Taxpayers and Employers December 31, 2003

<u>Principal Taxpayers</u>	<u>Type of Business</u>	<u>2003 Net (A) Assessed Valuation</u>	<u>% of Total</u>
1.) Lake County Trust Co.	Property Development	\$ 144,372,900	1.94%
2.) Dana Corporation	Manufacturing-Automotive	69,721,950	0.94%
3.) Regency Canterbruy	Property Development	54,762,850	0.74%
4.) Indiana Michigan Power	Utility - Gas	50,461,280	0.68%
5.) Sommerfeld Nicholas	Property Development	48,964,800	0.66%
6.) St. Joe Health Systems	Hospital	38,631,100	0.52%
7.) Wal-Mart	Retail	36,019,530	0.48%
8.) Jefferson Point Development	Property Development	35,713,500	0.48%
9.) Meijer	Retail	35,496,580	0.48%
10.) Rose Edward Development	Property Development	30,233,180	0.41%
Total of Top Ten Taxpayers		<u>\$ 544,377,670</u>	<u>7.33%</u>

<u>Principal Employers</u>	<u>Type of Business</u>	<u>Employees</u>	<u>% of Total (B)</u>
1.) Parkview Health System	Not-for-profit Hospital	3,648	2.19%
2.) Fort Wayne Community Schools	School Corporation	3,445	2.06%
3.) General Motors Truck & Bus Group	Manufacturing-Automotive	3,050	1.83%
4.) Lutheran Health Network	Not-for-profit Hospital	2,889	1.73%
5.) Verizon	Utility-Telephone	2,214	1.33%
6.) Lincoln Financial Group	Insurance & Financial Services	2,108	1.26%
7.) City of Fort Wayne	Government	1,671	1.00%
8.) Allen County Government	Government	1,585	0.95%
9.) Shambaugh & Sons	Construction	1,580	0.95%
10.) Scott's Food Stores, Inc.- Supervalu	Retail	1,575	0.94%
Total of Top Ten Employers		<u>23,765</u>	<u>14.24%</u>

(A) Represents the net assessed valuations for taxes in 2002 and payable in 2003 within the corporation limits. Source: Allen County Auditor's Office

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

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

Allen County (2 & 3)		
<u>Year</u>	<u>Population</u>	<u>% Change</u>
1840	5,942	496.59%
1850	16,919	184.74%
1860	29,328	73.34%
1870	43,493	48.30%
1880	54,763	25.91%
1890	66,689	21.78%
1900	77,270	15.87%
1910	93,386	20.86%
1920	114,303	22.40%
1930	146,743	28.38%
1940	155,084	5.68%
1950	183,722	18.47%
1960	232,196	26.38%
1970	280,455	20.78%
1980	294,335	4.95%
1990	300,836	2.21%
2000	331,849	10.31%
2001	335,107	0.98%
2002	337,512	0.72%
2003	331,937	-1.65%

City of Fort Wayne (3)			
<u>Year</u>	<u>Population</u>	<u>% Change</u>	<u>% of County Population</u>
1840	2,080	693.33%	35.01%
1850	4,282	105.87%	25.31%
1860	10,388	142.60%	35.42%
1870	17,718	70.56%	40.74%
1880	26,880	51.71%	49.08%
1890	35,393	31.67%	53.07%
1900	45,115	27.47%	58.39%
1910	63,933	41.71%	68.46%
1920	86,549	35.37%	75.72%
1930	114,946	32.81%	78.33%
1940	118,410	3.01%	76.35%
1950	133,607	12.83%	72.72%
1960	161,776	21.08%	69.67%
1970	177,671	9.83%	63.35%
1980	172,196	-3.08%	58.50%
1990	172,986	0.46%	57.50%
2000	205,727	18.93%	61.99%
2001	205,727	0.00%	61.39%
2002	205,727	0.00%	60.95%
2003	220,486	7.17%	66.42%

- (1) Years 1840 through 2000 reflect official U.S. Census Bureau population figures.
- (2) 2001 and 2002 Allen County population figures are estimates provided by the U.S. Census Bureau on July 1st of the respective years.
- (3) 2003 Allen County and City of Fort Wayne population figures represent the 2000 census count of the population within the city's boundaries as of January 1, 2003.

City of Fort Wayne
Schedule of Property and Liability Insurance in Force
At December 31, 2003

Type of Coverage	Name of Carrier	Policy Number	Policy Term	Coverage Description	Policy Limits	Deductible	Annual Premium/Funding
1) General Liability (City ordinance mandates funding above actuarial recommendation)	Self-Insured	Self-Insured	Self-Insured	All General Liability; Public Official Errors and Omissions Coverage	None; only limited by state tort limit (A)	None	\$ 258,386
2) Workers Compensation (City ordinance mandates actuarially-based funding)	Self-Insured	Self-Insured	Self-Insured	All Workers Compensation Liability Coverage	None; only limited by state tort limit (A)	None	\$ 374,938
3) Workers Compensation Excess Liability	Safety National Casualty Co.	SP-3460-IN	Self-Insured	Statutory Workers Compensation Per Occurrence (in excess of)	\$ 225,000	None	\$ 53,777
4) Auto Liability (City ordinance mandates funding above actuarial recommendations)	Self-Insured	Self-Insured	Self-Insured	All Auto Liability; (including Medical, Bodily Injury, and Property Damage)	None; only limited by state tort limit (A)	None	\$ 323,309
5) Police Professional Liability (Funded under City self-insurance ordinance)	Self-Insured	Self-Insured	Self-Insured	All Police Professional Liability Coverage	None; only limited by state tort limit (A)	None	\$ 128,221
6) Property	Chubb	533-39-45-PM	8/1/03 to 7/14/2004	Property-Bldgs & Contents Glass-Botanical Conservatory Computers-Other Entities Difference in Conditions Liability Limit	\$ 307,529 870,480 49,000 5,000,000 5,000,000	\$ 25,000 25,000 5,000 5,000	\$ 310,007
7) Auto Physical (Inland Marine)	Great American	IMP-609159910	7/14/03 to 7/14/2004	Annual Aggregate (For losses greater than \$2,500)		\$ 50,000	\$ 50,000
8) Crime	Hartford	DDDNQ7979	10/1/03 to 10/1/2004	Coverage by Schedule		\$	9,406
9) Zoo Animals	American Livestock Cincinnati	03-003419-Y	6/30/03 to 6/30/2004	Coverage by Schedule	\$ 100,000	\$ 2,500	\$ 2,749
10) Boiler & Machinery	Cincinnati	BEP-2660426	2/27/01 to 2/27/2004	Limit per Accident	\$ 10,000,000	\$ 5,000	\$ 15,927
11) Flood Insurance	American Reliability Ins Co	79-007698	7/24/03 to 7/24/2004	Building-Filtration Contents	\$ 200,000 200,000	\$ 1,000 1,000	\$ 11,982
	American Reliability Ins Co	79-007700	7/19/03 to 7/19/2004	Building-Animal Control Contents	200,000 22,000	1,000 1,000	
	American Reliability Ins Co	79-0007696	7/24/03 to 7/24/2004	Building-Fire Academy Contents	80,000 11,000	1,000 1,000	
	American Reliability Ins Co	79-007694	7/24/03 to 7/24/2004	Building & Contents-WPC Plant Contents	200,000 200,000	1,000 500	
12) Equipment Floater	General Casualty Insurance	CIM 0295799	6/16/03 to 6/16/2004	Floater Limit Leased/Rented Equipment	2,387,056	250	
13) Blanket Fidelity Bond	Hartford Fidelity & Bonding	36BPEAG7051	2003	Public Employee Dishonesty	\$ 100,000	\$ 250	\$ 1,856
14) Public Official Bonds (Statutorily Required Coverage)	Acordia/O'Rourke	B1454286	2003	Barrett Law & City Controller	\$ 330,000	None	\$ 1,036
15) Water Maintenance	Hartford	6047647E	10/31/03 to 10/31/2004	Right of Way-Errors & Omissions	5,000	None	100
16) Garage Keepers	Chubb	65739-02	7/14/03 to 7/14/2004	Public Garage Liability	\$ 300,000	\$ 250	\$ 4,242
Grand Total Premium/Self-Insured Funding							\$ 1,545,936

(A) Indiana tort liability limit for governmental units is \$300,000/occurrence and \$5,000,000/annual aggregate

City of Fort Wayne
 Combined Schedule of Bonds Payable
 At December 31, 2003

	Interest Rates	Due Dates	Issue Date	Maturity Date	Annual Payments Range	Authorized and Issued	Matured	Outstanding
General Obligation Bonds:								
Park District - 1994	5.1% - 5.5%	(1/1; 7/1)	09/01/94	01/01/05	\$ 1,200,000 - 1,350,000	\$ 8,950,000	\$ 6,400,000	\$ 2,550,000
Public Safety - 1994	3.2% - 5%	(1/1; 7/1)	08/02/94	01/01/04	490,000	4,000,000	3,510,000	490,000
Park District - 1999	5.6% - 6.05%	(1/1; 7/1)	10/01/99	07/01/19	155,000 - 360,000	4,500,000	480,000	4,020,000
Total General Obligation Bonds						\$ 17,450,000	\$ 10,390,000	\$ 7,060,000
Percentages						59.54%		40.46%
Tax Increment Revenue Bonds:								
Redevelopment District Refunding and Improvement Bonds of 1998	4.10% - 6.45%	(2/1; 8/1)	03/12/98	02/01/10	750,000-1,020,000	\$ 8,580,000	\$ 2,960,000	\$ 5,620,000
Total Tax Increment Revenue Bonds						\$ 8,580,000	\$ 2,960,000	\$ 5,620,000
Percentages						34.50%		65.50%
Special Obligation Bonds:								
Economic Development Income Tax Revenue of 1999	4.0% - 4.25%	(6/1; 12/1)	04/14/99	12/01/06	\$ 1,000,000 - 1,310,000	\$ 14,810,000	\$ 8,200,000	\$ 6,610,000
Economic Development Income Tax Revenue of 2001	4% - 4.25%	(6/1; 12/1)	03/21/01	12/01/10	880,000 - 1,170,000	16,500,000	2,230,000	14,270,000
Redevelopment District Revenue Bonds, Series 2002	3.5% - 4.25%	(6/1; 12/1)	04/01/02	12/01/12	420,000 - 595,000	10,225,000	1,245,000	8,980,000
Total Special Obligation Bonds:						\$ 41,535,000	\$ 11,675,000	\$ 29,860,000
Percentages						28.11%		71.89%
First Mortgage Bonds:								
2000A First Mortgage Bonds	4.65% - 4.75%	(1/15; 7/15)	8/10/2000	01/15/10	240,000 - 325,000	\$ 2,400,000	\$ 450,000	\$ 1,950,000
2002 First Mortgage Bonds-Transportation Bldg Project	3.05% - 4.7%	(1/1; 7/1)	5/15/2002	01/01/12	90,000 - 125,000	1,035,000	90,000	945,000
2003 First Mortgage Refunding Bonds	2.0%-3.25%	(1/1;7/1)	1/1/2003	01/15/08	1,250,000-1,400,000	6,555,000	0	6,555,000
Total First Mortgage Bonds:						\$ 9,990,000	\$ 540,000	\$ 9,450,000
Percentages						5.41%		94.59%
Revenue Bonds:								
Civic Center Parking Garage - 1979	7.1% - 7.25%	(1/1; 7/1)	07/01/80	01/01/06	70,000 - 85,000	\$ 1,000,000	\$ 640,000	\$ 230,000
Sewage - Issue of 1985	9.63%	(2/1; 8/1)	12/01/85	08/01/05	697,886 - 1,557,500	18,096,275	15,840,889	2,255,386
Water - Issue of 1997	4.5% - 4.75%	(12/1)	07/01/97	12/01/11	470,000 - 680,000	7,100,000	2,560,000	4,540,000
Sewage - Issue of 1998	4.25% - 5%	(8/1)	03/01/98	08/01/12	660,000 - 975,000	10,640,000	3,400,000	7,240,000
Sewage - Issue of 1998	4% - 4.5%	(8/1)	12/01/98	08/01/12	1,095,000 - 1,535,000	16,760,000	5,075,000	11,685,000
Parking Garage Addition - 2001	3.87% - 5.59%	(1/1; 7/1)	07/01/01	01/15/21	60,000 - 140,000	1,700,000	0	1,700,000
Water - Refunding Issue of 2002	3%	(6/1; 12/1)	09/26/02	12/01/06	1,150,000 - 1,350,000	5,220,000	1,460,000	3,760,000
Sewage - Refunding Issue of 2002	3.5% - 5.5%	(2/1; 8/1)	05/30/02	08/01/17	735,000 - 1,100,000	19,080,000	1,635,000	17,445,000
Sewage - Issue of 2000	1.3% - 4.55%	(2/1; 8/1)	12/01/02	08/01/17	310,000 - 500,000	5,750,000	305,000	5,445,000
Water Works - Issue of 2003	2.0%-4.25%	(6/1;12/1)	04/01/03	04/01/17	310,000-505,000	5,800,000	305,000	5,495,000
Sewage Works Junior - Issued 2003	2.0%-3.80%	(2/1;8/1)	06/01/03	05/31/18	680,000-1,045,000	12,350,000	0	12,350,000
Total Revenue Bonds						\$ 103,496,275	\$ 31,220,889	\$ 72,145,386
Percentages						30.17%		69.71%
Total of All Bonds						\$ 181,051,275	\$ 56,785,889	\$ 124,135,386
Percentages						31.36%		68.56%

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The City of Fort Wayne
One Main Street
Fort Wayne, Indiana 46802