

City of Fort Wayne, Indiana

**2015 Comprehensive
Annual Financial Report
for the year ended December 31, 2015**



Thomas C. Henry
Mayor

Len Poehler
Controller

FILED
09/15/2016

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**City of Fort Wayne, Indiana
Year Ended December 31, 2015**



**Len Poehler
Director of Finance and Administration
City Controller**

**Valerie A. Ahr
Deputy Controller**

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INTRODUCTION





CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

June 21, 2016

Dear Citizens:

I'm pleased to present to you the 2015 Comprehensive Annual Financial Report for the City of Fort Wayne. This is an in-depth account of the financial status of the City. This report demonstrates our commitment to provide you with a full and detailed explanation of the use of your tax dollars.

The City of Fort Wayne has a long tradition of prudent management of your tax dollars. We remain committed to responsible management of your tax dollars, while continuing to provide needed services to our citizens.

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

Sincerely,

A handwritten signature in black ink that reads "Thomas C. Henry".

Thomas C. Henry
Mayor

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CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

June 21, 2016

Honorable Mayor Thomas C. Henry and Members of the Fort Wayne Common Council,
City of Fort Wayne, Indiana

With this document, we submit the Comprehensive Annual Financial Report (CAFR) of the City of Fort Wayne for the fiscal year ended December 31, 2015. This is the twenty-seventh CAFR prepared by the City's financial staff. The twenty-six previous CAFRs have received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada. This award marks a continuing effort to improve the City's accountability and financial disclosure to the citizens of Fort Wayne.

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

This letter of transmittal is designed to complement the Management's Discussion & Analysis (MD&A, found in the financial section) and should be read in conjunction with it.

The Reporting Entity

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

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, the Fort Wayne Infrastructure Corporation and the Consolidated Communications Partnership (CCP) have been presented as blended component units because the financial statements would be misleading if data from these component units were not included.

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

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CHIEF FINANCIAL OFFICER'S LETTER OF TRANSMITTAL
(Continued)

been shown as discretely presented component units because the City is financially accountable for them and can impose its will on them, or the component unit is fiscally dependent upon the City: Neighborhood Care, Inc. (HANDS), Summit Development Corporation (Summit), Fort Wayne Urban Enterprise Association, Inc. (UEA), Allen County Fort Wayne Capital Improvements Board of Managers (CIB), Fort Wayne Redevelopment Authority (RA), Fort Wayne Public Transportation Corporation (PTC), Downtown Fort Wayne Economic Improvement District (DID) and Community Development Corporation of Fort Wayne (CDC).

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

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, 2015, is composed of the Chairman of the Board of Public Works and two members appointed by the Mayor.

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

Economic Condition and Outlook

With a population of 253,691 (US Census 2010 population estimates), Fort Wayne is the second largest city in Indiana. In 2015, Fort Wayne received recognition in numerous national publications and websites for high rankings in various economic and quality of life environments desired by citizens. In March, WalletHub, a social network for consumers and small business news, ranked Fort Wayne as tenth in their "Best Run Cities in America" report. WalletHub analyzed 65 of the most populated U.S. cities and assessed how efficiently each city spends taxpayer dollars on certain expenditure categories, including education, police, and parks and recreation. In May, ZipRecruiter, an Internet-based job distribution and job board service, ranked Fort Wayne as fifth best in their top ten list of Up-and-Coming Cities for College Grads. ZipRecruiter analyzed the major metropolitan areas in the United States based on categories that make the metropolitan areas most desirable to recently graduated job seekers including number of jobs available, percent of available positions that require a bachelor's degree, median rents, and percent of 20-24 year-olds living in the area. In an August article, Business Review USA ranked Fort Wayne as sixth out of ten in their top cities to do business. The article cites Indiana's low taxes and unemployment rates as reasons for Fort Wayne's ranking on the list. In November, Credit Karma, an internet-based free credit and financial management platform, ranked Fort Wayne seventh in their list of most affordable cities for millennials to buy a home. Credit Karma assessed data based on how quickly 18-24 year-olds could pay off their mortgages, presuming they paid 28% of their incomes (the bank recommended limit) towards them.

Additionally, Northeast Indiana won a \$42 million Regional Cities grant from the state of Indiana with its

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Road to One Million Plan that outlines more than 70 projects and \$1.5 billion in investment over the next ten years. The purpose of the Regional Cities initiative funding is to attract and retain talent by providing financial support for game changing quality of place projects that will increase economic growth, lead to population growth, and enhance the region's national brand identity.

In early 2000, the City's economic development objectives were refocused on gaining higher quality jobs in the manufacturing, service and technology sectors. The City, in collaboration with Allen County and the Greater Fort Wayne Chamber of Commerce (Chamber), created the Fort Wayne – Allen County Economic Development Alliance (Alliance). For 12 years, the Alliance was responsible for marketing the county's assets, which include a high quality of life, existing commercial building sites and an outstanding workforce, to new and expanding businesses. After extensive discussion, the boards of the Alliance, the Downtown Improvement District and the Greater Fort Wayne Chamber of Commerce, along with city and county government officials, announced a new structure and name for the consolidated group. Greater Fort Wayne, Inc. now performs the duties of the former Chamber and the Alliance.

Several large investments from new and existing companies in Allen County were announced in 2015. Two of the largest projects will be built downtown. Cityscape Flats, LLC announced in January 2015 a \$24.3 million residential development project. The development will consist of 163 market rate apartments (five studio units, 118 one bedroom units, and 40 two bedroom units) situated in three and four story apartment buildings, 14 row house townhomes that are 2 ½ story with two or three bedrooms and two bathrooms, a parking facility with 173 spaces, and an outdoor courtyard. Construction completion is estimated to be summer 2017. In March 2015, Ash Brokerage was approved by Fort Wayne Common Council for property tax phase-in for a \$27.25 million project to construct a 116,000 square foot retail and office building. Besides Ash, the building will house a branch of the YMCA; a bicycle hub managed by Fort Wayne Bike Outfitters and the YMCA; a Lake City Bank branch, DuCharme, McMillen and Associates, Inc.; Barnes and Thornburg, LLP, DeBrand Fine Chocolates, and a new restaurant called the Golden.

Other large projects included Sweetwater Sound and XPO Logistics. Sweetwater Sound was approved in October 2015 by Fort Wayne Common Council for property tax phase-in on a \$5.55 million investment in real property improvements and a \$1.65 million investment in logistical distribution and information technology equipment. The company announced that it will construct a 16,000 square foot addition to house the company's marketing and merchandising departments. Improvements to the existing 320,000 square foot facility will also be made including construction of a new outdoor performance pavilion. 319 jobs will be created by the end of 2018 as a result of the project.

XPO Logistics Worldwide was approved for a ten year property tax phase in from the Allen County Council. The company plans to build a warehouse/distribution facility on 24 acres just north of the current General Mills facility on Bluffton Road. XPO plans to invest over \$26 million on the real property improvements. 75 jobs will be created as a result of the project. Construction of the facility is set to commence by the end of December and be complete by third quarter 2016.

Long Term Financial Planning

City Utilities agreed to a Long Term Control Plan (LTCP) in the form of a federal consent decree, effective April 1, 2008, which will ultimately bring the Utilities' storm and sanitary sewer system into compliance with the Clean Water Act. City Utilities committed to combined sewer overflow reductions that require an approximate investment of \$240.0 million (denominated in 2005 dollars) in infrastructure solutions over the next eighteen years. City Utilities also agreed to eliminate three sanitary sewer overflows at an estimated cost of \$31.0 million, maintain the entire storm and sewer systems to performance standards

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(Continued)

prescribed in the LTCP and mitigate assessed penalties with local investments in septic tank elimination subsidies and rain garden stipends. In 2009, the Fort Wayne City Council (Council) authorized the issuance of \$265.0 million in debt to fund a six year capital plan that will accomplish a significant portion of the infrastructure investment needed to fulfill the requirements of the consent decree. Through December 31, 2014, City Utilities has exhausted the full amount authorized by Council. In 2014, Council also authorized the issuance of \$257 million in debt to fund the 2016-2019 capital plan that will accomplish a significant portion of the infrastructure investment required to fulfill the requirements of the Consent Decree. As of December 31, 2015, the Utilities has exhausted \$65.9 million of the \$257 million council approved.

In 2010, the City entered into an agreement to transfer the remaining Electric Utility assets to another electric utility (transferee). In August, 2011, the Indiana Utility Regulatory Commission (IURC) approved the agreement. In exchange for the remaining Electric Utility assets and the right to be the exclusive supplier of electricity in the City, the transferee will pay annual installments in excess of \$39 million through 2025.

In 2012, Mayor Henry created a Fiscal Policy Group to develop a framework of ideas to save the community money and bring in additional revenue to help meet the financial needs of the City. In 2013, the City Council with recommendations from the Fiscal Policy Group passed a .25% Property Tax Relief LOIT, a .10% Public Safety LOIT and established the Cumulative Capital Development Fund. These additional funds along with recapturing the City's banked levy have and will continue to fund public safety, fund street and road improvements, enhance Parks facilities and provide tax relief to homeowners.

In 2014, City Utilities acquired from Aqua Indiana, Inc. (Aqua) all of the water assets and a portion of the sewer assets that are located in Allen County Indiana. The terms of the acquisition included the settlement of litigation regarding the 2002 condemnation of a portion of the acquired assets (North Assets). The total purchase price was \$67 million, of which \$16.9 million was paid in 2008 for the North Assets. The net purchase price of \$50.1 million was funded by proceeds from a \$63 million bond issued in December 2014. Bond proceeds in excess of the net purchase price were used for financing and integration costs. The North Assets are now fully integrated with City Utilities' water and sewer systems and generating revenues for the respective Utilities at standard system-wide tariffs.

Relevant Financial Policies

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

Major Initiatives

Leading Indiana's second largest city, Mayor Tom Henry's administration is making local government the best it can be for residents and businesses by demonstrating a commitment to engagement, innovation, and performance.

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CHIEF FINANCIAL OFFICER'S LETTER OF TRANSMITTAL
(Continued)

1. Engage – Provide outstanding customer service and involve the public in efforts to continue and build on the positive momentum we're experiencing in the City of Fort Wayne.
2. Innovate - Maintain a pro-investment environment through proactive leadership and strategic partnerships.
3. Perform - Be an outstanding place to live, work, and play with great neighborhoods and an excellent quality of life as the community works together to drive continuous improvement and high performance.

Financial Information

Budgetary Controls

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

Generally, budget hearings are held throughout October in Common Council sessions. Beyond the public and televised Common Council sessions, there is a legal public hearing held as part of the budget process at which citizens may provide the administration and the Common Council with their comments concerning the budget. By state law, the Common Council must pass the budget by November 1 of each year. The Common Council has the power to decrease any major category proposed by the Administration, but may not increase any major category in the budget.

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

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

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

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

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(Continued)

Internal Controls

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

It is important that the costs 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 (SBA), not only during the audit, but also throughout the year. As a result, we believe that we have established a proactive, positive relationship with the SBA that works to increase the quality of the City's financial reporting and internal control system.

External Audit Function

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

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

Internal Audit Department

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

Audit Committee

In 1990, the City of Fort Wayne established by ordinance an Audit Committee. The Audit Committee is composed of six 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 of the Allen County Chapter of the Institute of Internal Auditors; 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; 5) one member appointed by the Common Council who is licensed as a CPA by the Indiana State Board of Accountancy and not an employee of a local unit of government; and 6) one division director to be appointed by the Mayor on a rotating basis, no voting privileges.

The Audit Committee has significantly increased the accountability of the City of Fort Wayne to its four

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(Continued)

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 consulting with the Department of Internal Audit regarding technical issues, approve annual audit plans and review individual audit plans, review and approve internal audit reports before final distribution, provide review and oversight of the financial reporting practices and internal financial, compliance and operational controls of the city and city utilities, review the results of annual financial and compliance audits conducted by the Indiana State Board of Accounts and independent auditing firms, follow-up on management's resolution of audit issues, work to assure maximum coordination between the work of the Director of Internal Audit and the needs of the Mayor and Common Council, recommend to the Mayor an annual budget sufficient to fund the Department of Internal Audit after a comprehensive review of the auditing and consulting needs of the city and city utilities and report annually to Common Council how it has discharged its duties and met its responsibilities.

Certificate of Achievement for Excellence in Financial Reporting

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

This comprehensive annual financial report is the twenty-seventh published by the City of Fort Wayne. The 1989-2014 Comprehensive Annual Financial Reports were awarded the Certificate of Achievement by GFOA. The award is good for only one year. We believe our report conforms to Certificate program requirements, and we are hopeful that GFOA will confirm, through its review process, our eligibility for a twenty-seventh Certificate.

Acknowledgments

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

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

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CHIEF FINANCIAL OFFICER'S LETTER OF TRANSMITTAL
(Continued)

We acknowledge and thank the following City employees:

Kathleen A. Smith, CPA, Deputy Director of Financial Operations

Mark Knepper, Financial Analyst

Bogdan Vlasea, Financial Analyst

Angela Erpelding, Financial Accountant

Lauren Fahl, Financial Accountant

Greg Weisser, Financial Accountant

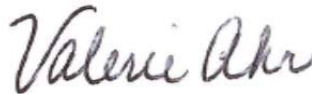
Jeanne L. Cook, Administrative Assistant to the Controller

We also acknowledge the assistance of the entire audit team from the Indiana State Board of Accounts Fort Wayne Office for making this report possible.

Respectfully submitted,



Len Poehler
City Controller
Director of Finance & Administration



Valerie A. Ahr
Deputy Controller

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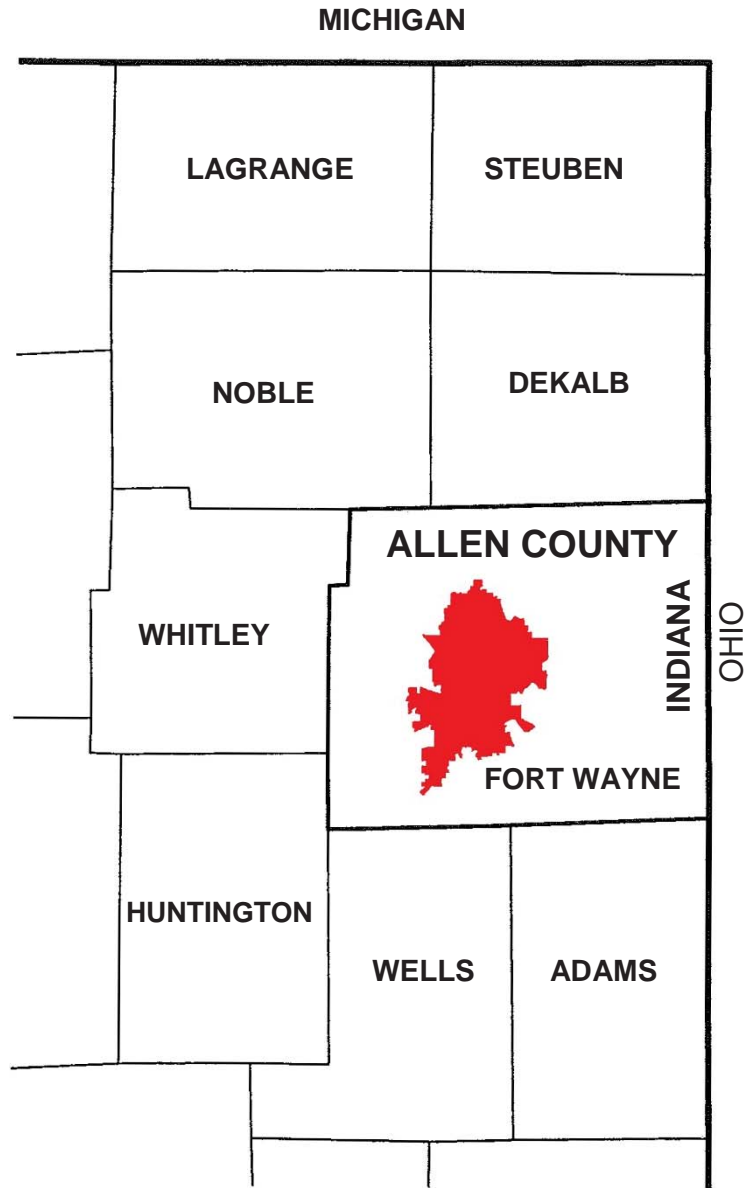
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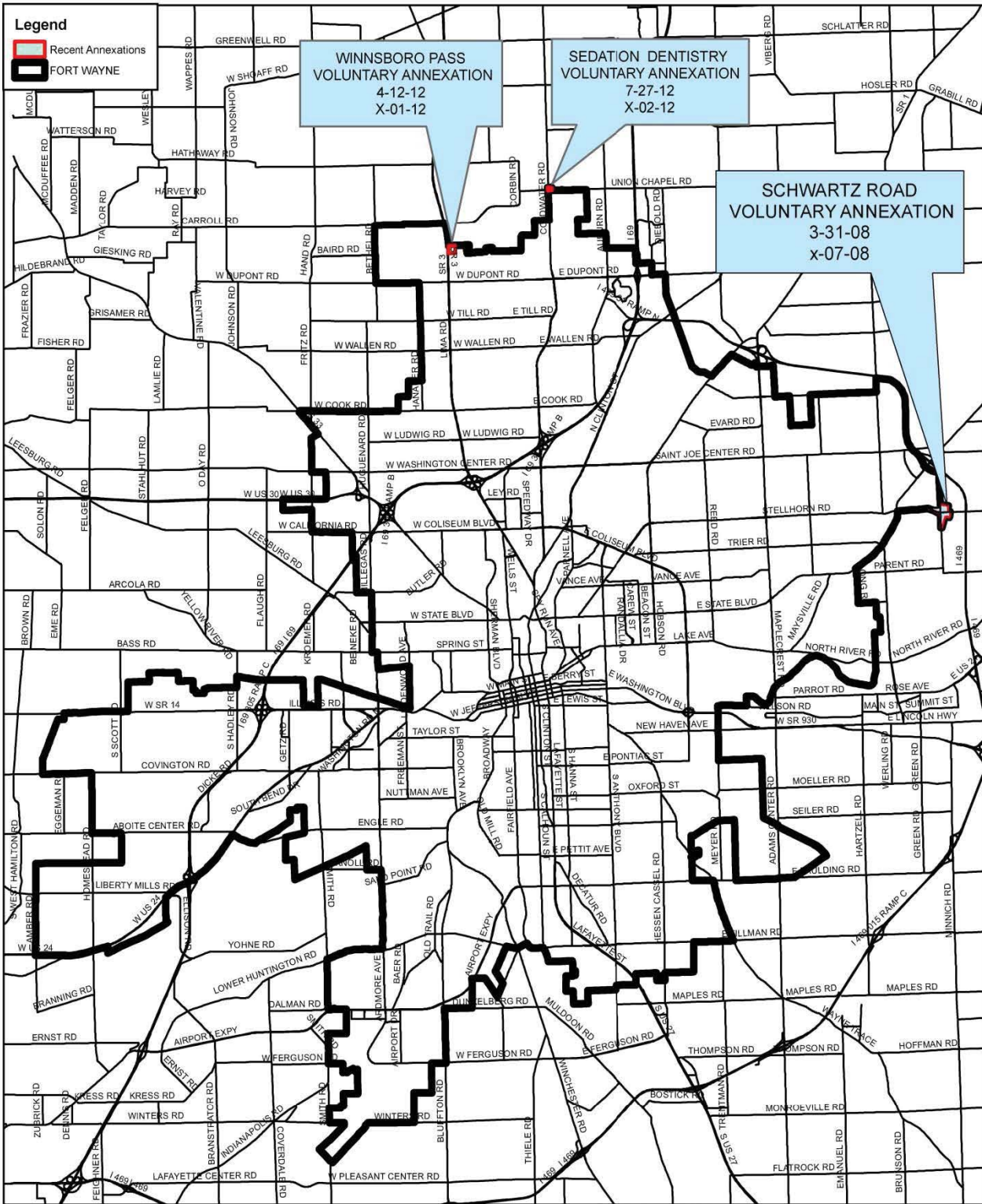
Midwest Locator Map



Northeast Indiana Locator Map



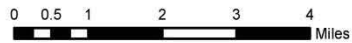
FORT WAYNE RECENT ANNEXATIONS (after 2007)



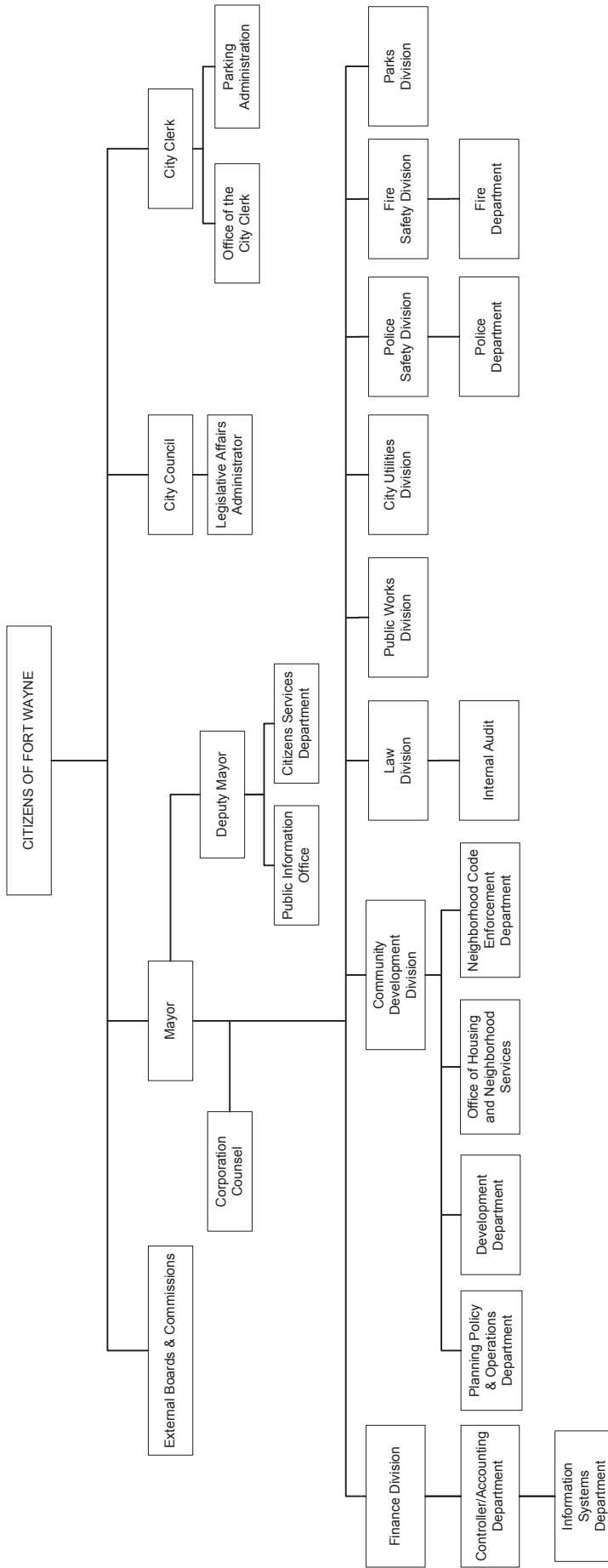
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 State Plane Coordinate System, Indiana East



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City of Fort Wayne
 Organizational Chart – as of December 31, 2015



CITY OF FORT WAYNE
LIST OF PRINCIPAL OFFICIALS
December 31, 2015

<u>NAME</u>	<u>TITLE</u>
Elected Officials:	
Thomas Henry	Mayor
Lana Keesling	City Clerk - Elect
Thomas Smith	Council Member - District 1
Russ Jehl	Council Member - District 2
Thomas Didier	Council Member - District 3
Mitch Harper	Council Member - District 4
Geoff Paddock	Council Member - District 5
Glynn Hines	Council Member - District 6
John Shoaff	Council Member - At-Large
John Crawford	Council Member - At-Large
Martin Bender	Council Member - At-Large
Division Directors:	
Karl Bandemer	Deputy Mayor
Russel York	Director of Public Safety
Patricia A. Roller	Director of Finance and Administration
Carol Helton	City Attorney
Kumar Menon	Director of City Utilities
Greg Leatherman	Director of Community and Economic Development
Eric Lahey	Fire Chief
Alvin R. Moll, Jr.	Director of Parks and Recreation
Garry Hamilton	Police Chief
Robert Kennedy	Director of Public Works

**CITY OF FORT WAYNE
DEPARTMENT DETAILS**

OFFICE OF THE MAYOR

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

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

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

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 is threefold: 1) to educate and inform, 2) to encourage citizen participation and involvement and 3) to promote the City of Fort Wayne locally, statewide and nationally.

Neighborhoods and Citizen's Advocate Office

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

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

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

Department of Law

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

Human Resources Department

The goal of the Human Resources Department is to provide services efficiently to employees, applicants, and the public at the least cost to the City's taxpayers. Services include the facilitation of positive

employee and labor relations, employee communications, benefits administration, training and counseling; employee record-keeping; classification of employee positions; policy and procedure development; union contract negotiations, interpretations and enforcement; recruiting; and testing of applicants.

Internal Audit Department

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

311 Call Center

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

OFFICE OF THE CITY CLERK AND COMMON COUNCIL

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

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

FINANCE AND ADMINISTRATION DIVISION

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

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

Payroll Department

The Payroll Department is responsible for maintaining the City government payroll records to meet the requirements of the various laws (federal, state, and local) under which it is operating; maintaining a payroll accounting system that embodies all of the procedures and methods related to the disbursement of

pay to employees in a highly technical environment; and promoting goodwill and a positive working environment by processing the payroll accurately and on time.

Purchasing Department

The 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. In addition, the staff monitors construction and procurement contracts to ensure that local, state and federal regulations are followed by all City contractors.

Property Management

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

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

Risk Management Department

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

Information Systems Department

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

FORT WAYNE CITY UTILITIES

City Utilities is a municipal utility and a division of the City of Fort Wayne. The City Utilities Division is organized into four Strategic Business Units (SBU); Capital Asset Management, Policy and Planning, Engineering Services and Business Services under the leadership of the Director of City Utilities. Along with the Director, each SBU has a Deputy Director that comprises the Senior Management team. City Utilities' mission is to protect the health, welfare and prosperity of the Fort Wayne community and is, therefore, committed to provide quality water, sewer and stormwater services in an efficient, effective and reliable manner.

Capital Asset Management SBU (includes the Three Rivers Filtration Plant, the Water Maintenance and Services Department, the Water Pollution Control Plant, the Biosolids Facility, and the Water Pollution Control Maintenance and Stormwater Maintenance Departments)

Three Rivers Filtration Plant:

The Three Rivers Filtration Plant draws its raw water supply from the St. Joseph River. This department maintains a 265-acre reservoir that holds nearly 2 billion gallons of water. It also maintains the Cedarville Dam and the 500 million-gallon Cedarville Reservoir. Raw water from the river is pumped from the St. Joe Dam Pump Station to the Three Rivers Filtration Plant. The Three Rivers Filtration plant is made up of 3 individual treatment plants that can be run independently of each other as needed. Each plant is capable of producing 24 million gallons of drinking water a day. An average of 25 million gallons a day is treated and purified through a series of chemical and physical treatment processes from these plants.

Water Maintenance and Service Department:

The Water Maintenance and Service Department (WM&S) is responsible for maintaining 1100 miles of water distribution piping and its various elements and providing service-related operations. The construction division of this department repairs and installs mains, hydrants, valves, and services. The service division installs and maintains meters, pressure tests and disinfects new water mains, provides field support for the Customer Relations Department on turn-ons and turn-offs and investigates customer complaints. Personnel also perform the meter reading function for the Utility.

Water Pollution Control Plant:

Fort Wayne's Water Pollution Control Plant is responsible for treatment of an average of 48 million gallons of sewage per day. The plant is an activated sludge treatment plant including primary, secondary, and advanced waste water treatment. This department is charged with the responsibility of treating the City's Sanitary Sewer system to meet the treatment requirements of the City's National Pollution Discharge Elimination System (NPDES) Permit before the effluent is discharged into the Maumee River. The facility also maintains and operates 41 lift stations, 7 CSO Stations, 4 Storm Stations, 12 Toe Drains, and 1 Sludge station.

Water Pollution Control Maintenance/Stormwater Maintenance Departments:

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

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

Policy and Planning Department:

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

Development Services Department:

The Development Services Department facilitates the expansion or modification of the City's water, wastewater and stormwater systems through the new development process, via the property owner petition process and other means. Staff also oversees service connections to these facilities. Development Services staff members provide information about the policies, procedures and rules that

govern the operation of Fort Wayne City Utilities and assist developers, contractors, builders and citizens in finding information about the physical characteristics of various utility systems. Additionally, staff calculates and collects utility assessments and fees associated with utility systems expansion and connection and initiate new customer accounts. Development Services is also involved in managing citizen inquiries and concerns about Utility systems, offering and reviewing options for service and coordinating financing for projects.

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

Planning & Design Services Department:

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

Engineering Support Services Department:

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

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

Financial Services Department:

The Financial Services Department is responsible for maintaining all financial records of City Utilities, which include electric, administrative departments, water, water pollution control, stormwater and yardwaste.

Customer Relations:

The Customer Relations Department's goal is to serve customers promptly, courteously and professionally. The public contacts this department to initiate, finalize or transfer water and sewer services as well as make any billing inquiries either in person, by phone or by correspondence.

Data Control:

The Data Control Department completes on-line work orders initiated by the Customer Relations and Water Maintenance and Service Departments. This department is also responsible for maintaining the integrity of the billing system and developing system enhancements to increase customer clarity and user efficiency.

Geographic Information Systems (GIS):

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

DIVISION OF COMMUNITY DEVELOPMENT

Vision Statement

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

Mission Statement

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

Director’s Office

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

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

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

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

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

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

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

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

Deputy Director of Community Planning & Policy

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

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

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

Historic Preservation staff manage the historic and aesthetic resources of the community through implementation of the City Code that relates to Historic Preservation and Protection Districts. The staff work act as liaisons to the Historic Preservation Commission and work with property owners, city agencies and other groups to coordinate improvement efforts, provide technical assistance and cost-effective design solutions.

Deputy Director of Development

Working under the Division Director, this Director oversees the implementation of an aggressive development partnership between the public and private sectors. As part of the department's economic development efforts, the Deputy Director and staff provide direct liaison/support to Greater Fort Wayne Inc. Metro Chamber Alliance, support international trade, and provide services that support and stimulate business growth, community investment and development. The Deputy Director also provides oversight for the following:

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

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

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

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

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

Director of Neighborhood Code Enforcement

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

METROPOLITAN HUMAN RELATIONS

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

diversity and the anti-discrimination provisions of the law, to groups, businesses, organizations, members of the community and other local government departments.

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

PUBLIC WORKS

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

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

Public Works Administration

This Department includes the support staff for the Board of Public Works. It is the responsibility of the Board Members and Board of Public Works staff to ensure that all statute requirements are met in the contract bid process and that awarded contracts are fulfilled effectively and equitably. The Board of Public Works staff provides the necessary support in monitoring of all capital and emergency construction contracts, professional services agreements, purchase agreements and all other related documentation requiring Board approval for the City of Fort Wayne.

Another key function of the Board of Public Works office is to oversee the Barrett Law program. Barrett Law is a City-administrated loan program available to residents needing funding to pay for capital improvements over a long-term basis. The Directors, BOPW Manager and staff strive to provide the leadership and support necessary for the successful completion of capital improvements and the ongoing operation and maintenance of much of the City's infrastructure.

Solid Waste & Recycling Management

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

Transportation Administration & Support

The functions of this group are varied, and generally fall within three department subsets; surveying/drafting/inspection, permits and plan review, and administrative. Staff provides surveying, drafting, and inspection services necessary for the successful completion of street, curb, and sidewalk projects. Employees in this group also assess and report on pavement condition in order to maintain and update our pavement management system.

Other employees in this department are responsible for a variety of other customer service requests, responses, and interactions. These responsibilities include permit functions; plan review of developer projects; investigation and reporting functions; data base maintenance activities; blueprint reproduction services; right of way acquisition functions; and general customer service activities. Department personnel also provide financial management, budgeting, purchasing, payroll, and administrative support services.

Flood Control

The Flood Control Department is responsible for ensuring that property damage is minimal due to flooding. The Department continuously monitors the early flood warning system and its 33 sites. Flood Control is responsible for the operations, maintenance and rehabilitation of approximately 14 miles of flood protection structures. The Department writes federal grants and/or oversees the administration of approved grants, acquiring and demolishing residential and commercial properties in the floodplain. The Department is also responsible for the National Flood Insurance Program's Community Rating System (CRS) involving community floodplain management activities.

Transportation Engineering Services/Street Project Management

Street Project Management 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 requests from citizen's petitions filed by property owners through the Barrett Law process, applications through the Community & Economic Development Block Grant Program and a yearly street-resurfacing program involving neighborhood surveys established by the Division of Public Works. Street Project Management also reviews subdivisions submitted for construction, commercial building developments and residential and commercial driveway applications to ensure they meet applicable codes and standards.

Traffic Engineering & Traffic Operations Sign and Signal

The Traffic Engineering & Traffic Operations Sign and Signal Department provides the following services to the public: design, installation and maintenance of fiber optic communications, traffic signal systems, traffic signs and pavement markings; maintains signs and markings on the city trail system; maintains bicycle signs and markings throughout the City. Also maintains traffic signals for INDOT, Allen County, City of New Haven, and City of Hometown.

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.

The Department also works with the Radio Shop to maintain the Early Warning Flood System, and provides maintenance of the MLK Bridge, including programming the lighting on the bridge, as well as performs electrical maintenance for other PW departments. Other miscellaneous responsibilities include Installation and maintenance of sidewalk benches, bollards, flowerpots, trash receptacles, bike racks and banner installation for non-profit groups as well as wreaths and holiday decorations in the downtown Central Business District.

Street Lighting Engineer and Traffic Operations Street Lighting

The Street Lighting Department provides the following services to the public: design and install new street lights and systems that provide safe and efficient illumination for both motorists and pedestrians during nighttime hours. Maintain and update over 33,950 existing City Street Lights.

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

Street Department

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

Fleet Management

The Fleet Management Department is responsible for approximately 2,013 city owned vehicles and ancillary equipment. The Fleet Director oversees the contract with the private company, which provides vehicle maintenance services to the City's fleet. The department is also responsible for developing approval policies for vehicle use, preventive maintenance and replacement. Maintaining compliance with environmental regulations and making environmental improvements also fall under the Directors responsibilities.

Trails & Greenways Management

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

PARKS AND RECREATION

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

Administration/Marketing

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

The Marketing Division was created in 1989 and is responsible for public relations, promotions, customer service, grant writing, service quality, strategic planning, marketing research, corporate sponsorship, and other marketing/planning functions. The Botanical Conservatory and the Foellinger Theatre are part of this Division.

Headwaters Park

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

Parks/Horticulture/Forestry

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

Leisure Services

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

Fort Wayne Children's Zoo

The award winning Fort Wayne Children's Zoo is operated under our operating agreement between the Fort Wayne Parks and Recreation Division and the Zoological Society.

PUBLIC SAFETY

Department of Public Safety

This Department maintains order and protects the rights and property of the citizens of Fort Wayne. The Director of Public Safety oversees the operations of the Fire, Police, Radio Shop, and Animal Care and Control Departments.

The Public Safety Director retains responsibility for major policy decisions, budgeting, long-range planning and the day-to-day coordination of six departmental divisions: Police, Fire, Animal Control, Human Resources, and Weights and Measures.

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

Police Department

It is the mission of the Fort Wayne Police Department in partnership with the community, to strive to protect the life, property, and personal liberties of all individuals. We believe that the overall quality of life for all residents will improve through the deterrence of criminal activity and an understanding of the diversity of cultures within this community. Furthermore, we recognize the need for fair and impartial

enforcement of the law, with attention given to the highest possible quality of service delivery to the community. The department is responsible for maintaining order within the city limits of Fort Wayne.

Fire Department

It is the mission of the Fort Wayne Fire Department to prevent the loss of life and to control or reduce the loss to property. The mission will be accomplished through the services provided by the Operations, Fire Prevention Bureau, Investigation, Safety Education, Training and Development and Administrative Divisions. These divisions provide for firefighting, emergency hazardous materials stabilization, emergency rescue, EMS - first responder, underwater rescue/recovery, public education, building inspections, fire investigations, fire safety training, and other miscellaneous services. The Fire Department provides services to the entire City of Fort Wayne with mutual assistance to the surrounding departments upon their request.

Radio Shop

The Radio Shop of the Fort Wayne Police Department is responsible for the planning, design, construction, maintenance and operation of all electronic communication systems utilized by the City of Fort Wayne and the Combined Communications Partnership (CCP). The Radio Shop is also responsible for the installation and maintenance of electronic equipment utilized in Police and Fire vehicles.

Records

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

Animal Care and Control

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

Weights & Measures

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

**Fort Wayne at a Glance
As of December 31, 2015**

Date Founded	October 22, 1794
Date of Incorporation (town)	January 3, 1829
Date of Incorporation (city)	February 22, 1840
Founded by	Jean François Hamtramck
Named for	Anthony Wayne
Form of Government	Elected Mayor, Clerk, Councilperson (9)
Relative Size	2nd largest city in Indiana
Population	256,496
Area in Square Miles	110.6
Market Location	Area within 250 miles of Fort Wayne includes a population of 43.9 million, or 14.5% of the total U.S. population; 70th Largest City in United States
Miles of Water lines	1,374
Miles of Sewer/Stormwater Mains	1,988
Miles of Streets	1,300
Number of Street Lights	33,904
Number of City Employees	1,959
Labor Force *	208,082
Employed *	199,025
Unemployed *	9,057
Unemployment Rate *	4.4

* Data from Bureau of Labor Statistics, Fort Wayne Metropolitan Service Area - Fort Wayne



Government Finance Officers Association

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Indiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

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FINANCIAL SECTION





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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Fort Wayne (City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Fort Wayne Urban Enterprise Association, Inc., Fort Wayne Public Transportation Corporation, and Community Development Corporation of Fort Wayne, which represent 20.26 percent, 40.69 percent, and 46.91 percent, respectively, of the total assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for those three discretely presented component units, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

INDEPENDENT AUDITOR'S REPORT
(Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 21 to the financial statements, the City adopted new accounting guidance, GASB Statement 68 *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules (General and Major Special Revenue Funds), Infrastructure - Modified Reporting, Schedule of Changes in the City's Net Pension Liability and Related Ratios - Single-Employer Defined Benefit Pension Plans, Schedule of the City's Proportionate Share of the Net Pension Liability - Cost-Sharing Multiple-Employer Defined Benefit Pension Plans, Schedule of City Contributions - Single-Employer Defined Benefit Pension Plans, Schedule of City Contributions - Cost-Sharing Multiple-Employer Defined Benefit Pension Plans, Schedule of Pension Investment Returns, Schedule of Funding Progress - Retiree Healthcare Plan, Schedule of City Contributions - Retiree Healthcare Plan, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Introductory Section, Major Governmental Funds-Information, Schedule of Expenditures-Budget and Actual, Non-major Funds-Information, Combining Balance Sheets and Combining Statements of Revenues, Expenditures/Expenses, and Changes in Fund Balances/Net Position-Non-major Funds and Internal Service Funds, Combining Statement of Net Position-Non-major Funds, Internal Service Funds, and Pension Trust Funds, Combining Statement of Cash Flows-Non-major Funds and Internal Service Funds, Combining Statement of Changes in Net Positions - Pension Trust Funds, Schedule of Changes in Assets and Liabilities-Agency Fund, other Budgetary Comparison Schedules, and the Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.


INDEPENDENT AUDITOR'S REPORT
(Continued)

Major Governmental Funds-Information, Schedule of Expenditures-Budget and Actual, Non-major Funds-Information, Combining Balance Sheets and Combining Statements of Revenues, Expenditures/-Expenses, and Changes in Fund Balances/Net Position-Non-major Funds and Internal Service Funds, Combining Statement of Net Position-Non-major Funds, Internal Service Funds, and Pension Trust Funds, Combining Statement of Cash Flows-Non-major Funds and Internal Service Funds, Combining Statement of Changes in Net Positions - Pension Trust Funds, Schedule of Changes in Assets and Liabilities-Agency Fund, and other Budgetary Comparison Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and other budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated June 21, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

June 21, 2016

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**CITY OF FORT WAYNE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2015**

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, 2015. 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 2015 by \$1.1 billion. Of this amount, (\$106.3) million is considered unrestricted. The negative amount in the unrestricted funds is due mainly to the implementation of GASB Statement No. 68, which resulted in a reduction of net position as of the beginning of 2015 of \$187.1 million (see Note 21). The unrestricted net position of the City's governmental activities is (\$117.1) million. The unrestricted net position of the City's business-type activities is \$10.8 million.
- The net position of the City's governmental activities decreased \$153.0 million (or 22.93 percent from 2014) in 2015. The net position of the City's business-type activities increased \$9.5 million (or 1.78 percent from 2014).
- At the end of 2015, the City's governmental funds reported a combined ending fund balance of \$176.6 million. The combined governmental funds' fund balance decreased by \$19.6 million (or 10.0 percent from 2014). City's total fund balance includes \$29.8 million as nonspendable, \$4.7 million as restricted, \$15.0 million as committed, \$122.8 million as assigned and \$4.3 million as unassigned fund balance. The above mentioned fund balances have been classified per GASB 54. (See Note 1)
- At the end of 2015, unassigned fund balance for the general fund was \$5.9 million or 7.0 percent of the 2015 general fund expenditures.
- At the end of 2015, the total fund balance for Community Legacy fund was \$54.5 million. This is a decrease of \$4.0 million from 2014. The decrease of the Community Legacy fund balance is due mainly to unrealized losses on fund investments at the end of 2015. Income into the Community Legacy fund is from loan interest income and light lease revenue.
- The City's total liabilities increased by \$234.8 million (or 29.3 percent) during 2015 due to business-type activities and the implementation of GASB Statement No. 68 "Accounting and Financial Reporting for Pensions".

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

CITY OF FORT WAYNE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2015
(Continued)

accounting, in a manner similar to private-sector businesses. The government-wide financial statements are composed of two statements: the statement of net position and the statement of activities.

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

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

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

The government-wide financial statements include not only the City itself (primary government), but also a few legally separate units: Neighborhood Care, Inc. (HANDS), Summit Development Corporation (Summit), Fort Wayne Urban Enterprise Association, Inc. (UEA), Allen County Fort Wayne Capital Improvements Board of Managers (CIB), Fort Wayne Redevelopment Authority (RA), Fort Wayne Public Transportation Corporation (PTC), Downtown Fort Wayne Economic Improvement District (DID) and Community Development Corporation (CDC) for which the City is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself. The financial statements of these component units can be found in their entirety on file in the City Controller's office at 200 E. Berry Street, Suite 470, Fort Wayne, Indiana 46802. The Fort Wayne Municipal Building Corporation (Building Project), Consolidated Communications Partnership, and Fort Wayne Infrastructure Corporation (Infrastructure Improvements) are legally separate from the City, but since their nature and relationship with the City is significant, they are an integral part of the primary government.

The government-wide financial statements can be found on pages 51-52 of this report.

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

Governmental funds. Governmental funds are used to account for most of the City's basic services. These funds generally do not provide enough revenue to completely cover their expenses; therefore, they need taxes, fees, interest or any other intergovernmental revenue to help support them. These funds use the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund financial statements focus on near-term inflows and

CITY OF FORT WAYNE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2015
(Continued)

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 53-56 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, the services are generally classified as a proprietary fund. There are two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. These funds are completely self-supported by providing services to *outside customers* of the City. The City uses enterprise funds to account for its water, wastewater, storm water, solid waste, parking garages, electric, and yard waste operations. Internal Service funds are used to report activities that provide services and supplies for the other City departments. The City uses internal service funds to account for its self insurance and garage services. The internal service funds are reported within the governmental activities section of the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 57-59 of this report.

Fiduciary funds. Fiduciary funds are funds held by a governmental unit as an agent or a trustee. They are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City holds two types of fiduciary funds: pension trust funds and agency funds. Pension trust funds are used to account for pension plans held by the City on behalf of its employees. The City uses pension trust funds to report the police pension, fire pension, and sanitary officers' pension funds. Agency funds are used to account for monies held by the City for an external party. The City uses an agency fund to report the Fort Wayne Neighborhood Housing Partnership (FWNP). The basic fiduciary fund financial statements can be found on pages 60-61 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 65-129 of this report.

Other information. The City is also required to provide more detailed information about certain issues disclosed in required supplementary information (RSI) schedules. The City's RSI schedules include: Budgetary Comparison Schedule for General Fund and Major Special Revenue Funds, Comparison of Budgeted-to-Actual Maintenance/Preservation including the condition rating of the City's street system, Schedule of Changes in the City's Net Pension Liability and Related Ratios for Single-employer Defined Benefit Pension Plans, Schedule of the City's Proportionate Share of the Net Pension Liability for Cost-Sharing Multiple-employer Defined Benefit Pension Plans, Schedule of City Contributions for Single-Employer Defined Benefit Pension Plans and Cost-Sharing Multiple-employer Defined Benefit Pension Plans, Schedule of Pension Investment Returns, Schedule of Funding Progress and Schedule of City Contributions for Retiree Healthcare Plan. The combining financial statements for the non-major governmental funds, non-major enterprise funds, and the internal service funds are found immediately following the RSI schedules listed above. The RSI schedules can be found on pages 131-146 of this report.

CITY OF FORT WAYNE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2015
(Continued)

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

	Governmental activities		Business-type activities		Total		Component Units	
	2015	2014	2015	2014	2015	2014	2015	2014
Assets	\$ 230,163	\$ 233,496	\$ 172,748	\$ 167,060	\$ 402,911	\$ 400,556	\$ 115,020	\$ 127,535
Capital assets	769,327	743,314	915,156	858,306	1,684,483	1,601,620	56,148	56,471
Total assets	999,490	976,810	1,087,904	1,025,366	2,087,394	2,002,176	171,168	184,006
Deferred outflow s	31,248	-	7,645	371	38,893	371	19,265	3,234
Current liabilities	25,888	25,647	19,928	19,401	45,816	45,048	9,091	12,900
Noncurrent liabilities	459,671	283,784	531,483	473,372	991,154	757,156	116,391	109,564
Total liabilities	485,559	309,431	551,411	492,773	1,036,970	802,204	125,482	122,464
Deferred inflow s	30,841	-	1,662	-	32,503	-	240	-
Net position	\$ 514,338	\$ 667,379	\$ 542,476	\$ 532,964	\$ 1,056,814	\$ 1,200,343	\$ 64,711	\$ 64,776
Net Investment in Capital Assets	\$ 631,370	\$ 619,206	\$ 477,480	\$ 444,908	\$ 1,108,850	\$ 1,064,114	\$ 37,728	\$ 39,227
Restricted	-	-	54,224	54,490	54,224	54,490	21,728	19,712
Unrestricted	(117,032)	48,173	10,772	33,566	(106,260)	81,739	5,255	5,837
Total net position	\$ 514,338	\$ 667,379	\$ 542,476	\$ 532,964	\$ 1,056,814	\$ 1,200,343	\$ 64,711	\$ 64,776

Government-wide Financial Analysis

The City's (primary government) assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,056.8 million at the close of 2015. The largest portion of the City's net position (total assets less total liabilities), which amounts to \$1,108.9 million (or 104.92 percent), reflects its investment in capital assets (e.g., land, distribution and collection, roads, buildings and improvements, machinery and equipment, construction in progress, and net investment in joint venture), less any outstanding debt used to acquire these assets. These assets are designated as net investment in capital assets because they are used to provide the everyday services the citizens of the City expect; they are not liquid and are not available for future spending. The debt associated with these capital assets must be paid from sources other than the capital assets themselves because, as stated before, they cannot be used as a liquid asset.

The remainder of the City's net position is designated as either restricted or unrestricted. The restricted portion, which totals \$54.2 million (or 5.13 percent), are dollars that are subject to an external restriction and cannot be spent on everyday operations. The unrestricted portion of the net position is (\$106.3) million (or -10.05 percent) which is mainly a result of the implementation of GASB Statement No. 68. At the end of 2015, the City shows a positive net position figure as a whole as well as in the governmental and business-type activities sections individually. This shows that the City has been able to make sound financial decisions over the past several years leaving them with a solid equity base on which to build.

The City's component units showed assets exceeding liabilities by \$64.7 million at the end of 2015. Of the net position (total assets less total liabilities), \$37.7 million reflects its investment in capital assets less any debt used to acquire these assets that is still outstanding. These assets are designated as invested in capital assets because they are used to provide the everyday services to the users of the component units, these assets are not liquid and are not available for future spending. The debt associated with these capital assets must be paid from sources other than the capital assets themselves because, as stated before, they cannot be used as a liquid asset. The restricted net position, subject to external restriction, totals \$21.7 million. Unrestricted net position totals \$5.3 million at the end of 2015. These assets may be used by the City's component units for normal operations.

CITY OF FORT WAYNE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2015
(Continued)

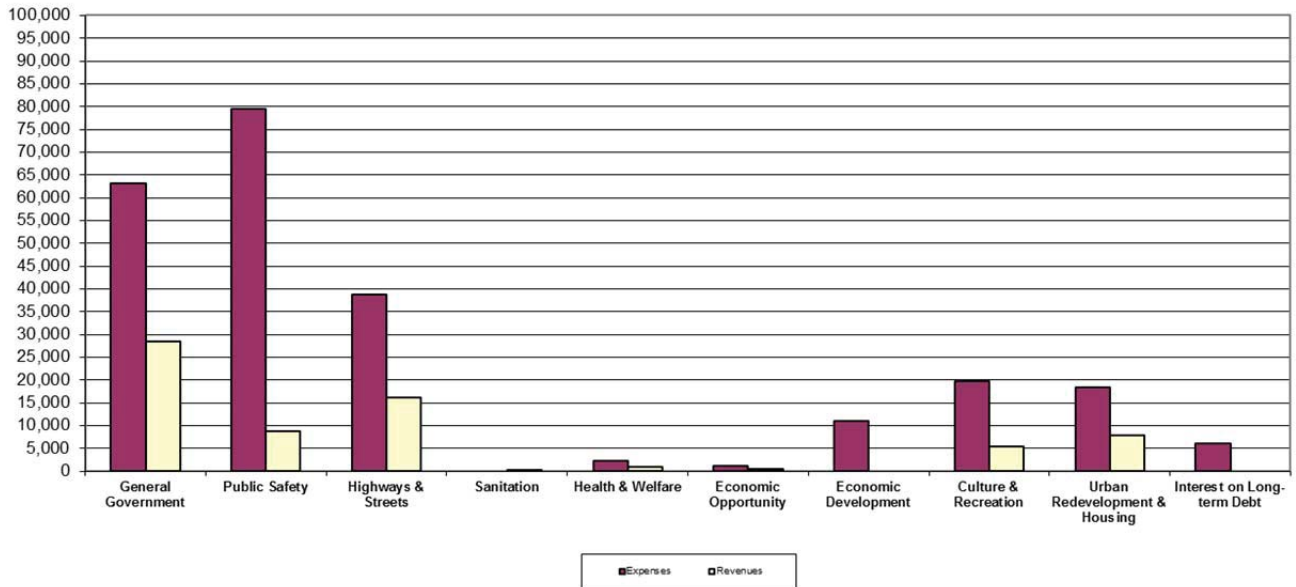
City of Fort Wayne
Changes in Net Position
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total		Component Units	
	2015	2014	2015	2014	2015	2014	2015	2014
Revenues:								
Program revenues:								
Charges for services	\$ 38,410	\$ 32,867	\$ 126,787	\$ 118,326	\$ 165,197	\$ 151,193	\$ 11,724	\$ 11,635
Operating grants and contributions	25,606	25,905	-	-	25,606	25,905	8,449	5,795
Capital grants and contributions	4,000	-	6,632	6,858	10,632	6,858	3,993	2,945
General revenues:								
Property taxes	113,215	108,231	-	-	113,215	108,231	-	-
CEDIT	25,962	22,542	-	-	25,962	22,542	-	-
Local assessments and taxes	-	-	-	-	-	-	5,811	5,739
Indiana room tax	-	-	-	-	-	-	3,472	3,163
Other taxes	37,082	32,449	-	-	37,082	32,449	-	-
Investment earnings	3,462	1,972	281	247	3,743	2,219	51	52
Gain on sale of capital assets	-	-	69	-	69	-	-	-
Other	5,780	14,015	-	-	5,780	14,015	275	155
Total revenues	253,517	237,981	133,769	125,431	387,286	363,412	33,775	29,484
Expenses:								
General government	62,054	66,358	-	-	62,054	66,358	-	-
Public safety	79,356	89,424	-	-	79,356	89,424	-	-
Highways and streets	38,688	33,458	-	-	38,688	33,458	-	-
Health and welfare	2,343	2,436	-	-	2,343	2,436	-	-
Economic opportunity	1,108	1,024	-	-	1,108	1,024	-	-
Economic development	12,180	12,317	-	-	12,180	12,317	-	-
Culture and recreation	19,943	16,441	-	-	19,943	16,441	-	-
Urban redevelopment and housing	18,111	8,221	-	-	18,111	8,221	-	-
Interest on long-term debt	5,999	6,587	-	-	5,999	6,587	-	-
Water	-	-	38,900	35,910	38,900	35,910	-	-
Wastewater	-	-	44,024	43,920	44,024	43,920	-	-
Stormwater	-	-	9,398	7,852	9,398	7,852	-	-
Parking garages	-	-	1,372	963	1,372	963	-	-
Solid waste	-	-	9,954	10,378	9,954	10,378	-	-
Other	-	-	283	125	283	125	-	-
Hands	-	-	-	-	-	-	1,080	34
Summit	-	-	-	-	-	-	36	60
UEA	-	-	-	-	-	-	493	716
CIB	-	-	-	-	-	-	11,639	9,927
RA	-	-	-	-	-	-	1,985	3,073
PTC	-	-	-	-	-	-	17,657	15,203
DID	-	-	-	-	-	-	559	594
CDC	-	-	-	-	-	-	653	867
Total expenses	239,782	236,266	103,931	99,148	343,713	335,414	34,102	30,474
Inc(Dec) in net position before transfers	13,735	1,715	29,838	26,283	43,573	27,998	(327)	(990)
Transfers	9,359	8,540	(9,358)	(8,540)	1	-	-	-
Inc(Dec) in net position	23,094	10,255	20,480	17,743	43,574	27,998	(327)	(990)
Net position -- January 1st	667,379	654,749	532,963	514,288	1,200,342	1,169,037	64,776	65,766
Restatement - See Note 21	(176,135)	2,375	(10,967)	932	(187,102)	3,307	262	-
Net position -- January 1st (Restated)	491,244	657,124	521,996	515,220	1,013,240	1,172,344	65,038	65,766
Net position -- December 31st	\$ 514,338	\$ 667,379	\$ 542,476	\$ 532,963	\$ 1,056,814	\$ 1,200,342	\$ 64,711	\$ 64,776

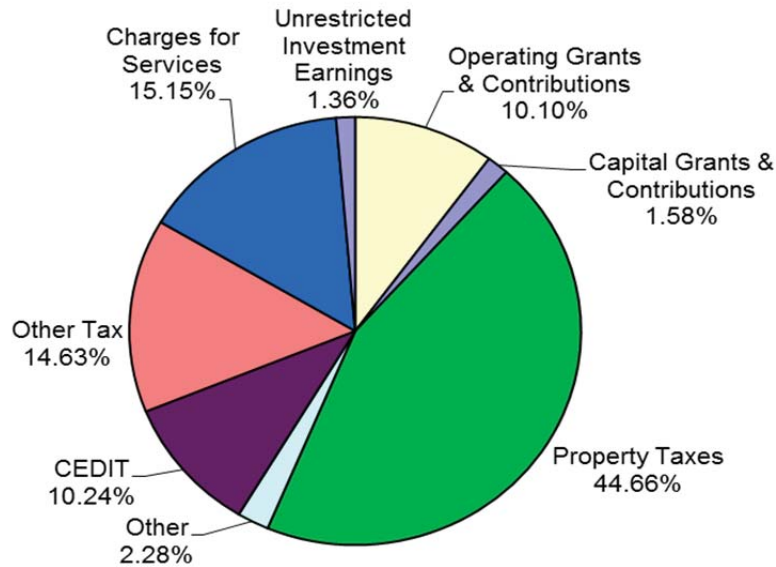
CITY OF FORT WAYNE
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 For the Year Ended December 31, 2015
 (Continued)

Governmental Activities. The governmental activities accounted for a \$153.0 million decrease in the City's total net position in 2015. The City was able to remain within or below its expense budget while still providing all of the necessary government services. The governmental activities represent 65.46 percent of the primary government's revenue and 69.76 percent of the primary government's expenses

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



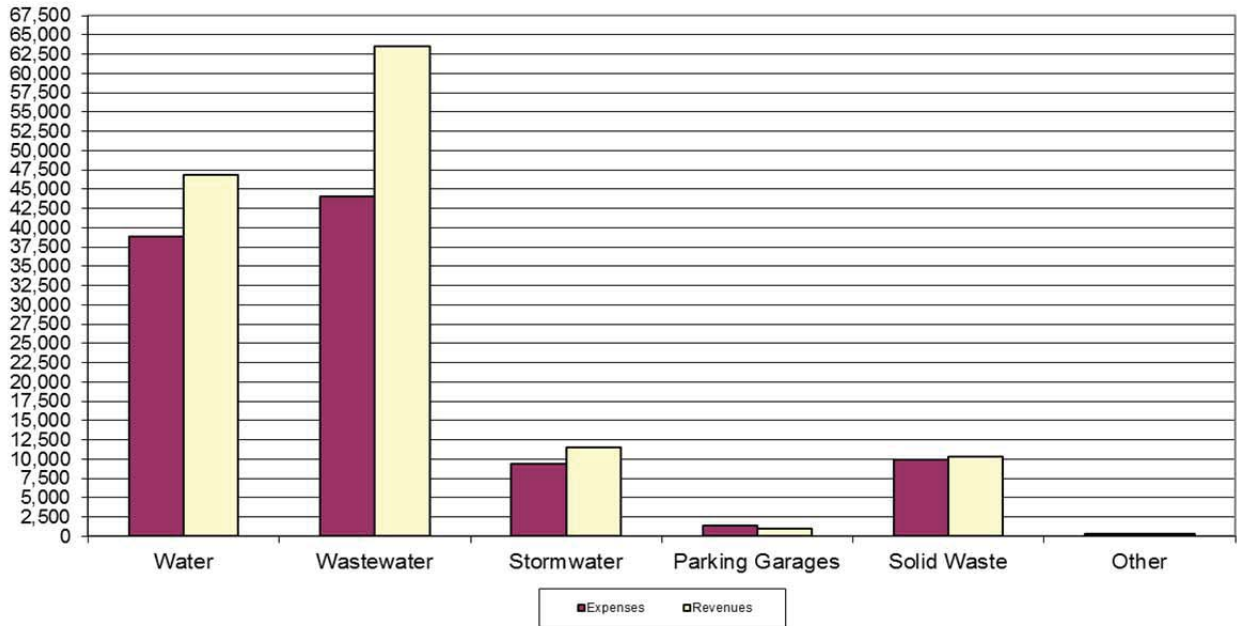
Revenues by Source - Governmental Activities



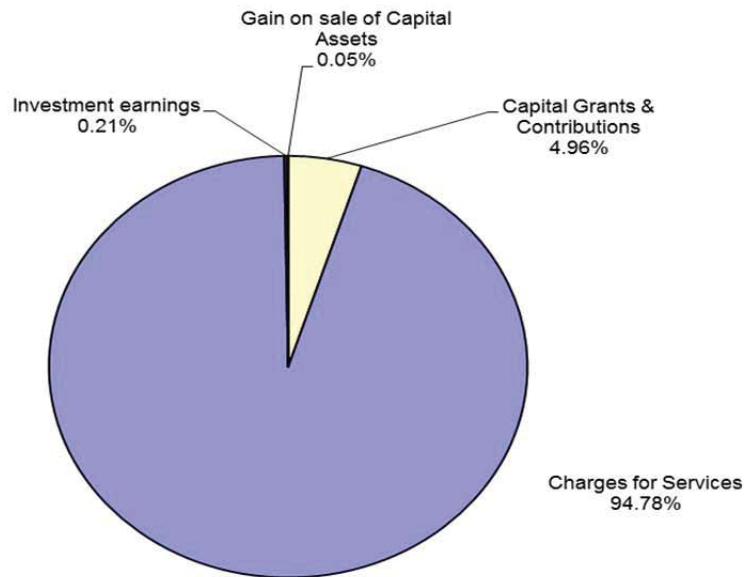
CITY OF FORT WAYNE
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 For the Year Ended December 31, 2015
 (Continued)

Business-type Activities. The business-type activities of the City increased net position by \$9.5 million. Business-type activities represent 34.54 percent of the primary government's revenues and 30.24 percent of the expenses. The City's Water and Wastewater utilities account for 82.64 percent of the business-type activities' program revenues and 79.79 percent of the expenses.

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



Revenues by Source - Business-type Activities



CITY OF FORT WAYNE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2015
(Continued)

Financial Analysis of the Government's Funds

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

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

At the end of 2015, the City's governmental funds reported combined ending fund balances of \$176.6 million, a decrease of \$19.6 million mainly due to increased spending on urban redevelopment projects. Beginning with the 2011 reporting year, the City has adopted GASB 54 and has classified fund balances per the guidelines specified under GASB 54. The City's total fund balance includes \$29.8 million as nonspendable, \$4.7 million as restricted, \$15.0 as committed, \$122.8 million as assigned, and \$4.3 million as unassigned fund balance.

A portion of the City's governmental fund totals is made up of the General fund, the City's chief operating fund. At the end of 2015, the General fund had an unassigned fund balance of \$5.9 million and a total fund balance of \$6.7 million. As a measure of the General fund's liquidity, you can compare the total fund balance and unassigned fund balance to the total fund expenditures. The General fund expenditures for fiscal year ended 2015 were \$84.4 million. The total fund balance represents 7.92 percent of General fund expenditures, while the unassigned fund balance is 7.00 percent of that same amount.

The fund balance of the City's General fund increased by \$.9 million during the fiscal year ended 2015. During 2015, the General fund expenditures were mostly in line with revenues. The City accrued deferred inflows of resources in the amount of \$7.4 million.

The City has six other funds that meet the major fund criteria: the Highways and Streets, CEDIT, Parks, Fire, Redevelopment and Community Legacy. The combined fund balance at the end of 2015 for the other six major funds is \$122.9 million. This results in a decrease in fund balances for the other major funds of \$11.7 million from the prior year. The major reasons for this increase are:

- The CEDIT fund balance increased by \$1.5 million at the end of 2015. This increase is mainly due to a state grant received in 2015.
- The Redevelopment fund balance decreased by \$11.8 million at the end of 2015. The decrease is due to the spending down of funds for the Skyline Parking Garage project.
- The Community Legacy fund balance decreased by \$4.0 million at the end of 2015. The decrease of the fund is due mainly to an unrealized loss on fund investments.
- The Fire fund increased by \$2.8 million at the end of 2015. This increase is due mainly to an increase in property taxes received.

The non-major governmental funds have a combined decrease of \$8.8 million to a fund balance of \$47.0 million at the end of 2015.

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

The total net position of the City's enterprise funds at the end of 2015 is \$542.5 million. Of that total, the restricted net position is \$54.2 million, net investment in capital assets is \$477.5 million, and the unrestricted net position is \$10.8 million. This is a total increase of about \$9.5 million comprised of a

CITY OF FORT WAYNE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2015
(Continued)

\$32.6 million increase in the net investment in capital assets, a \$.3 million decrease in restricted assets and a decrease to the unrestricted funds totaling \$22.8 million.

General Fund Budgetary Highlights

The differences between the original adopted budget and the final amended budget resulted in a decrease of \$776 thousand. The differences are summarized as follows:

- \$457 thousand decrease in general government's appropriation
- \$49 thousand decrease in public safety's appropriation
- \$147 thousand decrease in highway and streets appropriation
- \$17 thousand decrease in health and welfare appropriation
- \$106 thousand decrease in economic development's appropriation

The actual expenditures were \$3.4 million lower than budgeted, while the actual revenues of the general fund were \$771 thousand more than budgeted. For the year, the general fund balance increased by \$897 thousand.

The 2015 final approved budget was \$87.84 million; actual expenditures amounted to \$84.39 million, leaving a \$3.448 million positive variance. The variance is summarized as follows:

- \$1.758 million for general government
- \$1.059 million for public safety
- \$73 thousand for highway and streets
- \$164 thousand for health and welfare
- \$27 thousand for economic opportunity
- \$367 thousand for economic development

Of the \$3.448 million positive variance, \$1.776 million was in personal services. This variance was primarily due to unfilled positions as a result of resignations, retirements, and/or terminations. The remaining variance consisted of \$89 thousand for supplies expense, \$1.567 million for other services and charges, and \$16 thousand for capital outlays. These variances were incurred due to the City departments meeting the challenges of monitoring and controlling expenses while still maintaining adequate services to the City.

Capital Asset and Debt Administration

Capital assets. The City's Primary Government's capital assets as of December 31, 2015, are equal to \$1,684.5 million (net of accumulated depreciation). Capital assets include land, distribution and collection, roads, buildings and improvements, machinery and equipment, and construction in progress. The total increase in the City's capital assets for the current fiscal year was \$82.9 million or 5.17 percent (a 1.62 percent increase for governmental activities and a 3.55 percent increase for business-type activities).

Governmental activities. Capital assets for the governmental activities total \$903.9 million with an accumulated depreciation figure of \$134.6 million for a net book value of \$769.3 million. This amount includes \$8.2 million in construction in progress reflecting capital projects in various stages of completion. The City chose to report its roads using the modified approach accepted under the new reporting model. This allows the City to make additions and deletions to the overall asset figure without actually depreciating. The conditions of the City's road pavement are measured using a pavement condition index (PCI). The City has adopted the following condition categories. "Very Good" (100-80), "Good" (79-60), "Fair" (59-40), "Poor" (39-20), and "Very Poor" (19-0).

It is the policy of the City to maintain a pavement condition index of good (79-60). In 2014, the City had a pavement condition index rating of "Good" (63). The City has maintained a "Good" (61) rating in 2015.

CITY OF FORT WAYNE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2015
(Continued)

The City maintains there are no material variances between the budgeted expenditures and the actual expenditures for the maintenance of infrastructure for 2015.

More information regarding the modified approach can be found on page 134 in the Required Supplementary Information (RSI) section of this report.

Business-type activities. Capital assets for the business-type activities total \$1,310.7 million with an accumulated depreciation figure of \$395.6 million for a net book value of \$915.1 million. The amount also includes \$51.3 million in construction in progress reflecting capital projects in various stages of completion.

Major projects include: Water main replacements, continued work on projects to reduce the number of Combined Sewer Overflow (CSO's) and the volume of discharge directly to the rivers, improvements to increase the reliability and capacity of the wastewater treatment plant and the wet weather storage facilities, construction of a large equalization basin facility in the northern area of the sewer system to improve wet weather performance of collection system in that area, combined sewer capacity improvements to reduce the risk of basement backups.

Primary Government						
Capital Assets, net of depreciation						
(amounts expressed in thousands)						
	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 39,317	\$ 39,373	\$ 14,509	\$ 14,614	\$ 53,826	\$ 53,987
Distribution and collection	-	-	690,574	651,329	690,574	651,329
Roads	529,616	527,487	-	-	529,616	527,487
Buildings and improvements	250,866	223,218	269,948	238,164	520,814	461,382
Machinery and equipment	75,858	80,864	284,408	248,501	360,266	329,365
Construction in progress	8,243	6,383	51,291	78,320	59,534	84,703
Less: Accumulated depreciation	(134,573)	(134,012)	(395,574)	(372,622)	(530,147)	(506,634)
Total	\$ 769,327	\$ 743,313	\$ 915,156	\$ 858,306	\$ 1,684,483	\$ 1,601,619

Additional information regarding the City's capital assets can be found in Note 3 on pages 79-81 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 \$396.5 million. Of this amount \$90.1 million is considered to be general obligation bonds, special obligation bonds, or first mortgage bonds. The City is responsible to pay for this debt with general revenues. The remaining \$306.4 million is revenue bonds that are paid for from the revenues earned by the business-type fund that is responsible for the debt.

The City's total debt increased \$53.2 million during the current fiscal year, including additions of \$111.3 million and reductions of \$58.1 million. This increase was due mainly to increases of \$12.6 million for capital leases, \$5.8 million in post-employment benefits liability, and \$57.9 million in loans payable for Wastewater Utility projects. These increases were offset by reductions in special obligation bonds totaling \$8.7 million and \$16.4 million in revenue bonds.

The net pension obligation reflects the restatement for 2014 per GASB Statement No. 68. Additional information regarding this restatement can be found in Note 21 on page 102 of this report.

CITY OF FORT WAYNE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2015
(Continued)

The City of Fort Wayne currently maintains an AA- long-term rating from Standard & Poor's and an Aa2 rating from Moody's for its general obligation debt. The City's Water Utility and Wastewater Utility both maintain an Aa3 from Moody's for its revenue bonds.

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

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ 1,340	\$ 1,650	\$ -	\$ -	\$ 1,340	\$ 1,650
Special obligation bonds	61,635	70,375	-	-	61,635	70,375
First mortgage bonds	27,120	29,510	-	-	27,120	29,510
Capital leases	68,229	55,204	1,025	1,408	69,254	56,612
Notes & loans payable	6,355	6,858	202,140	144,192	208,495	151,050
Net pension liability	259,263	261,019	17,196	10,438	276,459	271,457
Compensated absences	9,263	9,178	2,152	2,196	11,415	11,374
Other postemployment benefits liability	26,684	20,869	-	-	26,684	20,869
Revenue bonds	-	-	306,360	322,710	306,360	322,710
Total	\$ 459,889	\$ 454,663	\$ 528,873	\$ 480,944	\$ 988,762	\$ 935,607

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

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the City is currently 4.3 percent, which is a decrease from a rate of 5.6 percent a year ago. The state average unemployment rate is 4.6 percent and the national average is 5.0 percent.

Due to the passage of House Bill 1001, starting in 2008 the amount of property taxes collected has been substantially reduced, causing a shortfall in City revenues. The new law also places permanent property tax caps on real estate values, which limits future property tax revenues. The City is continually reviewing its options as to where it can curtail expenditures and seeking solutions for replacing the current and future lost revenues. As a result the Fiscal Policy Group, among other suggested solutions, has recommended the adoption of the Public Safety Local Option Income Tax (LOIT). The adoption of the LOIT was approved by Fort Wayne City Council on June 25, 2013 and raised the County Option Income Tax (COIT) rate from 1 percent to 1.35 percent, effective October 2013.

The City of Fort Wayne established a Cumulative Capital Development Fund on June 26, 2013 beginning with taxes payable in 2014. The revenues to this fund are a result of taxes levied on all taxable real and personal property within the City. The rate of this fund began in 2014 at .0167%, increases to .0333% in 2015 and to .05% in 2016, and continues at this rate until reduced or rescinded.

These factors along with others were considered when preparing the City's budget for the 2016 fiscal year.

Request for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Controller, City of Fort Wayne, Room 470 Citizens Square, 200 E. Berry Street, Fort Wayne, Indiana, 46802.

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BASIC FINANCIAL STATEMENTS



CITY OF FORT WAYNE
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents-unrestricted	\$ 72,625,348	\$ 22,433,647	\$ 95,058,995	\$ 11,115,502
Investments-unrestricted	44,537,612	-	44,537,612	-
Receivables (net of allowances for uncollectibles):				
Accounts	-	12,571,236	12,571,236	413,800
Taxes	15,196,683	-	15,196,683	-
Intergovernmental	3,427,666	-	3,427,666	4,120,384
Loans	6,943,329	-	6,943,329	5,429,735
Miscellaneous	7,313,110	2,044	7,315,154	242,830
Interest receivable	-	94,762	94,762	-
Installments receivable	22,583,333	-	22,583,333	-
Assessments receivable	385,961	986,588	1,372,549	-
Due from Capital Improvements Board	6,500,000	-	6,500,000	-
Internal balances	4,529,942	(4,529,942)	-	-
Inventories	1,011,816	1,348,570	2,360,386	312,036
Prepaid expense	936,808	165,368	1,102,176	115,185
Assets held for resale	23,921,747	-	23,921,747	2,233,758
Net investment in direct financing lease	40,133	-	40,133	75,114,292
Net pension asset	8,126,334	-	8,126,334	-
Restricted assets:				
Cash and cash equivalents-restricted	2,082,484	114,694,654	116,777,138	11,065,461
Investments-restricted	10,000,000	20,176,318	30,176,318	-
Regulatory assets	-	4,804,696	4,804,696	-
Accounts receivable	-	-	-	4,856,869
Capital assets:				
Land, roads and construction in progress	577,176,444	65,799,981	642,976,425	1,270,288
Other capital assets, net of depreciation	192,150,770	849,356,039	1,041,506,809	54,878,355
Total assets	999,489,520	1,087,903,961	2,087,393,481	171,168,495
Deferred outflows of resources (Note 17)	31,247,601	7,645,280	38,892,881	19,265,280
Liabilities				
Accounts payable	4,383,816	10,441,483	14,825,299	713,927
Wages and withholdings payable	1,608,771	791,682	2,400,453	-
Accrued group insurance benefits	1,630,505	-	1,630,505	-
Contracts payable	1,672,296	24,511	1,696,807	-
Retainage payable	1,806,543	-	1,806,543	-
Accrued interest payable	1,214,433	4,993,574	6,208,007	1,663,257
Customer deposits	-	1,541,580	1,541,580	37,707
Unearned revenue	13,333,688	-	13,333,688	-
Due to primary government	-	-	-	6,500,000
Other current liabilities	237,627	2,135,029	2,372,656	176,449
Noncurrent liabilities:				
Due within one year:				
Compensated absences payable	7,975,877	1,356,472	9,332,349	-
Capital leases payable	7,204,078	401,345	7,605,423	1,330,000
Notes and loans payable	455,000	10,519,048	10,974,048	-
General obligation bonds payable	315,000	-	315,000	-
Special obligation bonds payable	9,170,000	-	9,170,000	-
First mortgage bonds payable	2,485,000	-	2,485,000	-
Revenue bonds payable	-	16,870,000	16,870,000	-
Lease rental revenue bonds payable	-	-	-	3,580,000
Due in more than one year:				
Compensated absences payable	1,286,960	795,398	2,082,358	-
Capital leases payable	61,024,772	624,129	61,648,901	18,932,500
Notes and loans payable	5,900,000	191,620,622	197,520,622	-
General obligation bonds payable (net)	1,054,500	-	1,054,500	-
Special obligation bonds payable (net)	52,129,702	-	52,129,702	-
First mortgage bonds payable (net)	24,723,158	-	24,723,158	-
Revenue bonds payable (net)	-	292,099,929	292,099,929	-
Lease rental revenue bonds payable (net)	-	-	-	75,625,040
Net pension liability	259,263,209	17,196,200	276,459,409	-
Other postemployment benefits liability	26,684,053	-	26,684,053	3,583,574
Other noncurrent liabilities	-	-	-	13,339,968
Total liabilities	485,558,988	551,411,002	1,036,969,990	125,482,422
Deferred inflows of resources (Note 18)	30,840,717	1,661,845	32,502,562	239,892
Net position				
Net investment in capital assets	631,370,172	477,480,410	1,108,850,582	37,727,527
Restricted for:				
Debt service	-	52,084,561	52,084,561	-
Capital projects	-	2,139,519	2,139,519	-
Component Unit	-	-	-	21,728,460
Unrestricted	(117,032,756)	10,771,904	(106,260,852)	5,255,474
Total net position	\$ 514,337,416	\$ 542,476,394	\$ 1,056,813,810	\$ 64,711,461

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, 2015

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating	Capital	Primary Government			
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 62,053,721	\$ 21,192,251	\$ 3,232,938	\$ 4,000,000	\$ (33,628,532)	\$ -	\$ (33,628,532)	\$ -
Public safety	79,355,648	6,569,223	2,249,080	-	(70,537,345)	-	(70,537,345)	-
Highways and streets	38,687,650	4,004,178	12,163,852	-	(22,519,620)	-	(22,519,620)	-
Sanitation	-	-	16,150	-	16,150	-	16,150	-
Health and welfare	2,343,226	391,982	485,454	-	(1,465,790)	-	(1,465,790)	-
Economic opportunity	1,108,252	150	430,814	-	(677,288)	-	(677,288)	-
Economic development	12,180,491	-	-	-	(12,180,491)	-	(12,180,491)	-
Culture and recreation	19,942,914	4,504,709	978,854	-	(14,459,351)	-	(14,459,351)	-
Urban redevelopment and housing	18,111,268	1,747,498	6,049,184	-	(10,314,586)	-	(10,314,586)	-
Interest on long-term debt	5,999,292	-	-	-	(5,999,292)	-	(5,999,292)	-
Total governmental activities	239,782,462	38,409,991	25,606,326	4,000,000	(171,766,145)	-	(171,766,145)	-
Business-type activities:								
Water	38,899,710	45,721,766	-	1,067,906	-	7,889,962	7,889,962	-
Wastewater	44,024,088	59,535,008	-	3,927,146	-	19,438,066	19,438,066	-
Stormwater	9,397,755	9,899,967	-	1,636,910	-	2,139,122	2,139,122	-
Parking garages	1,371,642	1,004,313	-	-	-	(367,329)	(367,329)	-
Solid waste	9,953,592	10,362,742	-	-	-	409,150	409,150	-
Electric	721	-	-	-	-	(721)	(721)	-
Yardwaste	282,388	263,241	-	-	-	(19,147)	(19,147)	-
Total business-type activities	103,929,896	126,787,037	-	6,631,962	-	29,489,103	29,489,103	-
Total primary government	\$ 343,712,358	\$ 165,197,028	\$ 25,606,326	\$ 10,631,962	(171,766,145)	29,489,103	(142,277,042)	-
Component units:								
HANDS	\$ 1,080,470	\$ -	\$ 3,074,035	\$ -	-	-	-	1,993,565
Summit	36,000	36,000	-	-	-	-	-	-
UEA	493,322	458,127	43,676	-	-	-	-	8,481
CIB	11,638,528	6,335,549	-	2,096,489	-	-	-	(3,206,490)
RA	1,985,527	2,279,020	-	-	-	-	-	293,493
PTC	17,656,730	1,877,483	4,744,517	1,896,488	-	-	-	(9,138,242)
DID	558,613	1,300	586,724	-	-	-	-	29,411
CDC	652,558	737,005	-	-	-	-	-	84,447
Total component units	\$ 34,101,748	\$ 11,724,484	\$ 8,448,952	\$ 3,992,977	-	-	-	(9,935,335)
General revenues:								
Property Taxes	-	-	-	-	113,215,063	-	113,215,063	-
County Economic Development Income Tax (CEDIT)	-	-	-	-	25,961,950	-	25,961,950	-
County Option Income Tax (COIT)	-	-	-	-	24,190,682	-	24,190,682	-
Excise Taxes	-	-	-	-	7,686,959	-	7,686,959	-
Sur/Wheel Taxes	-	-	-	-	4,509,548	-	4,509,548	-
Financial Institutions Taxes (FIT)	-	-	-	-	694,244	-	694,244	-
Local assessments and taxes	-	-	-	-	-	-	-	5,811,113
Indiana room tax income	-	-	-	-	-	-	-	3,471,590
Unrestricted investment earnings	-	-	-	-	3,461,843	280,750	3,742,593	51,254
Gain on sale of capital assets	-	-	-	-	-	68,895	68,895	-
Other	-	-	-	-	5,780,235	-	5,780,235	275,131
Transfers	-	-	-	-	9,358,669	(9,358,669)	-	-
Total general revenues and transfers	-	-	-	-	194,859,193	(9,009,024)	185,850,169	9,609,088
Change in net position	-	-	-	-	23,093,048	20,480,079	43,573,127	(326,247)
Net position - beginning	-	-	-	-	667,379,281	532,963,406	1,200,342,687	64,775,843
Restatement - change in accounting principle (Note 21)	-	-	-	-	(176,134,913)	(10,967,091)	(187,102,004)	261,865
Net position - beginning - restated	-	-	-	-	491,244,368	521,996,315	1,013,240,683	65,037,708
Net position - ending	\$ 514,337,416	\$ 542,476,394	\$ 1,056,813,810	\$ 64,711,461	-	-	-	-

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

CITY OF FORT WAYNE
BALANCE SHEET -
GOVERNMENTAL FUNDS
December 31, 2015

	General	Highways and Streets	CEDIT	Parks	Fire	Redevelopment	Community Legacy	Non-major Governmental Funds	Totals
Assets									
Cash and cash equivalents	\$ 2,720,557	\$ 3,506,082	\$ 8,588,894	\$ 5,638,841	\$ 3,010,062	\$ 19,261,745	\$ -	\$ 25,339,070	\$ 68,065,251
Investments	-	-	-	-	-	9,984,587	34,553,025	-	44,537,612
Receivables (net of allowances for uncollectibles):									
Taxes	7,378,641	-	4,502,615	629,260	1,756,303	28,761	-	901,103	15,196,683
Assessments	-	-	-	-	-	-	-	385,961	385,961
Intergovernmental	301,663	1,112,554	77,260	-	-	8,878	-	1,927,321	3,427,666
Loans	-	-	97,326	-	-	-	-	6,846,003	6,943,329
Miscellaneous	1,352,964	200,376	42,432	113,834	44,808	895,543	-	4,604,816	7,254,773
Installments	-	-	-	-	-	-	22,583,333	-	22,583,333
Interfund receivable - pooled cash	-	-	-	-	-	-	-	8,109,972	8,109,972
Interfund receivable	-	-	-	-	-	-	-	115,512	115,512
Due from other funds	4,289,462	1,773	114,335	-	-	6,500,000	-	19,434	4,425,004
Net investment in direct financing lease	-	-	-	-	-	-	-	-	6,500,000
Assets held for resale	40,133	-	-	-	-	18,225,509	-	-	40,133
Restricted assets:									
Cash and cash equivalents - restricted	-	-	2,082,484	-	-	-	-	-	2,082,484
Investments - restricted	-	-	-	-	-	-	10,000,000	-	10,000,000
Total assets	\$ 16,083,410	\$ 4,820,785	\$ 15,505,346	\$ 6,381,935	\$ 4,811,173	\$ 54,905,023	\$ 67,136,358	\$ 53,945,430	\$ 223,589,460
Liabilities, deferred inflows of resources and fund balances									
Liabilities:									
Accounts payable	\$ 924,195	\$ 176,092	\$ 323,870	\$ 327,788	\$ 216,578	\$ 1,442,711	\$ 12,186	\$ 792,955	\$ 4,216,375
Wages and withholdings payable	776,374	125,186	657	106,963	454,665	6,037	-	127,165	1,597,047
Contracts payable	-	-	-	-	-	139,080	-	1,046,130	1,185,210
Retainage payable	229,657	-	52,171	4,712	-	1,209,400	3,685	306,918	1,806,543
Interfund payable - pooled cash	-	-	-	-	-	-	5,793,185	2,316,787	8,109,972
Due to other funds	26,355	-	-	-	-	-	5,416	114,104	145,875
Unearned revenue	-	-	-	37,542	-	6,500,000	6,775,824	20,322	13,333,688
Total liabilities	1,956,581	301,278	376,698	477,005	671,243	9,297,228	12,590,296	4,724,381	30,394,710
Deferred inflows of resources	7,447,004	-	4,502,615	629,260	1,756,303	28,761	-	2,181,965	16,545,908
Fund balances:									
Nonspendable fund balance	-	-	-	-	-	18,225,509	-	11,585,678	29,821,187
Restricted fund balance	-	-	-	-	-	-	-	4,671,519	4,671,519
Committed fund balance	303,448	-	3,692,267	651,000	-	3,352,504	3,167,337	3,821,151	14,987,707
Assigned fund balance	472,805	4,519,507	6,933,766	4,624,670	2,383,627	24,001,021	51,378,725	28,495,041	122,809,162
Unassigned fund balance	5,903,572	-	-	-	-	-	-	(1,544,305)	4,359,267
Total fund balances	6,679,825	4,519,507	10,626,033	5,275,670	2,383,627	45,579,034	54,546,062	47,039,084	176,648,842
Total liabilities, deferred inflows of resources and fund balances	\$ 16,083,410	\$ 4,820,785	\$ 15,505,346	\$ 6,381,935	\$ 4,811,173	\$ 54,905,023	\$ 67,136,358	\$ 53,945,430	\$ 223,589,460

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

CITY OF FORT WAYNE, INDIANA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION -
GOVERNMENTAL FUNDS
December 31, 2015

Total **fund balances** for governmental funds \$ 176,648,842

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

Capital assets used in governmental activities (excluding internal service fund capital assets of \$385,661 net of \$877,322 accumulated depreciation) are not financial resources and therefore, are not reported in the funds. Those assets consist of:

Land	39,289,471	
Roads accounted for using the modified approach	529,616,447	
Construction in progress	8,243,249	
Buildings, net of \$46,236,494 accumulated depreciation	112,663,318	
Improvements other than buildings, net of \$35,435,711 accumulated depreciation	56,257,706	
Machinery and equipment, net of \$52,900,462 accumulated depreciation	<u>22,871,362</u>	
Total capital assets (See Note 3)		768,941,553

Inventory of assets purchased from governmental funds. 960,793

Some assets are not available to pay for current-period expenditures and therefore, are deferred in the funds. 936,008

Net pension asset is not a current financial resource and therefore, is not reported in the funds. 8,126,334

Internal service funds are used by the City to account for the financing of goods or services provided by one department or agency to other City departments or agencies, generally on a cost reimbursement basis. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position is: 2,611,475

City tax collections related to 2015 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. 15,196,683

State shared revenue appropriated during the State of Indiana's fiscal year ended June 30, 2015 will be collected by the City in calendar year 2016. Revenue and a corresponding receivable for the amount appropriated but not received by December 31, 2015 are included in the government-wide statements. 932,037

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. 417,188

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and therefore, are not reported in the funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Also, during the year the City issued new debt. The discount or premium received was reported in the governmental funds when the debt was issued, whereas these amounts are deferred and amortized, over the remaining life of the new debt, as an adjustment to interest expense in the statement of activities. Balances at December 31, 2015 are:

Bonds payable	(89,877,360)	
Bond interest payable	(249,099)	
Leases payable	(68,228,850)	
Lease interest payable	(848,602)	
Loans payable	(6,355,000)	
Loan interest payable	(116,732)	
Compensated absences payable	(9,217,476)	
Other postemployment benefits liability	(26,684,053)	
Net pension liability	<u>(259,263,209)</u>	
Total long-term liabilities		(460,840,381)

Certain amounts related to the net pension liability are deferred and amortized over time. They are not reported in the funds, but are included in the government-wide statements. 406,884

Total **net position** of governmental activities \$ 514,337,416

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

CITY OF FORT WAYNE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2015

	General	Highways and Streets	CEDIT	Parks	Fire	Redevelopment	Community Legacy	Non-major Governmental Funds	Total Governmental Funds
Revenues:									
Taxes	\$ 67,570,865	\$ 4,509,548	\$ 23,036,274	\$ 15,094,513	\$ 41,005,926	\$ 12,764,556	\$ -	\$ 8,226,640	\$ 172,208,322
Special assessments	2,284,376	-	-	-	-	-	-	144,368	144,368
Licenses and permits	2,316,209	11,953,110	4,000,160	49,091	-	-	-	1,248,522	3,581,989
Intergovernmental	2,271,753	159,966	-	4,411,879	9,797	8,878	-	9,460,353	27,738,710
Charges for services	278,777	-	-	-	13,888	572,246	-	5,425,822	12,851,463
Fines and forfeits	773,871	91,330	131,417	1,040,590	66,711	2,272,244	3,381,046	3,288,986	3,581,651
Other	-	-	-	-	-	-	-	3,589,406	11,346,615
Total revenues	75,495,851	16,713,954	27,167,851	20,596,073	41,096,322	15,617,924	3,381,046	31,384,097	231,453,118
Expenditures:									
Current:									
General government	13,110,019	-	-	-	-	-	7,381,782	2,751,255	23,243,056
Public safety	52,676,419	-	-	-	38,204,425	-	-	14,134,672	105,015,516
Highways and streets	11,145,289	18,173,838	-	-	-	-	-	3,568,192	32,887,319
Health and welfare	2,688,430	-	-	-	-	-	-	193,029	2,881,459
Economic opportunity	676,714	-	-	-	-	-	-	431,538	1,108,252
Economic development	4,096,251	-	-	-	-	-	-	450,040	4,546,291
Culture and recreation	-	-	-	20,434,813	-	-	-	-	20,434,813
Urban redevelopment and housing	-	-	-	-	-	43,053,988	-	4,443,642	47,497,630
Debt service:									
Principal	-	-	6,570,000	-	-	2,650,000	-	4,140,000	13,360,000
Interest and other charges	-	-	1,639,450	-	-	1,624,276	-	2,191,700	5,455,426
Capital outlay	-	-	7,442,843	-	-	-	-	17,438,832	24,881,675
Total expenditures	84,393,122	18,173,838	15,652,293	20,434,813	38,204,425	47,328,264	7,381,782	49,742,900	281,311,437
Excess (deficiency) of revenues over (under) expenditures	(8,897,271)	(1,459,884)	11,515,558	161,260	2,891,897	(31,710,340)	(4,000,736)	(18,358,803)	(49,858,319)
Other financing sources (uses):									
Transfers in	13,198,382	966,040	3,611,770	1,689,818	-	8,914,897	15,745	31,951,997	60,348,649
Transfers out	(3,403,660)	-	(13,614,057)	(1,689,818)	(75,000)	(7,320,779)	-	(24,886,666)	(50,989,980)
Capital leases issued	-	-	-	-	-	18,365,000	-	2,500,000	20,865,000
Total other financing sources (uses)	9,794,722	966,040	(10,002,287)	-	(75,000)	19,959,118	15,745	9,565,331	30,223,669
Net change in fund balances	897,451	(493,844)	1,513,271	161,260	2,816,897	(11,751,222)	(3,984,991)	(8,793,472)	(19,634,650)
Fund balances - beginning	5,782,374	5,013,351	9,112,762	5,114,410	(433,270)	57,330,256	58,531,053	55,832,556	196,283,492
Fund balances - ending	\$ 6,679,825	\$ 4,519,507	\$ 10,626,033	\$ 5,275,670	\$ 2,383,627	\$ 45,579,034	\$ 54,546,062	\$ 47,039,084	\$ 176,648,842

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

CITY OF FORT WAYNE, INDIANA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES -
 GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2015

Net change in **fund balances** - total governmental funds \$ (19,634,650)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets, which meet capitalization requirements, is capitalized. The cost of the depreciable assets is allocated over the estimated useful lives and reported as depreciation expense. The cost of those assets, which meet capitalization requirements, is capitalized. (The internal service fund capital assets are not included in this section, but rather the net revenue (expense) of the internal revenue service funds as a separate line item.) (Note 3)

Capital assets not being depreciated:

Land	(56,432)
Roads accounted for using the modified approach	2,129,535
Construction in progress	<u>1,860,240</u>
Total change in capital assets not being depreciated	3,933,343

Capital assets being depreciated:

Buildings, net of \$3,322,327 depreciation expense	25,624,393
Improvements other than buildings, net of \$2,459,498 depreciation expense	(2,008,783)
Machinery and equipment, net of \$6,522,707 depreciation expense	<u>(1,489,529)</u>
Total change in capital assets being depreciated	22,126,081

Total changes in capital assets 26,059,424

The issuance of long-term debt provides current financial resources to governmental funds, but increases the long-term liabilities on the statement of net position. Repayment of principal for long-term debt consumes the current financial resources of governmental funds, but reduces long-term liabilities in the statement of net position. This is the amount by which repayments exceed issuance proceeds. (1,081,408)

Governmental funds report the effect of discounts and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. 38,532

Some expenses were deferred as assets in the statement of net position and therefore were not reported in the statement of activities, but were reported as expenditures in the governmental funds. 45,215

Net pension liability, including the 1925 Police Officers' Pension Plan, the 1937 Firefighters' Pension Plan, the Sanitary Officers' Pension Plan and PERF, is considered a long-term liability of the general government, but is not a current expenditure. 1,755,602

Net pension asset, including the 1977 Police Officers' and Firefighters' Pension and Disability Fund, is considered an asset of the general government, but is not current revenue. 5,320,872

Deferred outflows and inflows of resources related to pensions do not affect current financial resources and therefore, are not reported in the governmental funds. 8,647,450

Other postemployment benefits liability is considered a long-term obligation of the general government, but is not a current expenditure. (5,815,274)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. 6,270,657

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. (372,618)

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. 1,859,246

Changes in **net position** of governmental activities \$ 23,093,048

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

CITY OF FORT WAYNE
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS
December 31, 2015

	Business-type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds		
Assets						
Current assets:						
Cash and cash equivalents	\$ 8,811,434	\$ 9,931,964	\$ 2,275,993	\$ 1,414,256	\$ 22,433,647	\$ 4,560,097
Receivables:						
Accounts receivable (net of allowance for uncollectibles)	4,863,718	5,730,370	1,972,498	4,650	12,571,236	-
Miscellaneous receivable	-	-	-	2,044	2,044	58,337
Interest receivable	21,696	73,066	-	-	94,762	-
Due from other funds	16,368	11,093	9,523	1,322,219	1,359,203	140,539
Inventories	1,273,373	75,197	-	-	1,348,570	51,023
Prepaid expenses	80,908	81,299	1,443	1,718	165,368	800
Total current assets	15,067,497	15,902,989	4,259,457	2,744,887	37,974,830	4,810,796
Noncurrent assets:						
Restricted cash and cash equivalents	11,743,829	102,265,323	636,917	48,585	114,694,654	-
Restricted investments	5,088,159	15,088,159	-	-	20,176,318	-
Assessments receivable	-	986,588	-	-	986,588	-
Regulatory assets	2,956,862	1,775,950	71,884	-	4,804,696	-
Capital assets:						
Land, improvements to land and construction in progress	11,100,889	43,890,859	9,728,697	1,079,536	65,799,981	27,277
Other capital assets (net of accumulated depreciation)	284,620,693	459,876,098	101,473,260	3,385,988	849,356,039	358,384
Total noncurrent assets	315,510,432	623,882,977	111,910,758	4,514,109	1,055,818,276	385,661
Total assets	330,577,929	639,785,966	116,170,215	7,258,996	1,093,793,106	5,196,457
Deferred outflow of resources (Note 17)	2,447,511	3,884,112	1,313,657	-	7,645,280	-
Liabilities						
Current liabilities:						
Accounts payable	3,185,993	5,938,443	513,192	803,855	10,441,483	167,441
Wages and withholdings payable	325,942	373,314	83,877	8,549	791,682	11,724
Contracts payable	-	-	-	24,511	24,511	487,086
Due to other funds	1,834,527	2,935,147	998,468	5,491	5,773,633	5,238
Interfund payable	70,976	7,908	36,601	27	115,512	-
Compensated absences payable - current portion	636,962	555,121	152,499	11,890	1,356,472	45,361
Accrued group insurance benefits payable	-	-	-	-	-	1,630,505
Capital lease payable - current portion	-	-	-	401,345	401,345	-
Customer deposits payable	1,541,580	-	-	-	1,541,580	-
Loans payable - current portion	3,484,000	7,035,048	-	-	10,519,048	-
Bonds payable - current portion	3,815,000	11,740,000	1,205,000	110,000	16,870,000	-
Accrued interest payable	407,651	4,418,663	134,833	32,427	4,993,574	-
Other current liabilities	730,416	1,005,204	399,409	-	2,135,029	237,627
Total current liabilities	16,033,047	34,008,848	3,523,879	1,398,095	54,963,869	2,584,982
Noncurrent liabilities:						
Compensated absences payable	431,677	321,370	41,587	764	795,398	-
Capital lease payable	-	-	-	624,129	624,129	-
Loans payable	37,288,000	154,332,622	-	-	191,620,622	-
Bonds payable, net	106,649,951	177,914,693	6,900,285	635,000	292,099,929	-
Net pension liability	5,734,933	8,383,148	3,078,119	-	17,196,200	-
Total noncurrent liabilities	150,104,561	340,951,833	10,019,991	1,259,893	502,336,278	-
Total liabilities	166,137,608	374,960,681	13,543,870	2,657,988	557,300,147	2,584,982
Deferred inflow of resources (Note 18)	554,224	810,149	297,472	-	1,661,845	-
Net position						
Net investment in capital assets	146,568,320	224,774,846	103,096,672	3,040,572	477,480,410	385,661
Restricted for:						
Debt service	12,799,068	38,765,048	502,083	18,362	52,084,561	-
Capital projects	-	2,139,519	-	-	2,139,519	-
Unrestricted	6,966,220	2,219,835	43,775	1,542,074	10,771,904	2,225,814
Total net position	\$ 166,333,608	\$ 267,899,248	\$ 103,642,530	\$ 4,601,008	\$ 542,476,394	\$ 2,611,475

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

CITY OF FORT WAYNE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
For The Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds				Totals	Governmental
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds		Internal Service Funds
Operating revenues:						
Charges for goods and services	\$ 45,721,766	\$ 59,535,008	\$ 9,899,967	\$ 11,630,296	\$ 126,787,037	\$ 7,522,959
City contributions	-	-	-	-	-	31,741,189
Employee contributions	-	-	-	-	-	2,587,428
Insurance recoveries	-	-	-	-	-	26,672
Total operating revenues	45,721,766	59,535,008	9,899,967	11,630,296	126,787,037	41,878,248
Operating expenses:						
Personnel services	10,377,388	8,729,950	1,770,149	376,528	21,254,015	779,129
Contractual services	1,732,573	2,155,431	264,031	9,583,226	13,735,261	5,475,796
Utilities	1,661,703	1,912,374	-	61,924	3,636,001	35,101
Chemicals	3,074,652	754,871	-	-	3,829,523	-
Administrative services	4,593,017	6,723,514	2,462,521	55,338	13,834,390	-
Other supplies and services	5,103,205	3,847,103	584,318	523,552	10,058,178	3,171,539
Insurance claims and premiums	-	-	-	5,187	5,187	30,531,442
Depreciation	10,130,989	13,287,376	2,323,224	928,794	26,670,383	45,662
Total operating expenses	36,673,527	37,410,619	7,404,243	11,534,549	93,022,938	40,038,669
Operating income	9,048,239	22,124,389	2,495,724	95,747	33,764,099	1,839,579
Nonoperating revenues (expenses):						
Interest and investment revenue	63,075	213,522	3,001	1,152	280,750	2,527
Miscellaneous revenue	-	-	-	-	-	17,140
Interest expense	(1,797,550)	(6,398,293)	(201,912)	(73,794)	(8,471,549)	-
Amortization of debt issuance costs	(300,948)	(215,176)	(24,257)	-	(540,381)	-
Gain (Loss) on disposal of assets	(127,685)	68,895	(1,767,343)	-	(1,826,133)	-
Total nonoperating revenue (expenses)	(2,163,108)	(6,331,052)	(1,990,511)	(72,642)	(10,557,313)	19,667
Income before contributions and transfers	6,885,131	15,793,337	505,213	23,105	23,206,786	1,859,246
Capital contributions	1,067,906	3,927,146	1,636,910	-	6,631,962	-
Transfers in	-	753	4,293,838	26,793	4,321,384	-
Transfers out	(2,600,000)	(8,713,260)	(1,400,753)	(966,040)	(13,680,053)	-
Change in net position	5,353,037	11,007,976	5,035,208	(916,142)	20,480,079	1,859,246
Total net position - beginning	164,638,096	262,237,729	100,570,431	5,517,150	532,963,406	752,229
Restatement (Note 21)	(3,657,525)	(5,346,457)	(1,963,109)	-	(10,967,091)	-
Total net position - beginning (restated)	160,980,571	256,891,272	98,607,322	5,517,150	521,996,315	752,229
Total net position - ending	\$ 166,333,608	\$ 267,899,248	\$ 103,642,530	\$ 4,601,008	\$ 542,476,394	\$ 2,611,475

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, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds	
	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds	Total	
Cash flows from operating activities:						
Receipts from customers and users	\$ 44,671,110	\$ 59,734,174	\$ 8,895,798	\$ 11,748,835	\$ 125,049,917	\$ 41,843,349
Payments to suppliers	(9,304,314)	(6,699,649)	841,446	(10,197,428)	(25,359,945)	(40,650,440)
Payments to employees	(14,314,949)	(14,309,059)	(3,773,596)	(383,936)	(32,781,540)	(798,373)
Other receipts (payments)	(1,814,857)	(2,729,738)	(1,035,262)	-	(5,579,857)	-
Net cash provided by operating activities	19,236,990	35,995,728	4,928,386	1,167,471	61,328,575	394,536
Cash flows from noncapital financing activities:						
Transfer from other funds	-	-	-	26,793	26,793	-
Transfer to other funds	(2,600,000)	(4,419,422)	(1,400,000)	(966,040)	(9,385,462)	-
Net cash used by noncapital financing activities	(2,600,000)	(4,419,422)	(1,400,000)	(939,247)	(9,358,669)	-
Cash flows from capital and related financing activities:						
Acquisition and construction of capital assets	(16,141,030)	(47,257,199)	(6,780,305)	-	(70,178,534)	-
Proceeds from sale of capital assets	24,355	194,200	159,109	(5,729)	371,935	-
Proceeds from capital debt	-	67,352,808	-	-	67,352,808	-
Principal paid on capital debt	(6,977,000)	(17,523,612)	(1,155,000)	(100,000)	(25,755,612)	-
Capital lease payments	-	-	-	(382,647)	(382,647)	-
Interest paid on capital debt	(5,122,918)	(10,413,175)	(371,506)	(81,578)	(15,989,177)	-
Debt issuance costs	-	30,000	-	-	30,000	-
Contribution in aid of construction	(100,000)	-	935,520	-	835,520	-
Net cash used by capital and related financing activities	(28,316,593)	(7,616,978)	(7,212,182)	(569,954)	(43,715,707)	-
Cash flows from investing activities:						
Purchase of investments	(5,088,159)	(15,088,159)	-	-	(20,176,318)	-
Proceeds from sales and maturities of investments	5,050,424	15,050,424	-	-	20,100,848	17,140
Investment income received	58,779	161,118	3,001	1,152	224,050	2,527
Net cash provided by investing activities	21,044	123,383	3,001	1,152	148,580	19,667
Net increase (decrease) in cash and cash equivalents	(11,658,559)	24,082,711	(3,680,795)	(340,578)	8,402,779	414,203
Cash and cash equivalents, January 1	32,213,822	88,114,576	6,593,705	1,803,419	128,725,522	4,145,894
Cash and cash equivalents, December 31	\$ 20,555,263	\$ 112,197,287	\$ 2,912,910	\$ 1,462,841	\$ 137,128,301	\$ 4,560,097
Reconciliation of operating income to net cash provided by operating activities:						
Operating income	\$ 9,048,239	\$ 22,124,389	\$ 2,495,724	\$ 95,747	\$ 33,764,099	\$ 1,839,579
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation expense	10,130,989	13,287,376	2,323,224	928,794	26,670,383	45,662
Allowance for uncollectible accounts	6,958	94,513	-	-	101,471	-
(Increase) decrease in assets:						
Accounts receivable	(1,050,656)	199,166	(1,004,169)	-	(1,855,659)	-
Miscellaneous receivable	-	-	-	5,005	5,005	(53,596)
Due from other funds	-	-	-	113,534	113,534	18,698
Inventories	-	-	-	-	-	5,621
Prepaid expenses	-	-	-	(108)	(108)	20
Other assets	(1,821,815)	(2,824,251)	(1,035,262)	-	(5,681,328)	-
Increase (decrease) in liabilities:						
Accounts payable and other liabilities	2,923,275	3,114,535	2,148,869	754,066	8,940,745	(934,580)
Due to other funds	-	-	-	-	-	3,169
Wages and withholdings payable	-	-	-	(7,968)	(7,968)	(20,843)
Contracts payable	-	-	-	(722,159)	(722,159)	(357,584)
Accrued group insurance benefits	-	-	-	-	-	(153,209)
Compensated absences payable	-	-	-	560	560	1,599
Total adjustments	10,188,751	13,871,339	2,432,662	1,071,724	27,564,476	(1,445,043)
Net cash provided by operating activities	\$ 19,236,990	\$ 35,995,728	\$ 4,928,386	\$ 1,167,471	\$ 61,328,575	\$ 394,536
Noncash investing, capital and financing activities:						
Capital assets included in accounts payable	\$ 1,318,502	\$ 2,566,344	\$ 270,478	\$ -	\$ 4,155,324	\$ -
Contributions of capital assets	1,167,906	3,927,146	701,390	-	5,796,442	-
Interfund capital asset contribution	-	(4,293,085)	4,293,085	-	-	-
Capitalized interest added to capital assets	3,334,674	4,672,145	145,186	-	8,152,005	-

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

CITY OF FORT WAYNE
STATEMENT OF NET POSITION -
FIDUCIARY FUNDS
December 31, 2015

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 1,824,770	\$ -
Receivables:		
Taxes	<u>22,440</u>	<u>-</u>
Total assets	<u>\$ 1,847,210</u>	<u>\$ -</u>
<u>Liabilities</u>		
Accounts payable	<u>\$ 34,061</u>	<u>\$ -</u>
Net position restricted for pension	<u>\$ 1,813,149</u>	

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

CITY OF FORT WAYNE
STATEMENT OF CHANGES IN NET POSITION -
FIDUCIARY FUNDS
For The Year Ended December 31, 2015

	<u>Pension Trust Funds</u>
<u>Additions</u>	
Contributions:	
Employer	\$ 14,864,216
Other	5,830
Investment income:	
Interest	<u>1,200</u>
 Total additions	 <u>14,871,246</u>
 <u>Deductions</u>	
Benefit payments, including refunds of member contributions	15,031,115
Administrative expenses	<u>51,643</u>
 Total deductions	 <u>15,082,758</u>
 Net decrease in net position	 (211,512)
 <u>Net position restricted for pension</u>	
Net position - beginning	<u>2,024,661</u>
 Net position - ending	 <u>\$ 1,813,149</u>

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

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET POSITION -
 DISCRETELY PRESENTED COMPONENT UNITS
 December 31, 2015

	HANDS	Summit	UEA	CIB	RA	PTC	DID	CDC	Totals
Assets									
Cash and cash equivalents	\$ (1,463,012)	\$ 85,056	\$ 801,364	\$ 4,210,060	\$ -	\$ 4,038,492	\$ 401,511	\$ 3,042,031	\$ 11,115,502
Receivables (net of allowances for uncollectibles):									
Accounts	-	-	6,954	370,246	-	-	36,600	-	413,800
Intergovernmental	1,704,122	-	-	1,841,384	-	574,878	-	-	4,120,384
Loans	-	-	-	-	-	-	-	5,429,735	5,429,735
Miscellaneous	-	-	34,081	94,003	-	88,436	-	26,310	242,830
Inventories	-	-	-	-	-	312,036	-	-	312,036
Prepaid expense	-	-	10,068	15,669	-	83,932	5,516	-	115,185
Assets held for resale	2,215,758	-	18,000	-	-	-	-	-	2,233,758
Net investment in direct financing lease (Note 20)	-	-	-	-	75,114,292	-	-	-	75,114,292
Restricted assets:									
Cash and cash equivalents	-	-	-	8,638,486	973,504	1,000,360	-	453,111	11,065,461
Accounts receivable	-	-	-	4,841,539	-	15,330	-	-	4,856,869
Capital assets:									
Land and construction in progress	-	-	49,531	975,000	-	245,757	-	-	1,270,288
Other capital assets, net of depreciation	-	-	524,732	36,436,073	-	17,915,490	2,060	-	54,878,355
Total assets	2,456,868	85,056	1,444,730	57,422,460	76,087,796	24,274,711	445,687	8,951,187	171,168,495
Deferred outflows of resources (Note 17)	-	-	-	6,500,000	3,060,086	9,705,194	-	-	19,265,280
Liabilities									
Accounts payable	120,402	-	136,111	184,932	-	149,077	41,491	81,914	713,927
Accrued interest payable	-	-	-	-	1,310,892	352,365	-	-	1,663,257
Customer deposits	-	-	-	37,707	-	-	-	-	37,707
Due to primary government (Note 20)	-	-	-	6,500,000	-	-	-	-	6,500,000
Other current liabilities	-	-	-	-	-	160,000	16,449	-	176,449
Noncurrent liabilities:									
Due within one year:									
Capital lease payable	-	-	-	1,330,000	-	-	-	-	1,330,000
Lease rental revenue bonds payable (Note 4)	-	-	-	-	3,580,000	-	-	-	3,580,000
Due in more than one year:									
Capital lease payable	-	-	-	18,932,500	-	-	-	-	18,932,500
Lease rental revenue bonds payable (net of premium) (Note 4)	-	-	-	-	75,625,040	-	-	-	75,625,040
Other postemployment benefits liability	-	-	-	-	-	3,583,574	-	-	3,583,574
Other noncurrent liabilities	-	-	-	-	-	13,339,968	-	-	13,339,968
Total liabilities	120,402	-	136,111	26,985,139	80,515,932	17,584,984	57,940	81,914	125,482,422
Deferred inflows of resources (Note 18)	-	-	-	-	-	239,892	-	-	239,892
Net position									
Net investment in capital assets	-	-	574,263	18,989,957	-	18,161,247	2,060	-	37,727,527
Temporarily restricted	-	-	664,334	13,480,534	-	-	-	7,583,592	21,728,460
Unrestricted	2,336,466	85,056	70,022	4,466,830	(1,368,050)	(2,006,218)	385,687	1,285,681	5,255,474
Total net position	\$ 2,336,466	\$ 85,056	\$ 1,308,619	\$ 36,937,321	\$ (1,368,050)	\$ 16,155,029	\$ 387,747	\$ 8,869,273	\$ 64,711,461

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

CITY OF FORT WAYNE
 COMBINING STATEMENT OF ACTIVITIES -
 DISCREETELY PRESENTED COMPONENT UNITS
 For The Year Ended December 31, 2015

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position								
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	HANDS	Summit	UEA	CIB	RA	PTC	DID	GDC	Totals
Component units:													
HANDS	\$ 1,080,470	\$ -	\$ 3,074,035	\$ -	\$ 1,993,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,993,565
Summit	36,000	36,000	-	-	-	-	-	-	-	-	-	-	-
UEA	493,322	458,127	43,676	-	8,481	-	-	-	-	-	-	-	8,481
CIB	11,638,528	6,335,549	-	2,096,489	(3,206,490)	-	-	-	-	-	-	-	(3,206,490)
RA	1,985,527	2,279,020	-	-	-	-	-	293,493	-	-	-	-	293,493
PTC	17,656,730	1,877,483	4,744,517	1,896,488	-	-	-	(9,138,242)	-	-	-	-	(9,138,242)
DID	558,613	1,300	586,724	-	-	-	-	-	-	29,411	-	84,447	29,411
CDC	652,558	737,005	-	-	-	-	-	-	-	-	-	84,447	84,447
Total component units	\$ 34,101,748	\$ 11,724,484	\$ 8,448,952	\$ 3,992,977	1,993,565	-	8,481	(3,206,490)	293,493	(9,138,242)	29,411	84,447	(9,935,335)
General revenues:													
Local assessments and taxes										5,811,113			5,811,113
Indiana room tax income													3,471,590
Unrestricted investment earnings						39	1,116	41,259	391	2,694	405	5,350	51,254
Other							150	9,669		264,883		429	275,131
Total general revenues						39	1,266	3,522,518	391	6,078,690	405	5,779	9,609,088
Change in net position					1,993,565	39	9,747	316,028	293,884	(3,059,552)	29,816	90,228	(326,247)
Net position - beginning of year					342,901	85,017	1,298,872	36,621,293	(1,661,934)	18,952,716	357,931	8,779,047	64,775,843
Restatement - change in accounting principle										261,865			261,865
Net position - beginning of year, as restated					342,901	85,017	1,298,872	36,621,293	(1,661,934)	19,214,581	357,931	8,779,047	65,037,708
Net position - end of year					\$ 2,336,466	\$ 85,056	\$ 1,308,619	\$ 36,937,321	\$ (1,368,050)	\$ 16,155,029	\$ 387,747	\$ 8,869,273	\$ 64,711,461

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, 2015

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

The component units discussed below are included in the primary government's reporting entity because of the significance of their operational or financial relationships with the primary government. Blended component units, although legally separate entities are so integrated with the City that they are in substance part of the government's operations and/or the component unit's total debt outstanding, if any, including leases, is expected to be repaid almost entirely with the resources of the primary government; data from these units is combined with data of the primary government. Discretely presented component units are involved in activities of an operational nature independent from the government; their transactions are reported in a separate column in the government-wide financial statements.

Blended Component Units

The *Fort Wayne Municipal Building Corporation* is a significant blended component unit of the primary government. The City created it in 1997 for the sole purpose of financing two fire stations, an animal care building and improvements to the City's Board of Works complex. In 2000, the City entered into a second agreement with the Municipal Building Corporation for the purpose of financing a fire station along with purchasing equipment to finish the new station. In 2002, the City entered into a third agreement with the Municipal Building Corporation for the purpose of financing a street and highway transportation building. In 2005, the City entered into a fourth agreement with the Municipal Building Corporation for the purpose of financing two fire stations, #'s 18 and 19, to serve the 2006 annexed areas. In 2006, the City entered into a fifth agreement with the Municipal Building Corporation for the purpose of financing the Public Safety Academy. In 2009, the City entered into a sixth agreement with the Municipal Building Corporation for the purpose of the acquisition, renovation, and equipping of the Renaissance Square Building to be used as a City Hall. The primary government appoints a voting majority of the Municipal Building Corporation's board and a financial benefit/burden relationship exists between the primary government and the Municipal Building Corporation. Although it is legally separate from the primary government, the Fort Wayne Municipal Building Corporation is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government. The Fort Wayne Municipal Building Corporation is reported as the Building Project fund (non-major capital projects fund).

The *Consolidated Communications Partnership* (CCP) is a significant blended component unit of the primary government. The City of Fort Wayne and Allen County jointly created the CCP on

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

February 19, 2010 to provide centralized communication service to the City of Fort Wayne and Allen County. A joint Operation Board was established pursuant to I.C. § 36-1-7-3 (5) (b) to oversee and administer the CCP. The Operation Board is comprised of the Chief of Police for the City of Fort Wayne, Chief of Fire for the City of Fort Wayne, the Allen County Sheriff and a County Commissioner. The City Controller has the duty and responsibility to receive, disburse and account for all monies of the CCP, in accordance with procedures adopted by the City for the receipts and payments of vouchers or claims. The primary government and Allen County equally appoint the CCP board. The component unit's total debt outstanding, if any, including leases, is expected to be repaid almost entirely with the resources of the primary government. Although it is legally separate from the primary government, the CCP is reported as if it is a part of the primary government and is reported as the Consolidated Communications Partnership fund (non-major special revenue fund).

The *Fort Wayne Infrastructure Corporation* is a significant blended component unit of the primary government. The City created it in 2014 for the sole purpose of financing transportation infrastructure improvements. The primary government appoints a voting majority of the Fort Wayne Infrastructure Corporation's board and a financial benefit/burden relationship exists between the primary government and the Fort Wayne Infrastructure Corporation. Although it is legally separate from the primary government, the Fort Wayne Infrastructure 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 Infrastructure Corporation is reported as the Infrastructure Improvements fund (non-major capital projects fund).

Discretely Presented Component Units

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

The *Neighborhood Care, Inc., doing business as HANDS* (HANDS) is a significant discretely presented component unit of the primary government. The primary government appoints the eleven-member board. The primary government is able to impose its will and a financial benefit/burden relationship exists between the primary government and HANDS. HANDS is fiscally dependent on the primary government. 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. 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. The UEA initiates, coordinates, and promotes community development activities. The UEA acts as a liaison between residents, businesses, local governments, and the State for any and all development activity that may affect the enterprise zone.

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

The *Allen County Fort Wayne Capital Improvements Board of Managers (CIB)*, formerly the *Fort Wayne - Allen County Convention and Tourism Authority*, is a significant discretely presented component unit of the primary government. The Allen County Fort Wayne Capital Improvements Board of Managers (CIB) is governed by a seven-member board. The County appoints three members, three are appointed by the City, and the appointed members elect the seventh. CIB's budget is subject to approval by the City and County Councils. Any resolutions for the sale of revenue bonds are subject to review by the Mayor. Any sales of general obligation bonds are subject to approval by the City Council. A financial benefit/burden relationship exists between the primary government and the CIB. CIB operates the Grand Wayne Center (convention center) and promotes tourism.

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

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

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

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

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

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

Controller, City of Fort Wayne
Room 470 Citizens Square
200 E. Berry Street
Fort Wayne, IN 46802

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

Fort Wayne Municipal Building Corporation
Room 470 Citizens Square
200 E. Berry Street
Fort Wayne, IN 46802

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

Consolidated Communications Partnership
Room 600 Rousseau Centre
1 East Main Street
Fort Wayne, IN 46802

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

Fort Wayne Infrastructure Corporation
Room 470 Citizens Square
200 E. Berry Street
Fort Wayne, IN 46802

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

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

Downtown Fort Wayne Economic
Improvement District
904 S. Calhoun Street
Fort Wayne, IN 46802

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

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

Related Organizations

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

B. Government-Wide and Fund Financial Statements

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

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

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

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

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

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

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

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

The government reports the following major governmental funds:

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

The Highways and Streets fund (special revenue) accounts for the financial resources and expenses for construction, operation and maintenance of local and arterial roads and street system. The Motor Vehicle Highway and Local Roads and Streets funds have been combined to form the Highways and Streets fund. The major revenue sources for these funds include Wheel Tax/Surtax, Fuel Tax and reimbursements from other sources for services such as leaf collection.

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

The CEDIT fund (capital projects) accounts for the financial resources and expenses or projects related to the County Economic Development Income Tax (CEDIT). The CEDIT Income Tax, Economic Development Incentive, Economic Development Infrastructure, Community Development-Marketing, Community Development-Strategic Objective and the 2009 CEDIT Bond funds have been combined to form the CEDIT fund.

The Parks fund (special revenue) accounts for the financial resources and expenses for the construction, operation and maintenance of the City's park system. The Park and Recreation General, Park Land and Water Conservation, Park Cumulative Building, Park Trust, Park Nonreverting Capital, Park Nonreverting Operating, and the 2005 Park Bond funds have been combined to form the Parks fund. The major revenue sources for these funds include Property Tax, Auto Excise Tax, Commercial Vehicle Excise Tax, County Option Income Tax as well as fees from services and/or programs.

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

The Redevelopment fund (capital projects) accounts for the financial resources and expenses or projects related to redevelopment. The Redevelopment General, 1991 Tax Incremental Financing, 1992 Tax Incremental Financing – Getz Road, Civic Center Urban Renewal 1998, Tax Incremental Financing – Fort Wayne International Airport, 2002 Infrastructure Bond, Grand Wayne Property and Miscellaneous Expenses, Grand Wayne Obligation Lease, Redevelopment Bond, Grand Wayne Bond Principal & Interest, Harrison Square Taxable Lease, Harrison Square Tax Exempt Lease, E Main Street Renewal Tax Incremental Financing Project, Hatfield Road Tax Incremental Financing Project, Coventry Lane Tax Incremental Financing Project, Lima Wells Fernhill Tax Incremental Financing Project, West Highway 30 Tax Incremental Financing Project, E Illinois Tax Incremental Financing Project, Lima Ley Tax Incremental Financing Project, Summit Park Tax Incremental Financing Project, Jefferson Point Tax Incremental Financing Project, Chapel Ridge Tax Incremental Financing Project, Brownfield Redevelopment, Renaissance Pointe Tax Incremental Financing Project, Southtown Mall Project, Adams Township Tax Incremental Financing Project, Civic Center Urban Renewal Parking Garage Project, 2005 Southtown Tax-Exempt Bond, Centennial Industrial Park, Harrison Square Stadium Maintenance, Harrison Square Parking Garage, Redevelopment District Capital and Riverfront Development funds have been combined to form the Redevelopment fund.

The Community Legacy Fund (special revenue) accounts for the financial resources and expenses or projects that are in the public's interest and related to transformational investment in the community. The major revenue sources for this fund are the installment payments from the sale of the Electric Utility (see Note 14) and investment earnings.

The government reports the following major proprietary funds:

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

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

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

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Additionally, the government reports the following fund types:

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

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

Agency funds (fiduciary) account for the activities and assets held by the government as an agent for the Fort Wayne Neighborhood Housing Partnership (FWNP).

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

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

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

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

D. Assets, Liabilities and Net Position or Equity

1. Deposits and Investments

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

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

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

CITY OF FORT WAYNE, INDIANA
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December 31, 2015
(Continued)

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

Open-end mutual funds are reported at fair value.

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

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

2. Interfund Transactions and Balances

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

3. Property Taxes

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

4. Cash and Cash Equivalents

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

5. Inventories and Prepaid Items

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

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

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

6. Restricted Assets/Net Position

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

7. Capital Assets

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

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

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Governmental Activities:			
Land	All Capitalized	N/A	N/A
Infrastructure	\$ 5,000	N/A	N/A
Buildings	5,000	Straight-line	40
Improvements other than buildings	5,000	Straight-line	20-25
Machinery and equipment	5,000	Straight-line	5-25
Business-type Activities: (Solid Waste Management and Parking Garages)			
Land	All Capitalized	N/A	N/A
Buildings and improvements	5,000	Straight-line	20-40
Equipment and other	5,000	Straight-line	5-25
Business-type Activities: (Utilities and Yard Waste Facility)			
Land	All Capitalized	N/A	N/A
Distribution and collection	2,500	Straight-line	67
Buildings and improvements	2,500	Straight-line	20-44
Equipment and other	2,500	Straight-line	6-67

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

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

CITY OF FORT WAYNE, INDIANA
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015
 (Continued)

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 2015 net interest capitalized was \$3,334,674 for Water Utility, \$4,672,145 for Wastewater Utility, and \$145,186 for Stormwater Utility.

8. Assets Held for Resale

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

9. Compensated Absences

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

Police Officers and Firefighters

Vacation Leave:

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

Sick Leave:

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

Employees Other Than Police Officers and Firefighters

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

Vacation Leave:

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

For union and non-union employees, unused vacation shall automatically be carried over into the next year; however, amounts of more than two year's carryover shall be lost if not used by December 31st.

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Sick Leave:

All full-time City employees will receive 40 hours of sick time per calendar year to be used or forfeited by the end of the same calendar year. Regular part-time employees will receive 20 hours of sick time per calendar year. Sick time will be pro-rated for all employees hired May 1st or after of each year.

Employees with a balance of sick time as of December 31, 2013 will have this balance placed into a separate, frozen sick time account. All employees with a frozen sick time account will receive compensation for this unused sick leave upon separation from employment at \$1.00 for each hour up to 520 hours.

Employees with a frozen sick time account will be eligible for either 50 percent of the employee's hourly rate as of December 31, 2013 for each accumulated hour over 520, or an employee with 20 years of City service and who retires, may receive credit at the rate of 100 percent of the employee's hourly rate at December 31, 2013 for each sick hour over 520 to be used for the purchase of group health insurance. The maximum payment per employee cannot exceed \$25,000.

10. Unbilled Revenue

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

11. Unearned Revenues

Unearned revenue is available, but not earned at year-end (applies to government-wide and fund statements).

12. Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future periods and, therefore, will not be recognized as an outflow of resources (expense) until that time.

13. Deferred Inflows of Resources

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

14. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts 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 regulatory assets and amortized over the term of the related debt in the business-type activities of the government-wide statement of net position and the proprietary fund statements per the exception for regulatory utilities in *GASB Statement No. 65*. In the fund financial statements, governmental fund types recognize bond premiums and discounts 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,

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
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(Continued)

whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

15. Pensions

For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to or deductions from fiduciary net position have been determined on the same basis as they are reported for all the plans by their respective trustees. The Indiana Public Retirement System is the trustee for Indiana Public Employees' Retirement Fund and 1977 Police Officers' and Firefighters' Pension and Disability Fund. The 1937 Firefighters' Pension Plan, 1925 Police Officers' Pension Plan and Sanitary Officers' Pension Plan are administered by separate local pension boards as authorized by state statute or as mandated by Allen County Circuit Court. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

16. Fund Balance

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

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

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

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

Assigned – represents amounts that are not classified as nonspendable, restricted or committed, but are intended to be used by the City for specific purposes. Intent is expressed by legislation or by action of the Board of Public Works or the City Controller to which legislation has delegated the authority to assign amounts to be used for specific purposes.

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

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned and unassigned.

For functionalized classification of fund balance, please refer to note 19.

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Note 2. Deposits and Investments

A. Primary Government

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds; and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories. The City does not have a formal policy for custodial credit risk.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. As of December 31, 2015, the City had the following investments:

Investment Type	Market Value	Investment Maturity	
		Less Than 1 Year	Greater Than 1 Year
Certificates of Deposit	\$ 27,976,318	\$ 4,400,000	\$ 23,576,318
Federal Agency Securities	2,184,586	593,786	1,590,800
Equities	1,315,497	1,315,497	-
Mutual Funds	43,237,529	43,237,529	-
Total	\$ 74,713,930	\$ 49,546,812	\$ 25,167,118

Investment Policies

Indiana Code 5-13-9 authorizes the City to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than five years.

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

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(Continued)

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

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

Investment Custodial Credit Risk

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

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City must follow state statute and limit the stated final maturities of the investments to no more than five years. The City does not have a formal investment policy for interest rate risk.

Credit Risk

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

<u>Investment Type</u>	<u>Morningstar Rating</u>	<u>City of Fort Wayne Investments</u>	
		<u>Amount</u>	
Certificates of Deposit	NR	\$	27,976,318
Federal Agency Securities	NR		2,184,586
Equities	NR		1,315,497
Mutual Funds	Below Average		12,400,990
	Average		14,183,401
	Above Average		9,978,153
	High		6,674,985
Total		\$	<u>74,713,930</u>

Concentration of Credit Risk

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

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Foreign Currency Risk

Foreign currency risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The City does not have a formal policy in regards to foreign currency risk. The City's exposure to foreign currency risk derives from their investment at December 31, 2015 in foreign mutual funds with a fair value of \$16,144,336.

B. Discretely Presented Component Units

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds, and has a principal office or branch that qualifies to receive public funds of the political subdivision. At December 31, 2015, the City's discretely presented component units' deposits with financial institutions of \$22,180,963 were entirely insured by federal depository insurance, with the exception of Urban Enterprise Association's deposits of \$577,670 and Community Development Corporation's deposits of \$1,185,500.

Note 3. Capital Assets

Capital asset activity for the year ended December 31, 2015 was as follows:

Primary government:

<u>Governmental activities:</u>	Balance, 01/01/2015	Additions	Reductions	Balance, 12/31/2015
Capital assets not being depreciated:				
Land	\$ 39,373,180	\$ 96,254	\$ 152,686	\$ 39,316,748
Roads accounted for using the modified approach	527,486,912	2,129,535	-	529,616,447
Construction in progress	6,383,009	4,184,907	2,324,667	8,243,249
Total capital assets not being depreciated	<u>573,243,101</u>	<u>6,410,696</u>	<u>2,477,353</u>	<u>577,176,444</u>
Capital assets being depreciated:				
Buildings	131,971,192	29,144,644	1,943,361	159,172,475
Improvements other than buildings	91,247,641	460,299	14,523	91,693,417
Machinery and equipment	80,863,918	5,079,723	10,086,096	75,857,545
Total capital assets being depreciated	<u>304,082,751</u>	<u>34,684,666</u>	<u>12,043,980</u>	<u>326,723,437</u>
Less accumulated depreciation for:				
Buildings	44,643,189	3,430,899	1,837,594	46,236,494
Improvements other than buildings	32,981,152	2,459,498	4,939	35,435,711
Machinery and equipment	56,388,059	6,459,797	9,947,394	52,900,462
Total accumulated depreciation	<u>134,012,400</u>	<u>12,350,194</u>	<u>11,789,927</u>	<u>134,572,667</u>
Total capital assets being depreciated, net	<u>170,070,351</u>	<u>22,334,472</u>	<u>254,053</u>	<u>192,150,770</u>
Total governmental activities capital assets, net	<u>\$ 743,313,452</u>	<u>\$ 28,745,168</u>	<u>\$ 2,731,406</u>	<u>\$ 769,327,214</u>

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

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

	Balance, 01/01/2015	Additions	Reductions	Balance, 12/31/2015
Capital assets not being depreciated:				
Land	\$ 27,277	\$ -	\$ -	\$ 27,277
Capital assets being depreciated:				
Buildings	517,359	-	-	517,359
Machinery and equipment	723,842	-	5,495	718,347
Total capital assets being depreciated	1,241,201	-	5,495	1,235,706
Less accumulated depreciation for:				
Buildings	228,281	16,415	-	244,696
Machinery and equipment	608,874	29,247	5,495	632,626
Total accumulated depreciation	837,155	45,662	5,495	877,322
Total capital assets being depreciated, net	404,046	(45,662)	-	358,384
Total internal service capital assets, net	\$ 431,323	\$ (45,662)	\$ -	\$ 385,661
<u>Business-type activities:</u>	Balance, 01/01/2015	Additions	Reductions	Balance, 12/31/2015
Capital assets not being depreciated:				
Land	\$ 14,613,692	\$ 1,804,670	\$ 1,909,543	\$ 14,508,819
Construction in progress	78,320,364	83,919,483	110,948,685	51,291,162
Total capital assets not being depreciated	92,934,056	85,724,153	112,858,228	65,799,981
Capital assets being depreciated:				
Distribution and collection	651,328,972	41,811,948	2,566,622	690,574,298
Buildings and improvements	238,163,906	31,895,335	111,220	269,948,021
Equipment and machinery	248,500,585	37,404,472	1,497,668	284,407,389
Total capital assets being depreciated	1,137,993,463	111,111,755	4,175,510	1,244,929,708
Less accumulated depreciation for:				
Distribution and collection	174,395,534	9,991,366	2,443,098	181,943,802
Buildings and improvements	83,733,899	5,277,628	26,300	88,985,227
Equipment and machinery	114,492,456	11,401,389	1,249,205	124,644,640
Total accumulated depreciation	372,621,889	26,670,383	3,718,603	395,573,669
Total capital assets being depreciated, net	765,371,574	84,441,372	456,907	849,356,039
Total business-type activities capital assets, net	\$ 858,305,630	\$ 170,165,525	\$ 113,315,135	\$ 915,156,020

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Discretely presented component units:

	Balance, 01/01/2015	Additions	Reductions	Balance, 12/31/2015
Capital assets not being depreciated:				
Land	\$ 1,505,600	\$ -	\$ 260,483	\$ 1,245,117
Construction in progress	4,340	25,171	4,340	25,171
Total capital assets not being depreciated	<u>1,509,940</u>	<u>25,171</u>	<u>264,823</u>	<u>1,270,288</u>
Capital assets being depreciated:				
Buildings and improvements	62,423,967	1,042,608	-	63,466,575
Equipment and machinery	22,618,449	2,091,950	1,433,972	23,276,427
Total capital assets being depreciated	<u>85,042,416</u>	<u>3,134,558</u>	<u>1,433,972</u>	<u>86,743,002</u>
Less accumulated depreciation for:				
Buildings and improvements	18,336,092	1,749,485	-	20,085,577
Equipment and machinery	11,745,533	1,406,289	1,372,752	11,779,070
Total accumulated depreciation	<u>30,081,625</u>	<u>3,155,774</u>	<u>1,372,752</u>	<u>31,864,647</u>
Total capital assets being depreciated, net	<u>54,960,791</u>	<u>(21,216)</u>	<u>61,220</u>	<u>54,878,355</u>
Total discretely presented component units capital assets, net	<u>\$ 56,470,731</u>	<u>\$ 3,955</u>	<u>\$ 326,043</u>	<u>\$ 56,148,643</u>

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

Governmental activities:	
General government	\$ 1,133,726
Public safety	4,519,599
Highways and streets	2,223,235
Health and welfare	104,851
Urban redevelopment and housing	1,849,168
Culture and recreation	2,473,953
Subtotal	<u>12,304,532</u>
Internal Service Funds*	45,662
Total depreciation expense - governmental activities	<u>\$ 12,350,194</u>
Business-type activities:	
Water	\$ 10,130,989
Wastewater	13,287,376
Stormwater	2,323,224
Parking garages	245,006
Solid waste	678,400
Other	5,388
Total depreciation expense - business-type activities	<u>\$ 26,670,383</u>

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

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Note 4. Long-term Debt

A. Changes in Long-term Debt

During the year ended December 31, 2015, the following changes occurred in liabilities reported on the Statement of Net Position:

Primary government:

<u>Governmental Activities:</u>	Balance, 01/01/2015	Additions	Reductions	Balance, 12/31/2015	Due Within One Year
General obligation bonds	\$ 1,650,000	\$ -	\$ 310,000	\$ 1,340,000	\$ 315,000
Special obligation bonds	70,375,000	-	8,740,000	61,635,000	9,170,000
Compensated absences	9,177,797	3,931,681	3,846,641	9,262,837	7,975,877
First mortgage bonds	29,510,000	-	2,390,000	27,120,000	2,485,000
Capital leases	55,203,982	20,865,000	7,840,132	68,228,850	7,204,078
Notes and loans payable	6,858,460	-	503,460	6,355,000	455,000
Other postemployment benefits liability	20,868,779	10,305,985	4,490,711	26,684,053	-
Net pension liability (Notes 21 & 25)	261,018,811	-	1,755,602	259,263,209	-
Totals	\$ 454,662,829	\$ 35,102,666	\$ 29,876,546	\$ 459,888,949	\$ 27,604,955

<u>Business-type Activities:</u>	Balance, 01/01/2015	Additions	Reductions	Balance, 12/31/2015	Due Within One Year
Revenue bonds	\$ 322,710,000	\$ -	\$ 16,350,000	\$ 306,360,000	\$ 16,870,000
Compensated absences	2,195,581	2,077,947	2,121,658	2,151,870	1,356,472
Capital leases	1,408,120	-	382,646	1,025,474	401,345
Notes and loans payable	144,192,474	67,352,808	9,405,612	202,139,670	10,519,048
Net pension liability (Notes 21 & 25)	10,437,633	6,758,567	-	17,196,200	-
Totals	\$ 480,943,808	\$ 76,189,322	\$ 28,259,916	\$ 528,873,214	\$ 29,146,865

Discretely presented component units:

	Balance, 01/01/2015	Additions	Reductions	Balance, 12/31/2015	Due Within One Year
Lease rental revenue bonds payable	\$ 77,660,000	\$ -	\$ 3,690,000	\$ 73,970,000	\$ 3,580,000
Capital leases	21,550,000	-	1,287,500	20,262,500	1,330,000
Totals	\$ 99,210,000	\$ -	\$ 4,977,500	\$ 94,232,500	\$ 4,910,000

The major governmental funds – General, Highways and Streets, Parks and Fire, and the major proprietary funds – Water Utility, Wastewater Utility, Stormwater Utility are primarily used to liquidate the liability for compensated absences.

The major governmental funds – General, Highways and Streets, Parks and Fire, the major proprietary funds – Water Utility, Wastewater Utility, Stormwater Utility, and the pension trust funds are primarily used to liquidate the liability for net pension liability.

The major governmental funds – General, Highways and Streets, Parks and Fire are primarily used to liquidate the liability for other postemployment benefits.

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

B. Description of Bond Issues:

Primary government:

Governmental Activities:

General Obligation Bonds:	Balance, 12/31/2015	Due Within One Year	Premium (Discount)	Due In More Than One Year
\$3,100,000 2009 Park District Refunding Bonds due in installments of \$315,000 to \$355,000 plus interest through July 1, 2019; interest at 4.00 percent.	\$ 1,340,000	\$ 315,000	\$ 29,500	\$ 1,054,500

Special Obligation Bonds:	Balance, 12/31/2015	Due Within One Year	Premium (Discount)	Due In More Than One Year
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\$25,000,000 2005 Economic Development Income Tax Revenue Bonds due in installments of \$1,480,000 to \$1,510,000 plus interest through December 1, 2016; interest at 4.25 percent.	\$ 2,990,000	\$ 2,990,000	\$ 32,498	\$ 32,498
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\$3,310,000 Redevelopment District Revenue Bonds, Series 2005 A-1 due in installments of \$125,000 to \$155,000 through June 1, 2021; interest at 4.375 percent to 5.00 percent.	1,545,000	255,000	19,500	1,309,500
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\$6,690,000 Redevelopment District Revenue Bonds, Series 2005 A-2 due in installments of \$255,000 to \$330,000 through June 1, 2021; interest at 5.24 percent.	3,185,000	515,000	-	2,670,000
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\$10,000,000 Redevelopment District Revenue Bonds, Series 2005 B due in installments of \$585,000 to \$595,000 through December 1, 2016; interest at 4.125 percent.	1,180,000	1,180,000	3,966	3,966
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\$30,000,000 2009 Economic Development Income Tax Revenue Bonds due in installments of \$440,000 to \$1,015,000 plus interest through June 1, 2034; interest at 4.00 percent to 5.125 percent.	24,975,000	890,000	(391,262)	23,693,738
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\$30,000,000, 2014 Economic Development Income Tax Lease Rental Bonds due in installments of \$1,265,000 to \$2,350,000 plus interest through June 15, 2022; interest at 2.43 percent.	27,760,000	3,340,000	-	24,420,000
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Total Special Obligation Bonds	<u>\$ 61,635,000</u>	<u>\$ 9,170,000</u>	<u>\$ (335,298)</u>	<u>\$ 52,129,702</u>
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First Mortgage Bonds:	Balance, 12/31/2015	Due Within One Year	Premium (Discount)	Due In More Than One Year
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\$4,215,000 2005 First Mortgage Bonds due in installments of \$155,000 to \$185,000 plus interest through December 1, 2020; interest at 4.25 percent to 4.50 percent.	\$ 1,695,000	\$ 310,000	\$ -	\$ 1,385,000
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\$20,825,000, 2006 First Mortgage Bonds due in installments of \$1,500,000 to \$1,895,000 plus interest through December 15, 2022; interest at 4.62 percent to 5.01 percent.	11,995,000	1,500,000	-	10,495,000
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\$7,655,000, 2009 First Mortgage Bonds-Series 2009A due in installments of \$155,000 to \$815,000 plus interest through December 15, 2022; interest at 3.50 percent to 4.125 percent.	4,590,000	675,000	88,158	4,003,158
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\$8,840,000, 2009 First Mortgage Bonds-Series 2009B due in installments of \$690,000 to \$2,465,000 plus interest through December 15, 2029; interest at 5.60 percent to 6.37 percent.	8,840,000	-	-	8,840,000
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Total First Mortgage Bonds	<u>\$ 27,120,000</u>	<u>\$ 2,485,000</u>	<u>\$ 88,158</u>	<u>\$ 24,723,158</u>
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CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Business-type Activities:

Revenue Bonds:	Balance, 12/31/2015	Due Within One Year	Premium (Discount)	Due In More Than One Year
\$1,700,000 2001 Parking Garage Revenue Bonds due in installments of \$110,000 to \$140,000 plus interest through January 15, 2021; interest at 5.51 percent to 5.59 percent.	\$ 745,000	\$ 110,000	\$ -	\$ 635,000
\$5,800,000 2003 Water Works Revenue Bond due in installments of \$480,000 to \$505,000 plus interest through 2017; interest at 4.13 percent to 4.25 percent.	985,000	480,000	1,034	506,034
\$16,700,000 2005 Water Works Revenue Bond due in installments of \$1,590,000 to \$2,345,000 plus interest through 2019; interest at 4.00 percent to 4.13 percent.	7,835,000	1,590,000	10,331	6,255,331
\$17,000,000 2006 Stormwater Management District Revenue Bond due in installments of \$1,205,000 to \$1,500,000 plus interest through 2021; interest at 4.00 percent.	8,090,000	1,205,000	15,285	6,900,285
\$24,155,000 2007 Sewage Works Revenue Bonds of 2007, due in installments of \$1,100,000 to \$1,775,000 plus interest through 2027; interest at 4.50 percent to 4.75 percent.	16,895,000	1,100,000	(12,431)	15,782,569
\$41,045,000 2010 Sewage Works Revenue Bonds of 2010, due in installments of \$1,825,000 to \$3,135,000 plus interest through 2030; interest at 4.25 percent to 4.50 percent.	35,805,000	1,825,000	(155,160)	33,824,840
\$38,100,000 2011 Sewage Works Revenue Bonds of 2011, due in installments of \$2,635,000 to \$3,490,000 plus interest through 2026; interest at 2.8 percent.	32,915,000	2,635,000	-	30,280,000
\$15,530,000 2012 Sewage Works Revenue Bonds of 2012, due in installments of \$1,010,000 to \$1,295,000 plus interest through 2027; interest at 2.00 percent to 3.00 percent.	13,525,000	1,010,000	459,203	12,974,203
\$19,675,000 2012 Sewage Works Refunding Revenue Bonds of 2012, due in installments of \$1,960,000 to \$2,140,000 plus interest through 2022; interest at 1.45 percent.	14,335,000	1,960,000	33,266	12,408,266
\$40,000,000 2012 Water Works Revenue Bonds of 2012, due in installments of \$1,160,000 to \$2,975,000 plus interest through 2032; interest at 2.00 percent to 3.00 percent.	37,340,000	1,160,000	435,806	36,615,806
\$7,335,000 2013 Sewage Works Refunding Revenue Bonds of 2013, due in installments of \$1,365,000 to \$1,390,000 plus interest through 2018; interest at 1.00 percent.	4,130,000	1,365,000	-	2,765,000
\$32,955,000 2013 Sewage Works Revenue Bonds of 2013 Series A, due in installments of \$1,845,000 to \$4,060,000 plus unamortized debt premium of \$479,815 and interest through 2024; interest at 1.95 percent.	28,985,000	1,845,000	479,815	27,619,815
\$42,260,000 2013 Sewage Works Revenue Bonds of 2013 Series B, due in installments of \$4,165,000 to \$5,295,000 plus interest through 2033; interest at 3.50 percent to 3.63 percent.	42,260,000	-	-	42,260,000
\$63,000,000 2014 Water Works Revenue Bonds of 2014, due in installments of \$585,000 to \$5,730,000 plus interest through 2034; interest at 2.00 percent to 4.00 percent	62,515,000	585,000	1,342,780	63,272,780
Total Revenue Bonds	<u>\$ 306,360,000</u>	<u>\$ 16,870,000</u>	<u>\$ 2,609,929</u>	<u>\$ 292,099,929</u>

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Discretely presented component units:

	Balance, 12/31/2015	Due Within One Year	Premium (Discount)	Due In More Than One Year
Lease Rental Revenue Bonds:				
\$18,235,000 2007B Fort Wayne Redevelopment Authority Lease Rental Revenue Bonds due in installments of \$840,000 to \$1,450,000 plus interest through February 1, 2020; interest at 5.50 percent to 5.80 percent.	\$ 10,220,000	\$ 2,000,000	\$ (25,615)	\$ 8,194,385
\$25,135,000 2012 Fort Wayne Redevelopment Authority Lease Rental Revenue Refunding Bonds due in installments of \$1,305,000 to \$1,980,000 plus interest through February 1, 2028; interest at 3.00 percent to 5.00 percent.	20,915,000	1,305,000	1,688,950	21,298,950
\$24,970,000 2014 Fort Wayne Redevelopment Authority Lease Rental Revenue Refunding Bonds due in installments of \$250,000 to \$1,380,000 plus interest through February 1, 2034; interest at 3.00 percent to 5.00 percent	24,470,000	-	3,519,111	27,989,111
\$18,365,000 2014A Fort Wayne Redevelopment Authority Lease Rental Revenue Bonds due in installments of \$200,000 to \$900,000 plus interest through February 1, 2034; interest at 3.00 percent to 3.25 percent	18,365,000	275,000	52,594	18,142,594
Total Lease Rental Revenue Bonds	<u>\$ 73,970,000</u>	<u>\$ 3,580,000</u>	<u>\$ 5,235,040</u>	<u>\$ 75,625,040</u>

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

The special obligation bonds and first mortgage bonds are not backed by the full faith and credit of the City of Fort Wayne. The 2005 Series B and 2005 Park District Bonds, and in addition, the 2005, 2009 and 2014 Economic Development Income Tax Revenue Bonds, special obligation bonds, are secured by a pledge of the City's Economic Development Income Tax revenues. The special obligation bond section also includes the 2005 Series A-1 and A-2 redevelopment district revenue bonds that are an obligation of the redevelopment district whose boundaries and taxing district are within the City. The 2005, 2006, 2009 Series A, and 2009 Series B First Mortgage Bonds are secured by the pledge of the mortgaged property.

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

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

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

C. Debt Service Requirement to Maturity - Bonds

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

Primary government:

Governmental Activities:

Year Ended December 31	General Obligation			Special Obligation		
	Principal	Interest	Totals	Principal	Interest	Totals
2016	\$ 315,000	\$ 53,600	\$ 368,600	\$ 9,170,000	\$ 2,206,060	\$ 11,376,060
2017	330,000	41,000	371,000	5,940,000	1,906,637	7,846,637
2018	340,000	27,800	367,800	6,105,000	1,724,706	7,829,706
2019	355,000	14,200	369,200	6,305,000	1,538,236	7,843,236
2020	-	-	-	6,500,000	1,344,671	7,844,671
2021-2025	-	-	-	13,430,000	4,602,134	18,032,134
2026-2030	-	-	-	7,595,000	2,789,100	10,384,100
2031-2034	-	-	-	6,590,000	692,772	7,282,772
Total	<u>\$ 1,340,000</u>	<u>\$ 136,600</u>	<u>\$ 1,476,600</u>	<u>\$ 61,635,000</u>	<u>\$ 16,804,316</u>	<u>\$ 78,439,316</u>

Business-type Activities:

Year Ended December 31	First Mortgage			Revenue		
	Principal	Interest	Totals	Principal	Interest	Totals
2016	\$ 2,485,000	\$ 1,376,050	\$ 3,861,050	\$ 16,870,000	\$ 9,832,191	\$ 26,702,191
2017	2,590,000	1,269,743	3,859,743	17,435,000	9,360,404	26,795,404
2018	2,700,000	1,155,461	3,855,461	17,900,000	8,871,479	26,771,479
2019	2,830,000	1,032,401	3,862,401	18,405,000	8,363,807	26,768,807
2020	2,960,000	902,366	3,862,366	17,475,000	7,823,096	25,298,096
2021-2025	8,105,000	2,781,257	10,886,257	93,560,000	31,433,469	124,993,469
2026-2030	5,450,000	1,012,830	6,462,830	74,090,000	15,607,312	89,697,312
2031-2034	-	-	-	50,625,000	4,326,320	54,951,320
Total	<u>\$ 27,120,000</u>	<u>\$ 9,530,108</u>	<u>\$ 36,650,108</u>	<u>\$ 306,360,000</u>	<u>\$ 95,618,078</u>	<u>\$ 401,978,078</u>

Discretely presented component units:

Year Ended December 31	Lease Rental Revenue		
	Principal	Interest	Totals
2016	\$ 3,580,000	\$ 3,099,398	\$ 6,679,398
2017	4,150,000	2,920,619	7,070,619
2018	4,415,000	2,722,357	7,137,357
2019	4,820,000	2,506,255	7,326,255
2020	4,370,000	2,278,223	6,648,223
2021-2025	25,900,000	8,361,938	34,261,938
2026-2030	20,005,000	2,970,450	22,975,450
2031-2034	6,730,000	480,169	7,210,169
Total	<u>\$ 73,970,000</u>	<u>\$ 25,339,409</u>	<u>\$ 99,309,409</u>

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

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

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

D. Capital Leases Payable

The City has entered into the following capital leases:

Primary government:

Governmental activities:

Year	Description	Carrying Value
2007	Parking Garage	\$ 18,235,000
2011	Equipment	8,200,000
2012	Radios	5,570,506
2013	Equipment	6,100,000
2014	Baseball Stadium	24,970,000
2014	Equipment	7,000,000
2014	Fire Truck	950,000
2015	Equipment	2,500,000
2015	Parking Garage	18,365,000
	Totals	<u>\$ 91,890,506</u>

Business-type Activities:

Year	Description	Carrying Value
2011	Recycle Bin Containers	<u>\$ 2,700,000</u>

Discretely presented component units:

In 2003, the Allen County Fort Wayne Capital Improvements Board of Managers entered into a \$33,455,248 capital lease for expansion of the Grand Wayne Center.

The following is a schedule of minimum future lease payments and present values of the net minimum lease payments under these capital leases as of December 31, 2015:

Year Ended December 31	Primary Government		Discretely Presented Component Units
	Governmental Activities	Business-type Activities	
2016	\$ 9,414,289	\$ 427,640	\$ 2,187,000
2017	9,164,117	641,458	2,189,000
2018	8,652,647	-	2,191,000
2019	7,603,628	-	2,190,500
2020	4,640,754	-	2,188,000
2021-2025	23,964,000	-	10,458,000
2026-2030	17,006,000	-	5,128,500
2031-2034	7,243,000	-	-
Total minimum lease payments	87,688,435	1,069,098	26,532,000
Less amount representing interest	19,459,585	43,624	6,269,500
Present value of net minimum lease payments	<u>\$ 68,228,850</u>	<u>\$ 1,025,474</u>	<u>\$ 20,262,500</u>

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

E. Loans Payable

Annual debt service requirements to maturity for the loans as of December 31, 2015, are as follows:

Primary government:

<u>Governmental Activities</u>	<u>Balance, 12/31/2015</u>
The City borrowed \$1,140,000 in 1999 and refinanced it in 2003. Payments are due in installments of \$105,000 plus interest 5.07 to 5.19 percent through August 1, 2016. This loan is payable from the Community Development Block Grant Fund (non-major special revenue fund).	\$ 105,000
The City borrowed \$6,250,000 in 2008. Payments are due in installments of \$350,000 to \$400,000 plus interest between 4.33 percent and 5.38 percent through August 1, 2027. This loan is payable from the Community Development Block Grant Fund (non-major special revenue fund).	4,500,000
The City borrowed \$1,750,000 in 2013. Payments are due in installments of \$90,000 to \$125,000 plus variable interest through August 1, 2033. This loan is payable from the Community Development Block Grant Fund (non-major special revenue fund).	1,750,000
Total	\$ <u>6,355,000</u>

Business-type Activities

<u>Business-type Activities</u>	<u>Balance, 12/31/2015</u>
During 2005, 2009, 2011, 2012 and 2014 the City entered into finance assistance agreements with the State of Indiana's Wastewater Revolving Loan program that allows for a maximum of \$40,000,000, \$5,000,000, \$33,576,000, \$10,415,000 and \$17,000,000 in 2005, 2009, 2011, 2012 and 2014 respectively, for improvements at the Wastewater treatment facility. At December 31, 2015, \$40,000,000, \$5,000,000, \$33,576,000, \$10,415,000 and \$8,286,628 had been drawn down against the 2005, 2009, 2011, 2012 and 2014 agreements, respectively, resulting in unissued loan principal of \$8,713,372. The City does not intend to draw any more funds against either the 2005, 2009, 2011 and 2012 agreement. Payments are due in installments of \$2,000,000 to \$2,635,000 plus interest at 3.1 percent through 2025 for the 2005 agreement. Payments are due in installments of \$243,046 to \$248,547 plus interest at .16 percent through 2030 for the 2009 agreement. Payments are due in installments of \$1,476,000 to \$2,073,000 plus interest at 2.29 percent through 2031 for the 2011 agreement. Payments are due in installments of \$461,000 to \$612,000 plus interest at 1.78 percent through 2032 for the 2012 agreement. Payments are due in installments of \$737,000 to \$1,094,000 plus interest at 2.35 percent through 2033 for the 2014 Series A agreement. The following debt service requirements to maturity reflect the anticipated loan payments after the loans have been drawn completely.	\$ 71,490,432
During 2006, 2009, 2011 and 2014, the city participated in a shared loan arrangement through State of Indiana's State Revolving Fund Pooled Loan program. This program allows Indiana municipalities to collectively borrow funds under the AAA rating of the State of Indiana's credit worthiness as well as receive other financial benefits. Under this program, the City received \$31,900,000 in 2006 to invest in improvements to the Water Utility's infrastructure. Payments are due in installments of \$2,270,000 to \$2,755,000 plus interest at 3.95 percent through 2021. In 2009, the City received \$29,091,005 to invest in improvements in the Wastewater Utility's infrastructure. Payments are due in installments of \$1,178,002 to \$2,084,297 plus interest at 4.16 percent through 2030. In 2011, the City received \$26,906,000 to invest in improvements in the Water Utility's infrastructure. Payments are due in installments of \$1,214,000 to \$2,073,000 plus interest at 2.967 percent through 2031. In 2014, the City received \$65,887,000 to invest in improvements in the Wastewater Utility's infrastructure. Payments are due in installments of \$625,000 to \$2,012,000 plus interest at 3.074 percent through 2034 for the 2014 Series B arrangement and in installments of \$195,000 to \$350,000 plus interest at 3.074 percent for the 2014 Series C arrangement.	130,529,238
During 2009, the City entered into a finance assistance agreement with the State of Indiana's Wastewater Revolving Loan program in which the City received \$906,000 for the purchase of wastewater assets from the Town of Zanesville. The interest rate is 2.0 percent and matures at \$120,000 in 2016.	120,000
Total	\$ <u>202,139,670</u>

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Annual debt service requirements to maturity for the loans as of December 31, 2015, are as follows:

Year Ended December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	(Anticipated) Principal	(Anticipated) Interest	Totals
2016	\$ 455,000	\$ 281,281	\$ 736,281	\$ 10,519,048	\$ 6,286,539	\$ 16,805,587
2017	440,000	260,151	700,151	10,751,442	5,962,528	16,713,970
2018	440,000	243,354	683,354	11,105,875	5,629,301	16,735,176
2019	440,000	225,987	665,987	11,462,431	5,284,356	16,746,787
2020	440,000	207,250	647,250	11,847,201	4,927,594	16,774,795
2021-2025	2,400,000	721,078	3,121,078	59,431,640	19,339,939	78,771,579
2026-2030	1,370,000	190,143	1,560,143	65,557,405	10,291,661	75,849,066
2031-2034	370,000	26,948	396,948	30,178,000	1,754,839	31,932,839
Unissued	-	-	-	(8,713,372)	-	(8,713,372)
Total	<u>\$ 6,355,000</u>	<u>\$ 2,156,192</u>	<u>\$ 8,511,192</u>	<u>\$ 202,139,670</u>	<u>\$ 59,476,757</u>	<u>\$ 261,616,427</u>

F. Debt Refunding

On December 23, 2014 the Redevelopment Authority issued \$24,970,000 and placed the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds, until they are called for redemption on February 1, 2017. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. The outstanding bonds, at December 31, 2015, in the amount of \$24,970,000 are considered defeased.

Note 5. Operating Leases

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

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

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

Note 6. Deficit Fund Balances

The following funds have deficit fund balances at December 31, 2015:

Non-Major Debt Service fund - Deficit fund balance:	
Public Safety Academy	\$ 1,428,698
Non-Major Special Revenue funds - Deficit fund balance:	
Omnibus Crime	745
Emergency Shelter Grant	87,354
Parking Fund	<u>27,508</u>
Total Deficit fund balances	<u>\$ 1,544,305</u>

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

The deficit fund balances listed above will be eliminated in 2016 by a decrease in expenditures and an increase in revenues.

Note 7. Interfund Balances and Activity

A. Due To/From Other Funds

The composition of due to/from other funds as of December 31, 2015, is as follows:

Due To	Due From									
	General	Highways and Streets	CEDIT	Non-major Governmental	Water	Wastewater	Stormwater	Non-major Enterprise	Internal Service	Total
Governmental:										
General	\$ -	\$ -	\$ -	\$ -	\$ 15,319	\$ 10,109	\$ 902	\$ 25	\$ -	\$ 26,355
Community Legacy	-	-	-	-	-	-	5,416	-	-	5,416
Non-major Governmental	-	-	114,104	-	-	-	-	-	-	114,104
Proprietary:										
Water	1,319,145	245	77	6,618	-	-	-	438,968	69,474	1,834,527
Wastewater	2,227,998	1,528	112	9,320	-	-	-	642,587	53,602	2,935,147
Stormwater	742,232	-	41	3,422	-	-	-	235,350	17,423	998,468
Non-major Enterprise	87	-	1	74	-	-	-	5,289	40	5,491
Internal Service	-	-	-	-	1,049	984	3,205	-	-	5,238
Totals	<u>\$ 4,289,462</u>	<u>\$ 1,773</u>	<u>\$ 114,335</u>	<u>\$ 19,434</u>	<u>\$ 16,368</u>	<u>\$ 11,093</u>	<u>\$ 9,523</u>	<u>\$ 1,322,219</u>	<u>\$ 140,539</u>	<u>\$ 5,924,746</u>

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

B. Interfund Receivables/Payables

The following are reported in the fund financial statements:

<u>Receivable Fund</u>	<u>Payable Fund</u>
Governmental:	Proprietary:
Non-major Governmental	Water
<u>\$ 115,512</u>	\$ 70,976
	Wastewater
	7,908
	Stormwater
	36,601
	Non-major Enterprise
	27
	Total
	<u>\$ 115,512</u>

In 2012, the Utilities participated in the City's Commercial Master Lease in order to finance the purchase of rolling stock at a not to exceed value of \$1,322,000. The Utilities will repay the City with interest over the 5 year term of the lease. The \$115,512 represents the amount that the Utilities owes the City for its share of the Commercial Master Lease.

C. Interfund Receivables/Payables – Pooled Cash

The following are reported in the fund financial statements:

<u>Receivable Fund</u>	<u>Payable Fund</u>
Governmental:	Governmental:
Non-major Governmental	Community Legacy
<u>\$ 8,109,972</u>	\$ 5,793,185
	Non-major Governmental
	2,316,787
	Total
	<u>\$ 8,109,972</u>

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

D. Interfund Transfers:

Interfund transfers for the year ended December 31, 2015 in the fund financial statements were as follows:

Transfer From	Transfer To										Total
	General	Highways and Streets	CEDIT	Parks	Redevelopment	Community Legacy	Non-major Governmental	Wastewater	Stormwater	Non-major Enterprise	
Governmental:											
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,403,660	\$ -	\$ -	\$ -	\$ 3,403,660
CEDIT	4,709,612	-	3,430,388	-	1,499,029	15,745	3,959,283	-	-	-	13,614,057
Parks	-	-	-	1,689,818	-	-	-	-	-	-	1,689,818
Fire	-	-	75,000	-	-	-	-	-	-	-	75,000
Redevelopment	-	-	106,382	-	7,187,604	-	-	-	-	26,793	7,320,779
Non-major Governmental	69,348	-	-	-	228,264	-	24,589,054	-	-	-	24,886,666
Proprietary:											
Water	2,600,000	-	-	-	-	-	-	-	-	-	2,600,000
Wastewater	4,419,422	-	-	-	-	-	-	4,293,838	-	-	8,713,260
Stormwater	1,400,000	-	-	-	-	-	-	753	-	-	1,400,753
Non-major Enterprise	-	966,040	-	-	-	-	-	-	-	-	966,040
Total	\$ 13,198,382	\$ 966,040	\$ 3,611,770	\$ 1,689,818	\$ 8,914,897	\$ 15,745	\$ 31,951,997	\$ 753	\$ 4,293,838	\$ 26,793	\$ 64,670,033

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt payments become due, (3) use unrestricted revenues from the General fund and CEDIT fund to finance various programs accounted for in other funds in accordance with statutes or budgetary authorizations and (4) transfer of Stormwater Utility assets from the Wastewater Utility.

Note 8. Risk Management

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

Self Insurance

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

General and Auto Liability

The City is assuming the risk in this area up to the Indiana governmental tort liability limit of \$700,000 per occurrence and \$5,000,000 per aggregate. Funding levels are determined by a formula based on actuarially recommended minimums by type of risk. Interfund premiums are billed on a cost allocation basis most appropriate to type of risk involved, and are treated as interfund services provided and used. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

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(Continued)

Worker's Compensation Insurance

Indiana worker's compensation laws require the City to compensate an employee with partial temporary disabilities at a rate of 66 2/3% of the difference between the employee's average weekly wages before and after the accident. An excess policy covers individual claims in excess of \$250,000 per employee per injury. The risk of loss related to Police Officers and Firefighters is assumed separately from this fund, as defined under the Indiana Police and Fire Pension Fund laws.

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

At December 31, 2015, the total of the liabilities for the Worker's Compensation was \$237,627. 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
2014	\$ 539,662	\$ 158,251	\$ 466,438	\$ 231,475
2015	231,475	734,583	728,431	237,627

Group Health Insurance

An excess policy covers individual claims in excess of \$325,000 per year. In addition, the insurance company assumes the risk when total monthly claims exceed an amount based upon an aggregate monthly factor that averaged \$2,974,434 in 2015.

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

At December 31, 2015, the total of the liabilities for the Group Health Insurance was \$1,630,505. 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
2014	\$ 1,337,634	\$ 26,921,134	\$ 26,475,054	\$ 1,783,714
2015	1,783,714	26,480,085	26,633,294	1,630,505

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December 31, 2015
(Continued)

Note 9. Segment information

<u>Types of Goods or Services Provided:</u>	<u>2001 Parking Garage Addition</u>
	Used to account for revenues and expenses in connection with the joint City and County parking facility addition.

Condensed Statement of Net Position

Assets:	
Restricted cash and cash equivalents	\$ 48,585
Capital assets (net of accumulated depreciation)	<u>1,053,754</u>
Total assets	<u>1,102,339</u>
Liabilities:	
Current liabilities	140,223
Revenue bonds payable, net	<u>635,000</u>
Total liabilities	<u>775,223</u>
Net position:	
Net investment in capital assets	308,754
Restricted for: Debt service	<u>18,362</u>
Total net position	<u>\$ 327,116</u>

Condensed Statement of Revenues, Expenses, and Changes in Net Position

Operating income	\$ 220,099
Contractual services	(85,603)
Depreciation expense	<u>(42,150)</u>
Operating income	<u>92,346</u>
Nonoperating revenues (expenses):	
Interest expense	<u>(41,508)</u>
Change in net position	50,838
Total net position - beginning	<u>276,278</u>
Total net position - ending	<u>\$ 327,116</u>

Condensed Statement of Cash Flows

Net cash provided (used) by:	
Operating activities	\$ 144,125
Capital and related financing activities	<u>(144,125)</u>
Net increase in cash and cash equivalents	-
Cash and cash equivalents, January 1	<u>48,585</u>
Cash and cash equivalents, December 31	<u>\$ 48,585</u>

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Note 10. Other Postemployment Benefits

Single-Employer Defined Benefit Healthcare Plan

Plan Description

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

Funding Policy

The contribution requirements of plan members for the Fort Wayne Retiree Healthcare Plan are established by the City Council. The required contribution is based on projected pay-as-you-go financing requirements. For the year ended December 31, 2015, the City contributed \$4,490,711 to the plan.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The latest actuarial study was done as of December 31, 2015 with a December 31, 2016 projection. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the plan.

Annual required contribution	\$	10,710,241
Interest on net OPEB obligation		730,407
Adjustment to ARC		<u>(1,134,663)</u>
Annual OPEB cost		10,305,985
Contributions made		<u>4,490,711</u>
Increase in net OPEB obligation		5,815,274
Net OPEB obligation, beginning of year		<u>20,868,779</u>
Net OPEB obligation, end of year	\$	<u><u>26,684,053</u></u>

The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and the two preceding years were as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2015	\$ 10,305,985	44%	\$ 26,684,053
12/31/2014	10,262,890	47%	20,868,779
12/31/2013	8,065,287	46%	15,477,442

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Funding Status and Funding Progress

As of December 31, 2015, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$125,301,031 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$125,301,031. The covered payroll (annual payroll of active employees covered by the plan) was \$111,853,614 and the ratio of the UAAL to covered payroll was 112%.

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

Actuarial Methods and Assumptions

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

In the December 31, 2015, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included an annual healthcare cost trend rate of 10% initially, reduced by decrements to an ultimate rate of 5% after twenty one years. All inflation is covered under the health care cost trend rate and assumes a 2.5% rate. A 3.5% rate of return on investments is assumed. The UAAL is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at December 31, 2015, was 20 years.

The mortality assumption was updated in the December 31, 2015 actuarial valuation. The prior assumption used the RP-2014 Total Data Set Mortality tables projected on a generational basis using Scale MP-2014. The current assumption projects the RP-2014 Total Data Set Mortality back to 2006 using Scale MP-2014, then projects forward on a generational basis using Scale MP-2015.

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, 2015, there were 11 series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for 10 series issued after July 1, 1985 was \$27,791,402. The aggregate principal amount payable for the one series issued prior to July 1, 1985, could not be determined; however, the original issue amount was

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\$8,452,000. The City has been notified that the borrower of the \$3,396,000 issue series failed to maintain its Fixed Charge Coverage Ratio above the level required by the Bond Purchase and Loan Agreement. The Borrower is expected to resolve this issue in a timely manner.

Note 12. Restricted Assets

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

Debt Service Reserve

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

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

Sinking Fund

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

Monthly deposits into sinking fund accounts of both the Water and Stormwater Utilities' net revenues are required to be in an amount equal to at least 1/6 of the next semi-annual interest payments and 1/12 of the next annual principal payments. Upon meeting certain minimum balance requirements, transfers may be made to unrestricted cash accounts.

Surety bonds purchased by the Utilities cover the Waterworks and Stormwater Reserve Accounts requirements.

Debt Service Reserve

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

Prior to 2009, all Utility revenue bonds' debt service reserves were funded through surety bond insurance except the Sewage Works Junior Revenue Bonds of 1998 A and 1998 B which were cash funded. As a result of the financial crisis that occurred in late 2008 – early 2009 and up to and including 2013, the surety bond insurers failed to maintain their AAA/Aaa rating. While still insured, this failure to maintain AAA/Aaa ratings required the Utilities to cash fund the debt service reserve accounts for the affected revenue bonds. As of December 31, 2015, all surety bond insurance for Waterworks and Sewage Works Revenue Bonds have been replaced with cash funded debt service reserves as required by bond ordinance.

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

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(Continued)

Construction

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

Customer Deposits

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

Connection Fees

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

Septic Elimination Program

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

Restricted assets at year-end consisted of the following:

Asset Type/Account	Governmental Funds			Enterprise Funds					Total
	CEDIT	Community Legacy	Total	Water Utility	Wastewater Utility	Stormwater Utility	Other Non-major Enterprise Funds	Total	
Cash and cash equivalents									
Sinking fund	\$ -	\$ -	\$ -	\$ 1,015,902	\$ 12,242,402	\$ 636,917	\$ -	\$ 13,895,221	
Debt service reserve	2,082,484	-	2,082,484	7,102,658	25,853,150	-	48,585	33,004,393	
Construction	-	-	-	2,083,689	62,030,252	-	-	64,113,941	
Customer deposits	-	-	-	1,541,580	-	-	-	1,541,580	
Connection fees	-	-	-	-	101,847	-	-	101,847	
Septic elimination program	-	-	-	-	2,037,672	-	-	2,037,672	
Total	2,082,484	-	2,082,484	11,743,829	102,265,323	636,917	48,585	114,694,654	
Investments									
Construction	-	-	-	-	10,000,000	-	-	10,000,000	
Debt service reserve	-	10,000,000	10,000,000	5,088,159	5,088,159	-	-	10,176,318	
Total Restricted Assets	\$ 2,082,484	\$ 10,000,000	\$ 12,082,484	\$ 16,831,988	\$ 117,353,482	\$ 636,917	\$ 48,585	\$ 134,870,972	

Note 13. Lease and Subsequent Installment Sale of Electric Utility Assets

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

On October 28, 2010, the City entered into an agreement to transfer the remaining Electric Utility assets to the private electric utility (Transferee) which had previously leased the assets for 35 years under a lease agreement that expired on February 28, 2010. On August 10, 2011, the Indiana Utility Regulatory Commission approved the transfer agreement. Under the terms of the transfer agreement, the City transferred ownership of the remaining leased Electric Utility assets, relinquished the right to buy back any betterments under the expired lease and will never again supply electricity within the City of Fort Wayne. The Transferee, in exchange for the remaining

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Electric Utility assets and the right to be the exclusive supplier of electricity, paid an initial payment of \$5,786,270. The City paid \$555,000 to the Transferee for products and services provided to the City under the previous lease. The Transferee also agreed to pay to the City annual payments as per the following table:

Annual Amount	Period	Period Totals	Amount Received	Future Payments
\$ 1,740,000	3/1/10 to 2/28/13	\$ 5,220,000	\$ 5,220,000	\$ -
2,200,000	3/1/13 to 2/28/16	6,600,000	6,416,667	183,333
2,400,000	3/1/16 to 2/28/21	12,000,000	-	12,000,000
2,600,000	3/1/21 to 2/28/25	10,400,000	-	10,400,000
Totals		<u>\$ 34,220,000</u>	<u>\$ 11,636,667</u>	<u>\$ 22,583,333</u>

For accounting purposes, the asset transfer is being treated as an installment sale. As of December 31, 2015, total future payments are \$22,583,333, which is reported as Installments receivable.

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

Note 14. City of Fort Wayne Community Legacy Fund

City Council established the Community Trust Fund in 1975 to account for a portion of the proceeds received from a private utility leasing the assets of the Electric Utility. The lease of the Electric Utility expired on February 28, 2010. The trust received its final \$270,000 annual deposit in May, 2009 and is no longer entitled to future lease revenues or sales proceeds under the 1975 authorizing ordinance.

Under the provisions of the 1975 authorizing ordinance, the corpus of the trust was free from invasion as long as the lease was in force. However, as long as certain provisions were met, including approval by the citizens of Fort Wayne, the City Council had the ability to amend this ordinance and permit invasion of the trust corpus.

In November 2012, the City Council amended the original 1975 authorizing ordinance since there was an approved settlement agreement between the private electric utility and the City of Fort Wayne Electric Utility (see Note 13). The amended ordinance requires that the settlement funds be placed into the Community Legacy Fund (renamed from the Fort Wayne Community Trust) to be used for transformational investment and to leverage additional resources.

Note 15. Net Investment in Direct Financing Lease

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

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

Year	Amount
2016	\$ 40,803
Total Minimum Lease Payments	40,803
Less: Unearned Interest Income	(670)
Net Investment in Direct Financing Lease	<u>\$ 40,133</u>

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Note 16. Unearned Revenue

The City reports the following unearned revenue balances in the governmental funds as of December 31, 2015:

	Intergovernmental	Installment Interest	Miscellaneous Other	Due from Capital Improvements Board	Total
Parks	\$ -	\$ -	\$ 37,542	\$ -	\$ 37,542
Redevelopment	-	-	-	6,500,000	6,500,000
Community Legacy	-	6,775,824	-	-	6,775,824
Other Non-major Governmental	20,322	-	-	-	20,322
Total	\$ 20,322	\$ 6,775,824	\$ 37,542	\$ 6,500,000	\$ 13,333,688

Note 17. Deferred Outflows of Resources

The City reports the following balances of deferred outflows of resources in the Statement of Net Position as of December 31, 2015:

	Governmental Activities	Business-type Activities	Total	Component Units
Debt refunding loss	\$ -	\$ 306,415	\$ 306,415	\$ 3,060,086
Outflow s of resources related to pledge payable to primary government	-	-	-	6,500,000
Outflow s of resources related to pensions (See Note 25)	31,247,601	7,338,865	38,586,466	9,705,194
Total	\$ 31,247,601	\$ 7,645,280	\$ 38,892,881	\$ 19,265,280

Note 18. Deferred Inflows of Resources

The City reports the following balances of deferred inflows of resources in the Statement of Net Position as of December 31, 2015:

	Governmental Activities	Business-type Activities	Total	Component Units
Inflows of resources related to pensions (See Note 25)	\$ 30,840,717	\$ 1,661,845	\$ 32,502,562	\$ 239,892

The City reports the following deferred inflows of resources balances in the governmental funds as of December 31, 2015:

	Taxes	Direct Financing Lease	Assessments	Intergovernmental	Total
General	\$ 7,378,641	\$ 40,133	\$ -	\$ 28,230	\$ 7,447,004
CEDIT	4,502,615	-	-	-	4,502,615
Parks	629,260	-	-	-	629,260
Fire	1,756,303	-	-	-	1,756,303
Redevelopment	28,761	-	-	-	28,761
Other Non-major Governmental	901,103	-	377,055	903,807	2,181,965
Total	\$ 15,196,683	\$ 40,133	\$ 377,055	\$ 932,037	\$ 16,545,908

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Note 19. Fund Balance Classification

City's governmental fund balances as of December 31, 2015 are classified as below:

	General	Highways and Streets	CEDIT	Parks	Fire	Redevelopment	Community Legacy	Non-major Governmental Funds	Totals
<u>Nonspendable fund balance</u>									
Economic development:									
Non current loan receivables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,560	\$ 4,560
Urban redevelopment and housing:									
Non current loan receivables	-	-	-	-	-	-	-	5,894,880	5,894,880
Assets held for resale	-	-	-	-	-	18,225,509	-	5,696,238	23,921,747
Total nonspendable fund balance	-	-	-	-	-	18,225,509	-	11,595,678	29,821,187
<u>Restricted fund balance</u>									
General government	-	-	-	-	-	-	-	75,759	75,759
Public safety	-	-	-	-	-	-	-	1,291,728	1,291,728
Highways and streets	-	-	-	-	-	-	-	24,388	24,388
Health and welfare	-	-	-	-	-	-	-	1,158,544	1,158,544
Economic development	-	-	-	-	-	-	-	594,266	594,266
Urban redevelopment and housing	-	-	-	-	-	-	-	1,526,834	1,526,834
Total restricted fund balance	-	-	-	-	-	-	-	4,671,519	4,671,519
<u>Committed fund balance</u>									
General government:									
Street and road infrastructure	151,961	-	-	-	-	-	-	2,187,699	2,339,660
Telephone system upgrade	38,968	-	-	-	-	-	-	-	38,968
General Motors IEDC Grant	-	-	3,205,250	-	-	-	-	-	3,205,250
Other	6,980	-	-	-	-	-	-	893,630	900,610
Highways and streets:									
Street and road infrastructure	-	-	321,566	-	-	-	31,835	739,822	1,093,223
Ewing/Fairfield road conversion	-	-	-	-	-	-	1,837	-	1,837
Trail development	-	-	-	-	-	-	13,089	-	13,089
Neighborhood infrastructure	-	-	-	-	-	-	32,239	-	32,239
Economic development:									
Gateways	-	-	-	-	-	-	6,780	-	6,780
Strategic, marketing and incentive funds	-	-	9,210	-	-	-	3,000,000	-	3,009,210
Skyline Parking Garage	-	-	-	-	-	2,024,090	-	-	2,024,090
Other	105,539	-	156,241	-	-	-	-	-	261,780
Culture and recreation:									
Educational services	-	-	-	-	-	-	81,557	-	81,557
Parks property maintenance and operation	-	-	-	651,000	-	-	-	-	651,000
Urban redevelopment and housing:									
Tax increment financing districts	-	-	-	-	-	1,328,414	-	-	1,328,414
Total committed fund balance	303,448	-	3,692,267	651,000	-	3,352,504	3,167,337	3,821,151	14,987,707
<u>Assigned fund balance</u>									
General government:									
City-County permit system implementation	68,546	-	-	-	-	-	-	-	68,546
Betterments	225,425	-	-	-	-	-	-	-	225,425
Vehicle and equipment replacements	-	-	-	-	-	-	-	802,512	802,512
Technology upgrades	-	-	-	-	-	-	-	498,165	498,165
Neighborhood improvements	-	-	-	-	-	-	-	2,215,480	2,215,480
Debt reserves	-	-	-	-	-	-	-	14,273,687	14,273,687
Other	96,391	-	-	-	-	-	-	792,243	888,634
Public safety:									
Law enforcement training	-	-	-	-	-	-	-	1,766,296	1,766,296
Code enforcement	-	-	-	-	-	-	-	6,359,655	6,359,655
City-County communications operations	-	-	-	-	-	-	-	1,241,092	1,241,092
Other	48,743	-	-	-	2,383,627	-	-	47,074	2,479,444
Highways and streets:									
Street and road infrastructure	-	-	68,326	-	-	-	-	310,354	378,680
Debt reserves	-	-	2,082,484	-	-	-	-	-	2,082,484
Trail development	-	-	-	-	-	-	5,606	-	5,606
Operations	15,539	4,519,507	-	-	-	-	-	-	4,535,046
Health and welfare	17,466	-	-	-	-	-	-	-	17,466
Economic development:									
Downtown over/under passes	-	-	-	-	-	-	12,000	-	12,000
Gateways	-	-	185,450	-	-	-	4,522	-	189,972
Community legacy transformation projects	-	-	-	-	-	-	51,356,597	-	51,356,597
Strategic, marketing and incentive funds	-	-	4,505,165	-	-	-	-	-	4,505,165
Other	695	-	92,341	-	-	-	-	30,146	123,182
Culture and recreation:									
Parks property maintenance and operation	-	-	-	4,624,670	-	-	-	-	4,624,670
Urban redevelopment and housing:									
Tax increment financing districts	-	-	-	-	-	14,194,184	-	-	14,194,184
Harrison square stadium maintenance	-	-	-	-	-	1,784,486	-	-	1,784,486
Harrison square parking garage operations	-	-	-	-	-	28,544	-	-	28,544
Renaissance pointe development	-	-	-	-	-	-	-	151,258	151,258
Debt service	-	-	-	-	-	6,451,076	-	-	6,451,076
Other	-	-	-	-	-	1,542,731	-	7,079	1,549,810
Total assigned fund balance	472,805	4,519,507	6,933,766	4,624,670	2,383,627	24,001,021	51,378,725	28,495,041	122,809,162
<u>Unassigned fund balance</u>	5,903,572	-	-	-	-	-	-	(1,544,305)	4,359,267
Total fund balance	\$ 6,679,825	\$ 4,519,507	\$ 10,626,033	\$ 5,275,670	\$ 2,383,627	\$ 45,579,034	\$ 54,546,062	\$ 47,039,084	\$ 176,648,842

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Note 20. Redevelopment Authority

Grand Wayne Center Expansion Project

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

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

The CIB will report on their financial statements a Capital lease payable, which is the net present value of the lease payable at December 31, 2015. The Redevelopment Authority will report on their financial statements Lease rental revenue bonds payable, which is the net amount of the lease rental revenue bonds and bond premium due at December 31, 2015.

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

Harrison Square Project

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

Skyline Parking Garage Project

The RA is also the financing entity chosen to finance the construction of the Skyline Parking Garage Project (SPG), which will support an urban mixed use building consisting of the SPG, certain office space, retail space to be constructed at street level, high rise residential space and residential townhomes to be constructed at street level, and to pay capitalized interest and all 2014A bond issuance expenses. The RC has transferred title for the SPG real estate to the RA.

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The RA has issued tax exempt lease revenue rental bonds secured by a lease of SPG to the RC. The RC will make lease payments directly to the Bond Trustee on behalf of the RA to cover expenses and debt service. Funding for the lease payments will be from tax increment revenues collected in the Civic Center Urban Renewal Area, along with other revenues made available to the RC. Additionally, the Allen County Capital Improvements Board (CIB) has pledged \$6.5 million over ten years to the debt service. When the lease rental revenue bonds are retired in 2034 or sooner, the RA will transfer title of the SPG to the RC.

Note 21. Restatement – Change in Accounting Principle

Net position as of January 1, 2015, has been restated as follows for the implementation of GASB Statement No. 68, as amended by GASB Statement No. 71:

	Governmental Activities	Business-type Activities	Total
Net position, previously reported at December 31, 2014	\$ 667,379,281	\$ 532,963,406	\$ 1,200,342,687
Prior period adjustment:			
Net pension asset	2,805,462	-	2,805,462
Net pension liability	(261,018,811)	(10,437,633)	(271,456,444)
Net pension obligation	90,319,002	-	90,319,002
Deferred outflows of resources related to pensions:			
Differences between expected and actual experience	441,955	-	441,955
Net difference between projected and actual Investment earnings on pension plan investments	1,288	-	1,288
Change in assumptions	1,118,351	-	1,118,351
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	147,317	147,317
Employer contributions subsequent to the measurement	5,922,157	1,407,008	7,329,165
Deferred inflows of resources related to pensions:			
Differences between expected and actual experience	(653,789)	(46,837)	(700,626)
Net difference between projected and actual Investment earnings on pension plan investments	(14,595,057)	(2,028,483)	(16,623,540)
Changes in proportion and differences between employer contributions and proportionate share of contributions	(475,471)	(8,463)	(483,934)
Total prior period adjustment	(176,134,913)	(10,967,091)	(187,102,004)
Net position, restated at January 1, 2015	\$ 491,244,368	\$ 521,996,315	\$ 1,013,240,683

Note 22. Commitments and Contingencies

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

Consent Decree

The Utilities' combined storm and sanitary sewer system does not comply with federal Clean Water regulations. After several years of negotiations with the Environmental Protection Agency (EPA) and Indiana Department of Environmental Management (IDEM), the EPA lodged a Consent Decree with the federal court on December 28, 2007. The Consent Decree became effective April 1, 2008.

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Under the terms and conditions of the Consent Decree, the Utilities committed to reduce the number of combined sewer overflow (CSO) days in a typical year to one day on the St. Joseph River and four days on the St. Mary's and Maumee Rivers. The infrastructure cost to reduce the number of CSO events is approximately \$240 million, concluding in 2025. The Utilities also agreed to eliminate three known sanitary sewer overflows at an estimated combined cost of \$31 million by specific dates noted in the Consent Decree. Additionally, the Utilities committed to maintain the entire sewer system to performance standards prescribed in the Utilities' Long-Term Control Plan incorporated by reference into the Consent Decree. The Consent Decree further provides for stipulated penalties for failure to achieve specified construction milestones, reporting deadlines or maintenance objectives. The Utilities are in full compliance with the Consent Decree's terms and conditions.

Aqua Agreement

As part of the Asset Acquisition Agreement (AAA) executed December 4, 2014, the City shall pay \$2.75 per thousand gallons of sewage conveyed to Aqua Indiana, Inc. a minimum of \$1,505,625 per year for each of the first 5 years after the effective date. The effective date is the latest of the following dates: 1) the effective date of approval by the Indiana Utility Regulatory Commission, 2) The effective date of the approval by IDEM in a manner and upon discharge parameters that are consistent with the Preliminary National Pollutant Discharge Elimination System (NPDES) Standards, or 3) the date of the Purchased Assets Closing, as defined in the AAA. The effective date will be item 3, December 4, 2014. The rate and minimum shall be adjusted by a Consumer Price Index (CPI) escalator and will cover an additional 5 years. For years 11 through 15, the rate will escalate by a CPI escalator and the annual minimum shall be \$120,000 per year.

Other

The Utilities have entered into many contracts for various construction projects. Remaining contract payments as of December 31, 2015 for each utility are as follows:

Water Utility	\$ 1,201,064
Wastewater Utility	6,716,411
Stormwater Utility	94,143
Admin Utility	<u>104,441</u>
	<u>\$ 8,116,059</u>

Note 23. Subsequent Events

On February 23, 2016 the Common Council of Fort Wayne approved an addendum to lease for certain local public improvements (Skyline Project) between the Fort Wayne Redevelopment Commission and the Fort Wayne Redevelopment Authority, as approved by the Redevelopment Commission. Per the resolution, the maximum aggregate principal amount shall not exceed \$4,100,000.

On March 8, 2016 the Common Council of Fort Wayne authorized the City of Fort Wayne, Indiana to issue Multifamily Housing Revenue Bonds, Series 2016 (Lillie Gardens Project). The purpose of this issuance is to finance, reimburse or refinance the costs of acquisition, construction, renovation, installation and equipping of economic development facilities in order to foster diversification of economic development and creation or retention of opportunities for gainful employment in or near the City of Fort Wayne. Per the ordinance, the maximum aggregate principal amount shall not exceed \$5,000,000.

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On April 12, 2016 the Common Council of Fort Wayne approved the City of Fort Wayne, Indiana to finance the purchase of various vehicles and equipment. Per the ordinance, all vehicles and equipment shall not exceed the gross cost, excluding financing costs, of \$9,750,000.

On April 26, 2016 the Common Council of Fort Wayne approved the Refunding Program for outstanding First Mortgage Bonds, Series 2006, issued in 2006 by the Fort Wayne Municipal Building Corp. to finance the construction of the Public Safety Academy, purchase equipment and cover the financing costs of the bonds.

On May 24, 2016 the Common Council of Fort Wayne approved the creation of a debt service reserve fund from the City of Fort Wayne Community Legacy Fund in connection with the Refunding Program for the outstanding Lease Rental Bonds issued in 2006 by the Fort Wayne Municipal Building Corp. to finance the construction of the Public Safety Academy, purchase equipment and cover the financing costs of the bonds.

On May 24, 2016 the Common Council of Fort Wayne approved the sales purchase agreement for unleaded gas in 2017 and 2018. The purchasing agreement is between the City of Fort Wayne, Indiana and Lassus Bros Oil, Inc. The total cost of Unleaded Gas through this agreement is \$2,827,500.

On May 24, 2016 the Common Council of Fort Wayne approved the establishment of a LOIT Special Distribution Fund. The purpose of this fund is for the receipting, holding, accounting for, administering and appropriating the restricted portion of funds to be used for infrastructure in connection with the one-time special distribution of COIT/CEDIT funds.

On May 24, 2016 the Common Council of Fort Wayne approved the refinancing on the Sewage Works SRF Revenue Bonds of 2005 and the Sewage Works Revenue Bonds of 2007. Additionally, they authorized the amending of the 2014 bond ordinance to include additional projects.

Note 24. Net Investment in Capital Assets

As of December 31, 2015, Net Investment in capital assets is calculated as follows:

	Governmental Activities	Business-type Activities	Total
Net capital assets	\$ 769,327,214	\$ 915,156,020	\$ 1,684,483,234
Less:			
Total capital leases payable	(68,228,850)	(1,025,474)	(69,254,324)
Total notes and loans payable	(6,355,000)	(202,139,670)	(208,494,670)
Total general obligation bonds payable, net	(1,369,500)	-	(1,369,500)
Total special obligation bonds payable, net	(61,299,702)	-	(61,299,702)
Total first mortgage bonds payable, net	(27,208,158)	-	(27,208,158)
Total revenue bonds payable, net	-	(308,969,929)	(308,969,929)
Add:			
Debt not related to capital assets	6,355,000	345,522	6,700,522
Unspent bond/loan proceeds	20,149,168	74,113,941	94,263,109
Net Investment in capital assets	\$ 631,370,172	\$ 477,480,410	\$ 1,108,850,582

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Note 25. Pension Plans

A. Single-Employer Defined Benefit Pension Plans

1. 1937 Firefighters' Pension Plan

Plan Administration

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 pension board consists of eight members, which include the Mayor, the Fire Chief, the Pension Secretary, four trustees elected from active members, and one trustee elected from retired members. The plan was established and may be amended by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Benefits Provided

The plan provides retirement, disability, and death benefits to plan members and beneficiaries. Benefits are provided either through a life annuity or a joint and survivor annuity with 60% continuation to the surviving beneficiary. The benefit provisions of the 1937 Firefighters' Pension Plan for non-converted members are set forth in Indiana Code 36-8-7. The benefit provisions for converted members are set forth in Indiana Code 36-8-8. Unless specifically denoted, provisions for converted and non-converted members are the same. All full-time, fully-paid firefighters who were hired before May 1, 1977 or rehired between April 30, 1977 and February 1, 1979 are eligible participants. The pension plan is closed to new entrants.

Eligibility for annuity benefits is as follows. Non-converted members of any age with twenty or more years of creditable service and converted plan members who are age fifty-two with twenty or more years of creditable service are eligible for normal benefits. Normal retirement benefits are calculated at 50% of the base salary of a First Class Firefighter, plus an additional 1% for each completed six months of service over twenty years up to a maximum of 74% with 32 years of service.

Non-converted plan members of any age with twenty or more years of creditable service and converted plan members age fifty with twenty years or more of creditable service are eligible to receive early retirement benefits. Early retirement benefits are unreduced for unconverted plan members. Early retirement benefits are reduced by 7% per year for converted plan members between ages fifty and fifty-two. Late retirement benefits are calculated in the same manner as normal retirement benefits.

Disability retirement benefits are equal to a sum determined by a disability medical panel, but not exceeding 55% of the monthly salary (with longevity pay) of a First Class Firefighter. If a member has more than twenty years of service, the disability benefit, if greater, will be equal to the pension the member would have received if the member had retired on the date of disability. For converted plan members, the disability benefit is equal to the benefit the member would have received if the member had retired. If a converted member does not have twenty years of service or is not at least age fifty-two on the date of disability, the benefit is computed as if the member does have twenty years of service and is age fifty-two at the date of disability.

Pre-retirement death benefits vary for converted and non-converted plan members and depending upon whether or not the death is considered in the line of duty or not in the line of duty. Such benefits range from 20-50% of a First Class Firefighter's salary, with longevity, or

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from 55-100% of the monthly benefit the member was receiving, or was entitled to receive, on the date of death. Pre-retirement death benefits are payable to the surviving spouse, children and dependent parents of plan members provided they meet eligibility guidelines. A one-time funeral death benefit is paid to the heirs or estate upon a member's death from any cause and is equal to at least \$12,000. An additional benefit of \$150,000 is paid from the Pension Relief Fund to a surviving spouse, children, or parent(s) if death occurs in the line of duty.

Non-converted members are entitled to the normal retirement benefit described above if termination occurs after earning twenty years of service. If termination occurs before completing twenty years of service, no benefits are payable. Converted members are entitled to the accrued retirement benefit determined as of the termination date and payable commencing on the normal retirement date. If termination occurs before completing twenty years of service, the member shall be entitled to the member's contributions plus accumulated interest.

Benefits for non-converted retired members are increased annually based on increases in the First Class Firefighter's salary as approved by the employer. Converted retired member benefits are increased annually based on increases in the CPI-U index. The increase is subject to a 3% maximum and 0% minimum.

Deferred Retirement Option Plan

The Deferred Retirement Option Plan (DROP) is an optional form of benefit, which allows members who are eligible for an unreduced retirement benefit to continue to work and earn a salary while accumulating a DROP benefit. A member who elects to enter the DROP shall execute an irrevocable election to retire on the DROP retirement date. The member shall select a DROP retirement date not less than 12 months and not more than 36 months after the member's DROP entry date. While in the DROP, the member shall continue to make applicable fund contributions. When a member enters the DROP, a "DROP frozen benefit" will be calculated. Members of the DROP are eligible to receive a lump sum equal to the amount of the DROP frozen benefit multiplied by the number of months in the DROP. A member may elect to receive this amount in three annual installments instead of a single lump sum. In addition, the member will receive a monthly retirement benefit equal to the DROP frozen benefit. Forms of payment include a single life annuity or a joint annuity with 60% survivor benefits. A member, upon retirement, may elect to forgo DROP benefits and instead receive monthly retirement benefits calculated as if the member never elected to participate in the DROP. There is no balance of amounts held by the pension plan pursuant to the DROP.

Plan membership

Plan membership at December 31, 2015, consisted of the following:

Retirees and beneficiaries currently receiving benefits	244
Active employees - vested	-
Active employees - nonvested	-
Total	244

Contributions

Plan members are required by state statute (IC 36-8-7-8) to contribute an amount equal to six percent (6%) of the salary of a First Class Firefighter until they have completed thirty-two years of service.

Actuarial valuations are performed annually for the 1937 Firefighters' Pension Plan. Benefits to

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members of the Plan are funded on a pay-as-you-go basis by certain revenues and appropriations from the State of Indiana to the Pension Relief Fund. The Pension Relief Fund has been created within the Indiana Public Retirement System (INPRS) and is administered by INPRS and is used as a temporary holding account for collecting State revenues and appropriations before funds are distributed to employers. Amounts required to pay benefits are distributed from the fund to the City. The City has recognized these on-behalf payments of \$6,660,282 during 2015 as contributions and benefit payments in the Fire Pension Fund.

Investments

The pension plan's investment policy is consistent with the overall policy of the City as described in Note 2. – Deposits and Investments. The plan held no investments during the reporting period.

Net Pension Liability

Standard actuarial techniques were used to roll forward the total pension liability computed as of December 31, 2014 to the December 31, 2015 measurement date. The components of the net pension liability of the 1937 Firefighters' Pension Plan at December 31, 2015, were as follows:

Total pension liability	\$ 97,236,693
Plan fiduciary net position	<u>(344,593)</u>
Net pension liability	<u>\$ 96,892,100</u>

Plan fiduciary net position as a percentage of the total pension liability	0.35%
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Actuarial Assumptions

The actuarial assumptions used in the December 31, 2015 valuation were selected and approved by the INPRS Board of Trustees and are consistent with the results of an experience study completed in April 2015, which reflects the experience period beginning July 1, 2010 and ending June 30, 2014.

The actuarial assumptions for the December 31, 2015 valuation were generally unchanged from the prior year, except that the interest rate increased from 2.56% for the December 31, 2014 valuation to 2.59% for the December 31, 2015 valuation. This rate is equal to the Barclay's 20 year Municipal Bond Index as of December 31, 2015.

The total pension liability was determined by an actuarial valuation as of December 31, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.50%
Cost-of-living increases	
Non-converted	2.50%
Converted	2.00%

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with mortality improvement since 2006 using scale MP-2014 removed and projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection shown in the Social Security Administration's 2014 Trustee Report.

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The actuarial cost method used for computing the total pension liability is the Entry Age Normal - Level Percent of Payroll method. The normal cost is calculated separately for each active member and is equal to the level percentage of payroll needed as an annual contribution from entry age to retirement age to fund projected benefits. The actuarial accrued liability on any valuation date is the accumulated value of such normal costs from entry age to the valuation date.

Discount Rate

The discount rate is set equal to the Barclay's 20-year Municipal Bond Index rate of 2.59% as of December 31, 2015. The discount rate increased from the 2.56% used for the December 31, 2014 calculation of the net pension liability. The projection of cash flows used to determine the discount rate considered the fact that the on-behalf contributions made by the State of Indiana are made as benefit payments become due for payment.

Based on those assumptions, the pension plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current active and inactive employees.

Schedule of Changes in Net Pension Liability(Asset)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability(Asset)
Balance at December 31, 2014	\$ 102,675,980	\$ 444,263	\$ 102,231,717
Changes for the year:			
Service cost	-	-	-
Interest cost	2,538,721	-	2,538,721
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(948,708)	-	(948,708)
Assumption changes	(295,225)	-	(295,225)
Contributions - employer	-	-	-
Contributions - employee	-	-	-
Projected benefit payments	(6,734,075)	-	(6,734,075)
Non-employer contributing entity contributions	-	6,660,281	(6,660,281)
Net investment income	-	308	(308)
Benefit payments, including refunds and employee contributions	-	(6,734,075)	6,734,075
Administrative expense	-	(26,184)	26,184
Net changes	<u>\$ (5,439,287)</u>	<u>\$ (99,670)</u>	<u>\$ (5,339,617)</u>
Balance at December 31, 2015	<u>\$ 97,236,693</u>	<u>\$ 344,593</u>	<u>\$ 96,892,100</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following represents the net pension liability of the City, calculated using the discount rate of 2.59%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.59 percent) or 1-percentage point higher (3.59 percent) than the current rate:

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	1% Decrease (1.59%)	Current Rate (2.59%)	1% Increase (3.59%)
Net Pension Liability	\$ 107,608,354	\$ 96,892,100	\$ 87,854,633

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Service cost	\$ -
Interest cost	2,538,721
Expected return on assets	-
Plan amendments	-
Administrative expenses	26,184
Liability experience (gains)/losses	(948,708)
Assumption changes (gains)/losses	(295,225)
Investment (gains)/losses	(308)
Total pension expense	\$ 1,320,664

For the year ended December 31, 2015, the City recognized pension expense of \$1,320,664.

At December 31, 2015, there were no deferred outflows or inflows of resources to report. All deferred outflows and inflows of resources arising prior to fiscal 2015 have been fully amortized as of December 31, 2015.

2. 1925 Police Officers' Pension Plan

Plan Administration

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 pension board consists of nine members. Three are members by virtue of office: the Mayor, the City Controller, and the Police Chief. Five members are elected representatives of the active membership of the police department, and one additional member, a retired officer, is elected. The plan was established and may be amended by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Benefits Provided

The plan provides retirement, disability, and death benefits to plan members and beneficiaries. Benefits are provided either through a life annuity or a joint and survivor annuity with 60% continuation to the surviving beneficiary. The benefit provisions of the 1925 Police Officers' Pension Plan for non-converted members are set forth in Indiana Code 36-8-6. The benefit provisions for converted members are set forth in Indiana Code 36-8-8. Unless specifically denoted, provisions for converted and non-converted members are the same. All full-time, fully-paid police officers who were hired before May 1, 1977 or rehired between April 30, 1977 and February 1, 1979 are eligible participants. The pension plan is closed to new entrants.

Eligibility for annuity benefits is as follows. Non-converted members of any age with twenty or more years of creditable service and converted plan members who are age fifty-two with twenty or more years of creditable service are eligible for normal benefits. Normal retirement benefits are calculated at 50% of the base salary of a First Class Patrolman, plus an additional 1% for each

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completed six months of service over twenty years up to a maximum of 74% with 32 years of service.

Non-converted plan members of any age with twenty or more years of creditable service and converted plan members age fifty with twenty years or more of creditable service are eligible to receive early retirement benefits. Early retirement benefits are unreduced for unconverted plan members. Early retirement benefits are reduced by 7% per year for converted plan members between ages fifty and fifty-two. Late retirement benefits are calculated in the same manner as normal retirement benefits.

Disability retirement benefits are equal to a sum determined by a disability medical panel, but not exceeding 55% of the monthly salary (with longevity pay) of a First Class Patrolman. If a member has more than twenty years of service, the disability benefit, if greater, will be equal to the pension the member would have received if the member had retired on the date of disability. For converted plan members, the disability benefit is equal to the benefit the member would have received if the member had retired. If a converted member does not have twenty years of service or is not at least age fifty-two on the date of disability, the benefit is computed as if the member does have twenty years of service and is age fifty-two at the date of disability.

Pre-retirement death benefits vary for converted and non-converted plan members and depending upon whether or not the death is considered in the line of duty or not in the line of duty. Such benefits range from 20-50% of a First Class Patrolman salary, with longevity, or from 55-100% of the monthly benefit the member was receiving, or was entitled to receive, on the date of death. Pre-retirement death benefits are payable to the surviving spouse, children and dependent parents of plan members provided they meet eligibility guidelines. A one-time funeral death benefit is paid to the heirs or estate upon a member's death from any cause and is equal to at least \$12,000. An additional benefit of \$150,000 is paid from the Pension Relief Fund to a surviving spouse, children, or parent(s) if death occurs in the line of duty.

Non-converted members are entitled to the normal retirement benefit described above if termination occurs after earning twenty years of service. If termination occurs before completing twenty years of service, no benefits are payable. Converted members are entitled to the accrued retirement benefit determined as of the termination date and payable commencing on the normal retirement date. If termination occurs before completing twenty years of service, the member shall be entitled to the member's contributions plus accumulated interest.

Benefits for non-converted retired members are increased annually based on increases in the first class salary as approved by the employer. Converted retired member benefits are increased annually based on increases in the CPI-U index. The increase is subject to a 3% maximum and 0% minimum.

Deferred Retirement Option Plan

The Deferred Retirement Option Plan (DROP) is an optional form of benefit, which allows members who are eligible for an unreduced retirement benefit to continue to work and earn a salary while accumulating a DROP benefit. A member who elects to enter the DROP shall execute an irrevocable election to retire on the DROP retirement date. The member shall select a DROP retirement date not less than 12 months and not more than 36 months after the member's DROP entry date. While in the DROP, the member shall continue to make applicable fund contributions. When a member enters the DROP, a "DROP frozen benefit" will be calculated. Members of the DROP are eligible to receive a lump sum equal to the amount of the DROP frozen benefit multiplied by the number of months in the DROP. A member may elect to receive this amount in three annual installments instead of a single lump sum. In addition, the member will receive a monthly retirement benefit equal to the DROP frozen benefit. Forms of payment

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include a single life annuity or a joint annuity with 60% survivor benefits. A member, upon retirement, may elect to forgo DROP benefits and instead receive monthly retirement benefits calculated as if the member never elected to participate in the DROP. There is no balance of amounts held by the pension plan pursuant to the DROP.

Plan membership

Plan membership at December 31, 2015, consisted of the following:

Retirees and beneficiaries currently receiving benefits	284
Active employees - vested	6
Active employees - nonvested	-
Total	290

Contributions

Plan members are required by state statute (IC 36-8-6-4) to contribute an amount equal to six percent (6%) of the salary of a First Class Patrolman until they have completed thirty-two years of service.

Actuarial valuations are performed annually for the 1925 Police Officers' Pension Plan. Benefits to members of the plan are funded on a pay-as-you-go basis by certain revenues and appropriations of the State of Indiana to the Pension Relief Fund. The Pension Relief Fund has been created within the INPRS and is administered by INPRS and is used as a temporary holding account for collecting State revenues and appropriations before funds are distributed to employers. Amounts required to pay benefits are distributed from the fund to the City. The City has recognized these on-behalf payments of \$7,672,731 in 2015 as contributions and benefit payments in the Police Pension Fund.

Investments

The pension plan's investment policy is consistent with the overall policy of the City as described in Note 2. – Deposits and Investments. The plan held no investments during the reporting period.

Net Pension Liability

Standard actuarial techniques were used to roll forward the total pension liability computed as of December 31, 2014 to the December 31, 2015 measurement date. The components of the net pension liability of the 1925 Police Officers' Pension Plan at December 31, 2015, were as follows:

Total pension liability	\$ 126,712,308
Plan fiduciary net position	(1,380,030)
Net pension liability	\$ 125,332,278

Plan fiduciary net position as a percentage of the total pension liability	1.09%
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Actuarial Assumptions

The actuarial assumptions used in the December 31, 2015 valuation were selected and approved by the INPRS Board of Trustees and are consistent with the results of an experience study

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(Continued)

completed in April, 2015, which reflects the experience period beginning July 1, 2010 and ending June 30, 2014.

The actuarial assumptions for the December 31, 2015 valuation were generally unchanged from the prior year, except that the interest rate increased from 2.56% for the December 31, 2014 valuation to 2.59% for the December 31, 2015 valuation. This rate is equal to the Barclay's 20 year Municipal Bond Index as of December 31, 2015.

The total pension liability was determined by an actuarial valuation as of December 31, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.50%
Cost-of-living increases	
Non-converted	2.50%
Converted	2.00%

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with mortality improvement since 2006 using scale MP-2014 removed and projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection shown in the Social Security Administration's 2014 Trustee Report.

The actuarial cost method used for computing the total pension liability is the Entry Age Normal - Level Percent of Payroll method. The normal cost is calculated separately for each active member and is equal to the level percentage of payroll needed as an annual contribution from entry age to retirement age to fund projected benefits. The actuarial accrued liability on any valuation date is the accumulated value of such normal costs from entry age to the valuation date.

Discount Rate

The discount rate is set equal to the Barclay's 20-year Municipal Bond Index rate of 2.59% as of December 31, 2015. The discount rate increased from the 2.56% used for the December 31, 2014 calculation of the net pension liability. The projection of cash flows used to determine the discount rate considered the fact that the on-behalf contributions made by the State of Indiana are made as benefit payments become due for payment.

Based on those assumptions, the pension plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current active and inactive employees.

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(Continued)

Schedule of Changes in Net Pension Liability(Asset)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability(Asset)
Balance at December 31, 2014	\$ 133,380,691	\$ 1,531,146	\$ 131,849,545
Changes for the year:			
Service cost	168,319	-	168,319
Interest cost	3,282,643	-	3,282,643
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(1,898,421)	-	(1,898,421)
Assumption changes	(411,528)	-	(411,528)
Contributions - employer	-	-	-
Contributions - employee	-	-	-
Projected benefit payments	(7,809,396)	-	(7,809,396)
Non-employer contributing entity contributions	-	7,678,561	(7,678,561)
Net investment income	-	872	(872)
Benefit payments, including refunds and employee contributions	-	(7,809,396)	7,809,396
Administrative expense	-	(21,153)	21,153
Net changes	<u>\$ (6,668,383)</u>	<u>\$ (151,116)</u>	<u>\$ (6,517,267)</u>
Balance at December 31, 2015	<u>\$ 126,712,308</u>	<u>\$ 1,380,030</u>	<u>\$ 125,332,278</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following represents the net pension liability of the City, calculated using the discount rate of 2.59%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.59 percent) or 1-percentage point higher (3.59 percent) than the current rate:

	1% Decrease (1.59%)	Current Rate (2.59%)	1% Increase (3.59%)
Net Pension Liability	\$ 140,344,784	\$ 125,332,278	\$ 112,794,083

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Service cost	\$ 168,319
Interest cost	3,282,643
Expected return on assets	-
Plan amendments	-
Administrative expenses	15,323
Liability experience (gains)/losses	(1,898,421)
Assumption changes (gains)/losses	(411,528)
Investment (gains)/losses	(872)
Total pension expense	<u>\$ 1,155,464</u>

For the year ended December 31, 2015, the City recognized pension expense of \$1,155,464.

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 (Continued)

At December 31, 2015, there were no deferred outflows or inflows of resources to report. All deferred outflows and inflows of resources arising prior to fiscal 2015 have been fully amortized as of December 31, 2015.

3. Sanitary Officers' Pension Plan

Plan Administration

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 and is closed to new entrants. It is administered by the local pension board which consists of three members who are elected by plan members to three year terms. The City contributes to the plan as provided by a mandate of the Allen County Circuit Court, Cause No. CC-73-519. Plan members are employees of Allen County. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Benefits Provided

The plan provides retirement, disability, and death benefits to plan members and beneficiaries. Benefits are provided either through a life annuity or a joint and survivor annuity with 60% continuation to the surviving spouse. The benefit provisions of the 1925 Police Officers' Pension Plan, as authorized by IC 36-8-6, establish benefit terms for this plan. Normal retirement benefits are calculated at 50% of the base salary of a First Class Patrolman, plus an additional 1% for each additional completed six months of service over twenty years up to a maximum of 74% with 32 years of service. Disability retirement benefits are equal to a sum determined by a disability medical panel, but not exceeding 55% of the monthly salary (with longevity pay) of a First Class Patrolman. The plan also provides a one-time \$12,000 payment in the event of the death of the retiree. The plan provides a cost of living adjustment (COLA) to the benefit each year. There are no active participants remaining.

Plan Membership

Plan membership at December 31, 2015, consisted of the following:

Retirees and beneficiaries currently receiving benefits	19
Active employees - vested	-
Active employees - nonvested	-
Total	<hr style="width: 50%; margin: 0 auto;"/> 19 <hr style="width: 50%; margin: 0 auto;"/>

Contributions

The City is required by statute to contribute an amount equal to the funding deficit of the difference between receipts of the fund and the required disbursements of the fund (pay-as-you-go basis). There are no active members to make plan contributions. The contribution requirements of plan members for the Sanitary Officers' Pension Plan are established by and may be amended by court mandate.

Actuarial valuations are performed annually for the Sanitary Officers' Pension Plan. The assumptions used in the valuation are approved by the plan sponsor. Benefits to members of the plan are funded on a pay-as-you-go basis by certain revenues and appropriations of the City. The amount contributed by the City to the plan in fiscal year 2015 was \$531,204.

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 December 31, 2015
 (Continued)

Investments

The pension plan's investment policy is consistent with the overall policy of the City as described in Note 2. – Deposits and Investments. The plan held no investments during the reporting period.

Net Pension Liability

The components of the net pension liability of the Sanitary Officers' Pension Plan at December 31, 2015, were as follows:

Total pension liability		\$ 9,204,762
Plan fiduciary net position		(88,526)
Net pension liability		\$ 9,116,236
Plan fiduciary net position as a		
percentage of the total pension liability		0.96%

Actuarial Assumptions

The actuarial assumptions for the December 31, 2015 valuation were generally unchanged from the prior year, except for the change from the use of the RP-2014 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2014 to the RP-2014 Total Dataset Mortality, adjusted to 2006, with Two Dimensional Mortality Improvement Scale MP-2015.

The cost method used was the Entry Age Actuarial Cost Method and the asset valuation method used was the Fair Market Value. The total pension liability was determined by an actuarial valuation as of December 31, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Cost-of-living increases	4.00%

Mortality rates were based on the RP-2014 Total Dataset Mortality (sex-distinct), adjusted to 2006, with mortality improvement projected on a generational basis using Scale MP-2015, which reflects a reasonable estimate of future mortality experience for plans that lack sufficient size to build a credible customized assumption.

Discount Rate

The discount rate used to measure the total pension liability was 3.0%. The plan is effectively funded on a pay-as-you-go basis. It has been assumed that the 3.0% reflects the expected return on the general assets of the employer.

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NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Schedule of Changes in Net Pension Liability(Asset)

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability(Asset)</u>
Balance at December 31, 2014	\$ 9,921,779	\$ 49,252	\$ 9,872,527
Changes for the year:			
Service cost	-	-	-
Interest cost	289,729	-	289,729
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(206,270)	-	(206,270)
Assumption changes	(312,832)	-	(312,832)
Contributions - employer	-	531,204	(531,204)
Projected benefit payments	(487,644)	-	(487,644)
Contributions from nonemployer contributing entities	-	-	-
Net investment income	-	20	(20)
Benefit payments, including refunds and employee contributions	-	(487,644)	487,644
Administrative expense	-	(4,306)	4,306
Net changes	<u>\$ (717,017)</u>	<u>\$ 39,274</u>	<u>\$ (756,291)</u>
Balance at December 31, 2015	<u>\$ 9,204,762</u>	<u>\$ 88,526</u>	<u>\$ 9,116,236</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following represents the net pension liability of the City, calculated using the discount rate of 3.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.0 percent) or 1-percentage point higher (4.0 percent) than the current rate:

	<u>1% Decrease (2.00%)</u>	<u>Current Rate (3.00%)</u>	<u>1% Increase (4.00%)</u>
Net Pension Liability	\$ 10,382,069	\$ 9,116,236	\$ 8,079,208

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Service cost	\$	-
Interest cost		289,729
Employee contributions		-
Expected return on assets		-
Changes in plan provisions		-
Administrative expenses		4,306
Other changes in fiduciary net position		-
Liability experience (gains)/losses		(206,270)
Assumption changes (gains)/losses		(312,832)
Investment (gains)/losses		(20)
Total pension income	\$	<u>(225,087)</u>

For the year ended December 31, 2015, the City recognized pension income of \$225,087.

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 206,270
Net difference between projected and actual investment earnings on pension plan investments	3,185	-
Changes of assumptions	-	312,832
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-
	<u>\$ 3,185</u>	<u>\$ 519,102</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:

2016	\$	(518,413)
2017		689
2018		689
2019		687
2020		431
Thereafter		-

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December 31, 2015
(Continued)

4. Financial Statements for Defined Benefit Plans

COMBINING STATEMENT OF NET POSITION -
PENSION TRUST FUNDS

	<u>1937 Firefighters' Pension</u>	<u>1925 Police Officers' Pension</u>	<u>Sanitary Officers' Pension</u>
<u>Assets</u>			
Cash and cash equivalents	\$ 358,465	\$ 1,398,937	\$ 67,368
Receivables:			
Taxes	-	-	22,440
Total assets	<u>358,465</u>	<u>1,398,937</u>	<u>89,808</u>
<u>Liabilities</u>			
Accounts payable	13,872	18,907	1,282
Total liabilities	<u>13,872</u>	<u>18,907</u>	<u>1,282</u>
Net position restricted for pensions	<u>\$ 344,593</u>	<u>\$ 1,380,030</u>	<u>\$ 88,526</u>

STATEMENT OF CHANGES IN NET POSITION -
PENSION TRUST FUNDS

	<u>1937 Firefighters' Pension</u>	<u>1925 Police Officers' Pension</u>	<u>Sanitary Officers' Pension</u>
<u>Additions</u>			
Contributions:			
Employer	\$ 6,660,281	\$ 7,672,731	\$ 531,204
Other	-	5,830	-
Investment income:			
Interest	308	872	20
Total additions	<u>6,660,589</u>	<u>7,679,433</u>	<u>531,224</u>
<u>Deductions</u>			
Benefit payments, including refunds of member contributions	6,734,075	7,809,396	487,644
Administrative expenses	26,184	21,153	4,306
Total deductions	<u>6,760,259</u>	<u>7,830,549</u>	<u>491,950</u>
Net increase (decrease) in net position	(99,670)	(151,116)	39,274
<u>Net position restricted for pensions</u>			
Net position - beginning	444,263	1,531,146	49,252
Net position - ending	<u>\$ 344,593</u>	<u>\$ 1,380,030</u>	<u>\$ 88,526</u>

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(Continued)

B. Cost-Sharing Multiple-Employer Defined Benefit Pension Plans

1. Public Employees' Retirement Fund

Plan Description

The City of Fort Wayne contributes to the Indiana Public Employees' Retirement Fund (PERF), a cost-sharing multiple-employer defined benefit pension plan. PERF provides retirement, disability, and survivor benefits to plan members and beneficiaries. All regular full-time employees of the City of Fort Wayne and of the City Utilities who are not covered by another plan are eligible to participate. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system and give the City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account (ASA). The annuity savings account consists of member's contributions, set by state statute at three percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report is available online at <http://www.inprs.in.gov> or may be obtained by contacting:

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

Benefits Provided

The PERF retirement benefit consists of the sum of a defined pension benefit provided by City contributions plus the amount credited to the member's annuity savings account. Pension benefits vest after 10 years of creditable service. Members are immediately vested in their annuity savings account. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity, or leave the contributions invested with INPRS.

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and is entitled to 100 percent of the pension benefit component. This annual pension benefit is equal to 1.1 percent times the average annual compensation times the number of years of creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for normal retirement and is entitled to 100 percent of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable service is at least 85 is entitled to 100 percent of the pension benefit.

A member who has reached age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal pension benefit, which remains the same for the member's lifetime.

The PERF plan also provides disability benefits to members. A member who has at least 5 years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits, or receiving employer provided disability insurance benefits may

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(Continued)

retire for the duration of the disability if they have qualified for social security disability benefits and furnish proof of the qualification. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. Also, under certain circumstances, upon the death in service of a member, a survivor benefit may be paid to a surviving spouse or surviving dependent children under the age of 18.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA), however, such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis. These increases can only be granted by the Indiana General Assembly.

Contributions

The contribution requirements of plan members and the City are established and may be amended by the INPRS Board of Trustees. The required contributions are based on actuarial investigation and valuation in accordance with IC 5-10.2. The funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to fund the pension benefits when they become due. PERF members are required to contribute 3 percent of their annual covered salary. For 2015, the City is required to contribute at an actuarially determined rate of 11.2 percent of annual covered payroll. The City's contribution to the plan for the year ending December 31, 2015 was \$5,977,779 and was equal to the required contribution for the year.

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2015 valuation of the Public Employee's Pension Fund were adopted by the INPRS Board in April, 2015. The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.5% to 4.25%
Cost-of-living increases	1.00%

Mortality rates were based on the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Tables projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report.

The actuarial assumptions used are based on plan experience from July 1, 2010 through June 30, 2014 and were first used in the June 30, 2015 valuation. The actuarial cost method used for computing the total pension liability is the Entry Age Normal - Level Percent of Payroll method.

The actuarial assumptions and methods used in the June 30, 2015 valuation of the Public Employees' Retirement Fund resulted in the following assumption changes:

- The inflation assumption changed from 3.00% to 2.25% per year.
- The future salary increase assumption changed from a range of 3.25% to 4.50% to a range of 2.5% to 4.25%.
- The mortality assumption changed from the 2013 IRS Static Mortality projected five years with Scale AA to the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Table projected on a fully generational basis using the

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future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report.

- The retirement, termination, and disability assumptions were updated based on recent experience.
- The ASA annuitization assumption was updated from 50% of members assumed to annuitize their ASA balance to 60% of members assumed to annuitize their ASA balance prior to January 1, 2017.

The long term return expectation for the INPRS defined benefit retirement plans has been determined by using a building block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized below:

	Target Allocation (%)	Long Term Expected Real Rate of Return (%)
Public Equity	22.5	5.3
Private Equity	10.0	5.6
Fixed Income - Ex Inflation Linked	22.0	2.1
Fixed Income - Inflation Linked	10.0	0.7
Commodities	8.0	2.0
Real Estate	7.5	3.0
Absolute Return	10.0	3.9
Risk Parity	10.0	5.0
Total	100.0	

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed the contributions from employers would be, at a minimum, made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board. Projected inflows from investment earnings were calculated using the long term assumed investment rate of 6.75%. Based on those assumptions, each defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for each plan.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the net pension liability of the City of Fort Wayne and City Utilities, calculated using the discount rate of 6.75 percent, as well as what their respective net pension

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(Continued)

liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75 percent) or 1-percentage point higher (7.75 percent) than the current rate:

City of Fort Wayne:

	<u>1% Decrease (5.75%)</u>	<u>Current Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
City's proportionate share of the net pension liability	\$ 41,188,219	\$ 27,922,595	\$ 16,909,702

City Utilities:

	<u>1% Decrease (5.75%)</u>	<u>Current Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
Utilities' proportionate share of the net pension liability	\$ 25,365,868	\$ 17,196,200	\$ 10,413,882

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of December 31, 2015, the City of Fort Wayne reported a liability of \$27,922,595 and City Utilities reported a liability of \$17,196,200 for their proportionate shares of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on wages reported by employers relative to the collective wages of the plan. At June 30, 2015, the City of Fort Wayne's proportion was .0068557 percent, which was an increase of .000362 from its proportion measured as of June 30, 2014. City Utilities' proportion was .0042221, which was an increase of .000250 from its proportion measured as of June 30, 2014.

For the year ended June 30, 2015, the City of Fort Wayne recognized pension expense of \$4,706,407 and City Utilities recognized pension expense of \$2,987,586. At June 30, 2015, each entity reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City of Fort Wayne:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,198,568	\$ 57,746
Net difference between projected and actual investment earnings on pension plan investments	4,708,097	2,626,016
Changes of assumptions	2,360,398	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	804,043	102,016
Employer contributions subsequent to the measurement date	1,970,362	-
	<u>\$ 11,041,468</u>	<u>\$ 2,785,778</u>

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

City Utilities:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 738,141	\$ 35,563
Net difference between projected and actual investment earnings on pension plan investments	2,899,494	1,617,238
Changes of assumptions	1,453,657	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	661,171	9,044
Employer contributions subsequent to the measurement date	1,586,402	-
	\$ 7,338,865	\$ 1,661,845

\$1,970,362 for the City of Fort Wayne and \$1,586,402 for City Utilities reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of their respective net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

	City of Fort Wayne	City Utilities
2016	\$ 2,063,049	\$ 1,359,669
2017	2,063,049	1,359,669
2018	982,205	646,406
2019	1,177,025	724,874
2020	-	-
Thereafter	-	-

Pension Plan Fiduciary Net Position

The pension plan's fiduciary net position has been determined on the same basis of accounting used by the pension plan. Detailed information about the pension plan's fiduciary net position is available in the separately issued INPRS financial report, which is available online at <http://www.inprs.in.gov> or may be obtained by contacting:

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

Benefit Payment Policies

Pension, disability, special death benefits, and distributions of contributions and interest are recognized when due and payable to members or beneficiaries. Benefits are paid once the

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

retirement or survivor applications have been processed and approved. Distributions of contributions and interest are distributions from inactive, non-vested members' annuity savings accounts. These distributions may be requested by members or automatically distributed by the fund when certain criteria are met.

Valuation of Pension Plan Investments

The pooled and non-pooled investments are reported at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Short-term investments consist primarily of cash, money market funds, certificates of deposits and fixed income instruments with maturities of less than one year. Short-term investments are reported at cost, which approximates fair value or, for fixed income instruments, valued using similar methodologies as other fixed income securities described below.

Fixed income securities consist primarily of the U.S. government, U.S. government-sponsored agencies, publicly traded debt and commingled investment debt instruments. Equity securities consist primarily of domestic and international stocks in addition to commingled equity instruments. Fixed income and equity securities are generally valued based on published market prices and quotations from national security exchanges and securities pricing services. Securities that are not traded on a national security exchange are valued using modeling techniques that include market observable inputs required to develop a fair value. Commingled funds are valued using the net asset value (NAV) of the entity.

Alternative investments include limited partnership interests in private equity, absolute return, private real estate and risk parity investment strategies. Publicly traded alternative investments are valued based on quoted market prices. In the absence of readily determinable public market values, alternative investments are valued using current estimates of fair value obtained from the general partner or investment manager. Moreover, holdings are generally valued by a general partner or investment manager on a quarterly or semi-annual basis. Valuation assumptions are based upon the nature of the investment and the underlying business. Additionally, valuation techniques will vary by investment type and involve a certain degree of expert judgment. Alternative investments, such as investments in private equity or real estate, are generally considered to be illiquid long-term investments. Due to the inherent uncertainty that exists in the valuation of alternative investments, the realized value upon the sale of an asset may differ from the fair value.

Derivative instruments are marked to market daily with changes in fair value recognized as part of investments and investment income.

2. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund) is a cost sharing, multiple employer defined benefit plan established to provide retirement, disability, and survivor benefits to full-time police officers and firefighters who are hired (or rehired) after April 30, 1977. The 1977 Fund was established in 1977 and is governed by the Indiana Public Retirement System (INPRS) Board of Trustees in accordance with IC 36-8-8 to provide coverage to full-time sworn police officers and firefighters.

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report is available online at <http://www.inprs.in.gov> or may be obtained by contacting:

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

Benefits Provided

Plan members vest after 20 years of service. A member who retires at or after age 52 with 20 years of service will receive a benefit equal to 50 percent of the salary of a first class officer or firefighter plus one (1) percent of that salary for each six (6) months of active service over 20 years to a maximum of 12 years. At age 50, a member with 20 years of service may elect to receive a benefit reduced by a factor established by the fund's actuary.

The monthly pension benefits for members in pay status may be increased annually as cost of living adjustments (COLA), in accordance with statute (IC 36-8-8-15). Members are also entitled to an annual increase in their benefits based on the percentage increase in the Consumer Price Index (January-March); however, the maximum increase is 3.0%

The 1977 Fund also provides disability benefits to active members. When an active member files an application for disability benefits, a determination is made by the local pension board, and reviewed by the INPRS Board of Trustees, as to whether the member has a covered impairment and whether or not it was incurred in the line of duty. The amount of disability benefit is based on when the member was first hired, the type of impairment, and other factors. Also, the heirs or estate of a fund member may be entitled to receive a \$12,000 death benefit upon the member's death.

If a member dies while receiving retirement or disability benefits, the member's surviving spouse is entitled to receive a benefit equal to 60 percent of the member's monthly benefit during the spouse's lifetime. Each of a member's surviving children is entitled to a monthly benefit equal to 20 percent of the member's monthly benefit to age 18, or age 23, if a full time student. If there are no eligible surviving spouse or children, a dependent parent(s) may receive 50 percent of the member's monthly benefit during their lifetime.

Contributions

The funding policy for the 1977 Fund requires remittances of member and employer contributions based on percentages of the salary of a first class officer or firefighter and not on actual payroll. The employer contribution rate is actuarially determined. The required contributions are determined and may be amended by the INPRS Board of Trustees. Since the 1977 Fund is a cost-sharing pension plan, all risks and costs, including benefit costs, are shared proportionately by the participating employers. For the fiscal year 2015, plan members were required to contribute 6 percent and participating employers were required to contribute 19.7 percent of the first class officers' and firefighters' salary. Employers may elect to pay all or part of the contribution for the member.

The City's contribution to the plan for the year ending December 31, 2015 was \$8,246,901, which was equal to the required contributions for each year.

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2015 valuation of the 1977 Fund were adopted by the INPRS Board in April 2015. The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.50%
Cost-of-living increases	2.00%

Mortality rates were based on the RP-2014 (with MP-2014 improvement removed) Blue Collar mortality tables, with future mortality improvement projected generationally using the future mortality improvement scale inherent in the Social Security Administration's 2014 Trustee Report.

The actuarial assumptions used are based on plan experience from July 1, 2010 through June 30, 2014 and were first used in the June 30, 2015 valuation. The actuarial cost method used for computing the total pension liability is the Entry Age Normal - Level Percent of Payroll method.

The actuarial assumptions and methods used in the June 30, 2015 valuation of the 1977 Fund resulted in the following assumption changes:

- The inflation assumption changed from 3.00% to 2.25% per year.
- The future salary increase assumption decreased from 3.25% to 2.50% per year.
- The future COLA assumption decreased from 2.25% to 2.00% per year.
- The mortality assumption changed from the 2013 IRS Static Mortality projected five years with Scale AA to the RP-2014 (with MP-2014 improvement removed) Blue Collar Mortality Tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee Report.
- The termination assumption is a service based table of rates; the rates at most years of service were decreased to reflect recent experience.
- The disability assumption was adjusted to reflect recent experience.

The long term return expectation for the INPRS defined benefit retirement plans has been determined by using a building block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized below:

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

	Target Allocation (%)	Long Term Expected Real Rate of Return (%)
Public Equity	22.5	5.3
Private Equity	10.0	5.6
Fixed Income - Ex Inflation Linked	22.0	2.1
Fixed Income - Inflation Linked	10.0	0.7
Commodities	8.0	2.0
Real Estate	7.5	3.0
Absolute Return	10.0	3.9
Risk Parity	10.0	5.0
Total	100.0	

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed the contributions from employers would be, at a minimum, made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board. Projected inflows from investment earnings were calculated using the long term assumed investment rate of 6.75%. Based on those assumptions, each defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for each plan.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the net pension liability of the City, calculated using the discount rate of 6.75 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75 percent) or 1-percentage point higher (7.75 percent) than the current rate:

	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
City's proportionate share of the net pension liability	\$ 34,200,869	\$ (8,126,334)	\$ (42,255,609)

Pension Liabilities(Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of December 31, 2015, the City reported an asset of \$8,126,334 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2015, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The City's proportion of the net pension asset was based on wages reported by employers relative to the collective wages of the plan. At June 30, 2015, the City's proportion was .0550117 percent, which was a decrease of .0000186 from its proportion measured as of June 30, 2014.

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

For the year ended June 30, 2015, the City recognized pension expenses of \$2,182,022. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,534,133
Net difference between projected and actual investment earnings on pension plan investments	15,860,632	8,456,080
Changes of assumptions	-	15,212,108
Changes in proportion and differences between employer contributions and proportionate share of contributions	45,586	333,516
Employer contributions subsequent to the measurement date	4,296,730	-
	\$ 20,202,948	\$ 27,535,837

The \$4,296,730 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as reductions of the net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

2016	\$ (1,157,807)
2017	(1,157,807)
2018	(1,157,807)
2019	1,660,886
2020	(2,304,272)
Thereafter	(7,512,812)

Pension Plan Fiduciary Net Position

The pension plan's fiduciary net position has been determined on the same basis of accounting used by the pension plan. Detailed information about the pension plan's fiduciary net position is available in the separately issued INPRS financial report, which is available online at <http://www.inprs.in.gov> or may be obtained by contacting:

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

Benefit Payment Policies

Pension, disability, special death benefits, and distributions of contributions and interest are recognized when due and payable to members or beneficiaries. Benefits are paid once the retirement or survivor applications have been processed and approved. Distributions of contributions and interest are distributions from inactive, non-vested members' annuity savings

CITY OF FORT WAYNE, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

accounts. These distributions may be requested by members or automatically distributed by the fund when certain criteria are met.

Valuation of Pension Plan Investments

The pooled and non-pooled investments are reported at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Short-term investments consist primarily of cash, money market funds, certificates of deposits and fixed income instruments with maturities of less than one year. Short-term investments are reported at cost, which approximates fair value or, for fixed income instruments, valued using similar methodologies as other fixed income securities described below.

Fixed income securities consist primarily of the U.S. government, U.S. government-sponsored agencies, publicly traded debt and commingled investment debt instruments. Equity securities consist primarily of domestic and international stocks in addition to commingled equity instruments. Fixed income and equity securities are generally valued based on published market prices and quotations from national security exchanges and securities pricing services. Securities that are not traded on a national security exchange are valued using modeling techniques that include market observable inputs required to develop a fair value. Commingled funds are valued using the net asset value (NAV) of the entity.

Alternative investments include limited partnership interests in private equity, absolute return, private real estate and risk parity investment strategies. Publicly traded alternative investments are valued based on quoted market prices. In the absence of readily determinable public market values, alternative investments are valued using current estimates of fair value obtained from the general partner or investment manager. Moreover, holdings are generally valued by a general partner or investment manager on a quarterly or semi-annual basis. Valuation assumptions are based upon the nature of the investment and the underlying business. Additionally, valuation techniques will vary by investment type and involve a certain degree of expert judgment. Alternative investments, such as investments in private equity or real estate, are generally considered to be illiquid long-term investments. Due to the inherent uncertainty that exists in the valuation of alternative investments, the realized value upon the sale of an asset may differ from the fair value.

Derivative instruments are marked to market daily with changes in fair value recognized as part of investments and investment income.

C. Schedule of Aggregate Amounts – Single-employer and Cost Sharing Multiple-employer Defined Benefit Pension Plans

	1937 Firefighters' Pension	1925 Police Officers' Pension	Sanitary Officers' Pension	Public Employees' Retirement Fund	1977 Police Officers' and Firefighters' Pension and Disability Fund	Total
Pension liability	\$ 97,236,693	\$ 126,712,308	\$ 9,204,762	\$ 199,185,140	\$ 257,492,959	
Pension assets	344,593	1,380,030	88,526	154,066,345	265,619,293	
Net pension liability	<u>\$ 96,892,100</u>	<u>\$ 125,332,278</u>	<u>\$ 9,116,236</u>	<u>\$ 45,118,795</u>		<u>\$ 276,459,409</u>
Net pension asset					<u>\$ 8,126,334</u>	<u>\$ 8,126,334</u>
Deferred outflows of resources	\$ -	\$ -	\$ 3,185	\$ 18,380,333	\$ 20,202,948	\$ 38,586,466
Deferred inflows of resources	\$ -	\$ -	\$ 519,102	\$ 4,447,623	\$ 27,535,837	\$ 32,502,562
Pension expense(income)	<u>\$ 1,320,664</u>	<u>\$ 1,155,464</u>	<u>\$ (225,087)</u>	<u>\$ 7,693,993</u>	<u>\$ 2,182,022</u>	<u>\$ 12,127,056</u>

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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, 2015

	General Fund			
	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 67,175,471	\$ 67,175,471	\$ 67,570,865	\$ 395,394
Licenses and permits	2,044,960	2,044,960	2,284,376	239,416
Intergovernmental	2,341,121	2,341,121	2,316,209	(24,912)
Charges for services	2,408,428	2,408,428	2,271,753	(136,675)
Fines and forfeits	299,300	299,300	278,777	(20,523)
Other	455,413	455,413	773,871	318,458
Total revenues	<u>74,724,693</u>	<u>74,724,693</u>	<u>75,495,851</u>	<u>771,158</u>
Expenditures:				
Current:				
General government	15,325,143	14,867,995	13,110,019	1,757,976
Public safety	53,783,746	53,735,003	52,676,419	1,058,584
Highways and streets	11,364,698	11,218,028	11,145,289	72,739
Health and welfare	2,869,981	2,852,515	2,688,430	164,085
Economic opportunity	703,942	703,942	676,714	27,228
Economic development	4,569,403	4,463,177	4,096,251	366,926
Total expenditures	<u>88,616,913</u>	<u>87,840,660</u>	<u>84,393,122</u>	<u>3,447,538</u>
Other financing sources (uses):				
Operating transfers in	15,053,422	15,053,422	13,198,382	(1,855,040)
Operating transfers out	(3,406,489)	(3,406,489)	(3,403,660)	2,829
Total other financing sources (uses)	<u>11,646,933</u>	<u>11,646,933</u>	<u>9,794,722</u>	<u>(1,852,211)</u>
Net change in fund balance	(2,245,287)	(1,469,034)	897,451	2,366,485
Fund balance - beginning	<u>5,782,374</u>	<u>5,782,374</u>	<u>5,782,374</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,537,087</u>	<u>\$ 4,313,340</u>	<u>\$ 6,679,825</u>	<u>\$ 2,366,485</u>

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULES -
 MAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2015

	Highways and Streets				Parks			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 4,393,826	\$ 4,393,826	\$ 4,509,548	\$ 115,722	\$ 14,892,620	\$ 15,094,513	\$ 201,893	
Licenses and permits	-	-	-	-	23,995	49,091	25,096	
Intergovernmental	11,301,244	11,301,244	11,953,110	651,866	-	-	-	
Charges for services	172,085	172,085	159,966	(12,119)	4,524,169	4,411,879	(112,290)	
Fines and forfeits	-	-	-	-	-	-	-	
Other	74,946	74,946	91,330	16,384	1,055,454	1,040,590	(14,864)	
Total revenues	15,942,101	15,942,101	16,713,954	771,853	20,496,238	20,596,073	99,835	
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	
Public safety:								
Personal services	-	-	-	-	-	-	-	
Supplies	-	-	-	-	-	-	-	
Other services and charges	-	-	-	-	-	-	-	
Capital outlay	-	-	-	-	-	-	-	
Highways and streets:								
Personal services	10,625,207	10,622,207	10,307,080	315,127	-	-	-	
Supplies	3,354,202	3,350,080	3,170,159	179,921	-	-	-	
Other services and charges	4,727,093	4,723,397	4,648,402	74,995	-	-	-	
Capital outlay	50,677	50,677	48,197	2,480	-	-	-	
Culture and recreation:								
Personal services	-	-	-	-	10,496,885	10,265,005	287,380	
Supplies	-	-	-	-	1,805,120	1,806,677	26,850	
Other services and charges	-	-	-	-	6,630,609	6,189,787	110,875	
Capital outlay	-	-	-	-	2,173,344	2,173,344	-	
Total expenditures	18,757,179	18,746,361	18,173,838	572,523	21,105,958	20,434,813	425,105	
Other financing sources (uses):								
Operating transfers in	966,040	966,040	966,040	-	1,689,818	1,689,818	-	
Operating transfers out	-	-	-	-	(1,689,818)	(1,689,818)	-	
Total other financing sources (uses)	966,040	966,040	966,040	-	-	-	-	
Net change in fund balances	(1,849,038)	(1,838,220)	(493,844)	1,344,376	(609,720)	(363,680)	524,940	
Fund balances - beginning	5,013,351	5,013,351	5,013,351	-	5,114,410	5,114,410	-	
Fund balances - ending	\$ 3,164,313	\$ 3,175,131	\$ 4,519,507	\$ 1,344,376	\$ 4,504,690	\$ 5,275,670	\$ 524,940	

(Continued)

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULES -
 MAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2015
 (Continued)

	Fire			Community Legacy		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	Original	Final		Original	Final	
Revenues:						
Taxes	\$ 40,348,037	\$ 40,348,037	\$ 41,005,926	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	8,102	8,102	9,797	-	-	-
Fines and forfeits	11,100	11,100	13,888	-	-	-
Other	50	50	66,711	3,381,046	3,381,046	-
Total revenues	40,367,289	40,367,289	41,096,322	3,381,046	3,381,046	-
Expenditures:						
Current:						
General government	-	-	-	7,381,782	7,381,782	7,381,782
Public safety:						
Personal services	35,187,283	35,187,283	34,559,785	-	-	-
Supplies	748,488	699,486	688,953	-	-	-
Other services and charges	3,230,984	2,990,174	2,955,687	-	-	-
Capital outlay	31,714	9,755	-	-	-	-
Highways and streets:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Culture and recreation:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	39,198,469	38,886,698	38,204,425	7,381,782	7,381,782	-
Other financing sources (uses):						
Operating transfers in	-	-	-	15,745	15,745	15,745
Operating transfers out	(75,000)	(75,000)	(75,000)	-	-	-
Total other financing sources (uses)	(75,000)	(75,000)	(75,000)	15,745	15,745	-
Net change in fund balances	1,093,820	1,405,591	2,816,897	(3,984,991)	(3,984,991)	-
Fund balances - beginning	(433,270)	(433,270)	(433,270)	58,531,053	58,531,053	-
Fund balances - ending	\$ 660,550	\$ 972,321	\$ 2,383,627	\$ 54,546,062	\$ 54,546,062	\$ -

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 INFRASTRUCTURE - MODIFIED REPORTING

Comparison of Budgeted-to-Actual Maintenance/Preservation

<u>Roads</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Arterial					
Budgeted	\$ 3,646,248	\$ 1,114,428	\$ 722,237	\$ 1,239,501	\$ 1,792,620
Actual	4,496,328	1,083,974	1,221,654	1,439,999	1,858,338
Collector					
Budgeted	1,047,972	1,269,324	603,953	120,235	361,852
Actual	1,321,214	1,306,175	588,017	116,519	359,134
Residential					
Budgeted	1,873,531	4,064,266	1,195,156	3,223,858	4,628,500
Actual	2,268,752	4,100,327	1,181,496	2,935,413	4,103,939

Condition Rating

	<u>Average Pavement Condition Index (PCI)</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Total System	61	63	63	65	67

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS -
 SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS
 Last 10 Fiscal Years *

1937 Firefighters' Pension Plan

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total pension liability:			
Service cost	\$ -	\$ -	\$ -
Interest	2,538,721	3,894,050	4,778,921
Change in benefit terms	-	-	-
Differences between expected and actual experience	(948,708)	-	(401,476)
Change of assumptions	(295,225)	11,845,931	13,198,813
Benefit payments, including refunds of member contributions	<u>(6,734,075)</u>	<u>(6,806,308)</u>	<u>(6,965,285)</u>
Net change in total pension liability	(5,439,287)	8,933,673	10,610,973
Total pension liability - beginning	<u>102,675,980</u>	<u>93,742,307</u>	<u>83,131,334</u>
Total pension liability - ending	<u>\$ 97,236,693</u>	<u>\$ 102,675,980</u>	<u>\$ 93,742,307</u>
Plan fiduciary net position:			
Contributions - employer	-	-	-
Contributions - member	-	-	-
Non-employer contributing entity contributions	6,660,281	6,850,878	6,771,704
Net investment income	308	469	501
Benefit payments, including refunds of member contributions	(6,734,075)	(6,806,308)	(6,965,285)
Administrative expense	(26,184)	(22,055)	(21,633)
Other	<u>-</u>	<u>-</u>	<u>183</u>
Net change in plan fiduciary net position	(99,670)	22,984	(214,530)
Plan fiduciary net position - beginning	<u>444,263</u>	<u>421,279</u>	<u>635,809</u>
Plan fiduciary net position - ending	<u>\$ 344,593</u>	<u>\$ 444,263</u>	<u>\$ 421,279</u>
Net pension liability	<u>\$ 96,892,100</u>	<u>\$ 102,231,717</u>	<u>\$ 93,321,028</u>
Plan fiduciary net position as a percentage of the total pension liability	0.35%	0.43%	0.45%
Covered employee payroll	\$ -	\$ -	\$ -
Net pension liability as a percentage of covered employee payroll	N/A	N/A	N/A

(Continued)

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS -
 SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS
 Last 10 Fiscal Years *
 (Continued)

1925 Police Officers' Pension Plan

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total pension liability:			
Service cost	\$ 168,319	\$ 95,039	\$ 66,728
Interest	3,282,643	4,998,646	6,175,881
Change in benefit terms	-	-	-
Differences between expected and actual experience	(1,898,421)	-	(3,273,748)
Change of assumptions	(411,528)	16,219,587	17,931,620
Benefit payments, including refunds of member contributions	<u>(7,809,396)</u>	<u>(7,759,395)</u>	<u>(7,876,577)</u>
Net change in total pension liability	(6,668,383)	13,553,877	13,023,904
Total pension liability - beginning	<u>133,380,691</u>	<u>119,826,814</u>	<u>106,802,910</u>
Total pension liability - ending	<u>\$ 126,712,308</u>	<u>\$ 133,380,691</u>	<u>\$ 119,826,814</u>
Plan fiduciary net position:			
Contributions - employer	-	-	-
Contributions - member	-	288	72
Contributions - other	5,830	-	-
Non-employer contributing entity contributions	7,672,731	7,683,308	8,420,573
Net investment income	872	1,399	1,169
Benefit payments, including refunds of member contributions	(7,809,396)	(7,759,395)	(7,846,037)
Administrative expense	(21,153)	(16,092)	(15,142)
Other	<u>-</u>	<u>9,110</u>	<u>17,871</u>
Net change in plan fiduciary net position	(151,116)	(81,382)	578,506
Plan fiduciary net position - beginning	<u>1,531,146</u>	<u>1,612,528</u>	<u>1,034,022</u>
Plan fiduciary net position - ending	<u>\$ 1,380,030</u>	<u>\$ 1,531,146</u>	<u>\$ 1,612,528</u>
Net pension liability	<u>\$ 125,332,278</u>	<u>\$ 131,849,545</u>	<u>\$ 118,214,286</u>
Plan fiduciary net position as a percentage of the total pension liability	1.09%	1.15%	1.35%
Covered employee payroll	\$ 161,112	\$ 186,196	\$ 212,795
Net pension liability as a percentage of covered employee payroll	77,792.02%	70,812.23%	55,553.13%

(Continued)

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS -
 SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS
 Last 10 Fiscal Years *
 (Continued)

Sanitary Officers' Pension Plan

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total pension liability:			
Service cost	\$ -	\$ -	\$ -
Interest	289,729	249,800	257,423
Change in benefit terms	-	-	-
Differences between expected and actual experience	(206,270)	441,955	(151,071)
Change of assumptions	(312,832)	1,118,351	-
Benefit payments, including refunds of member contributions	<u>(487,644)</u>	<u>(469,080)</u>	<u>(457,746)</u>
Net change in total pension liability	(717,017)	1,341,026	(351,394)
Total pension liability - beginning	<u>9,921,779</u>	<u>8,580,753</u>	<u>8,932,147</u>
Total pension liability - ending	<u>\$ 9,204,762</u>	<u>\$ 9,921,779</u>	<u>\$ 8,580,753</u>
Plan fiduciary net position:			
Contributions - employer	531,204	489,972	343,610
Contributions - member	-	-	-
Net investment income	20	4	43
Benefit payments, including refunds of member contributions	(487,644)	(469,080)	(457,746)
Administrative expense	(4,306)	(4,301)	(4,313)
Other	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	39,274	16,595	(118,406)
Plan fiduciary net position - beginning	<u>49,252</u>	<u>32,657</u>	<u>151,063</u>
Plan fiduciary net position - ending	<u>\$ 88,526</u>	<u>\$ 49,252</u>	<u>\$ 32,657</u>
Net pension liability	<u>\$ 9,116,236</u>	<u>\$ 9,872,527</u>	<u>\$ 8,548,096</u>
Plan fiduciary net position as a percentage of the total pension liability	0.96%	0.50%	0.38%
Covered employee payroll	\$ -	\$ -	\$ -
Net pension liability as a percentage of covered employee payroll	N/A	N/A	N/A

Note:

* GASB 68 requires that information be shown for 10 years. Until a full 10 year trend is compiled, information will be shown for those years for which the information is available.

The notes to RSI are an integral part of the RSI.

CITY OF FORT WAYNE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLANS
Last 10 Fiscal Years *

Public Employees Retirement Fund - City of Fort Wayne

	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	0.69%	0.65%
City's proportionate share of the net pension liability (asset)	\$ 27,922,595	\$ 17,065,022
City's covered employee-payroll	\$ 32,837,584	\$ 31,704,289
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	85.03%	53.83%
Plan fiduciary net position as a percentage of the total pension liability	77.30%	84.30%

Public Employees Retirement Fund - City Utilities

	<u>2015</u>	<u>2014</u>
Utilities' proportion of the net pension liability (asset)	0.42%	0.40%
Utilities' proportionate share of the net pension liability (asset)	\$ 17,196,200	\$ 10,437,633
Utilities' covered employee-payroll	\$ 20,223,082	\$ 19,391,743
Utilities' proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	85.03%	53.83%
Plan fiduciary net position as a percentage of the total pension liability	77.30%	84.30%

1977 Police Officers' and Firefighters' Pension and Disability Fund

	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	5.50%	5.50%
City's proportionate share of the net pension liability (asset)	\$ (8,126,334)	\$ (2,805,462)
City's covered employee-payroll	\$ 41,022,151	\$ 39,065,212
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(19.81%)	(7.18%)
Plan fiduciary net position as a percentage of the total pension liability	103.20%	101.10%

* GASB 68 requires that information be shown for 10 years. Until a full 10 year trend is compiled, information will be shown for those years for which the information is available.

The notes to RSI are an integral part of the RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS -
 SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS
 Last 10 Fiscal Years *

1937 Firefighters' Pension Plan

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 6,684,421	\$ 6,850,878	\$ 6,771,704
Contributions in relation to the actuarially determined contribution	<u>6,660,281</u>	<u>6,850,878</u>	<u>6,771,704</u>
Contribution deficiency (excess)	<u>\$ 24,140</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ -	\$ -	\$ -
Contributions as a percentage of covered employee payroll	N/A	N/A	N/A

1925 Police Officers' Pension Plan

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 7,804,224	\$ 7,749,424	\$ 7,876,577
Contributions in relation to the actuarially determined contribution	<u>7,678,561</u>	<u>7,683,596</u>	<u>8,420,645</u>
Contribution deficiency (excess)	<u>\$ 125,663</u>	<u>\$ 65,828</u>	<u>\$ (544,068)</u>
Covered employee payroll	\$ 161,112	\$ 186,196	\$ 212,795
Contributions as a percentage of covered employee payroll	4,765.98%	4,126.62%	3,957.16%

Sanitary Officers' Pension Plan

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 487,644	\$ 554,448	\$ 550,910
Contributions in relation to the actuarially determined contribution	<u>531,204</u>	<u>489,972</u>	<u>343,610</u>
Contribution deficiency (excess)	<u>\$ (43,560)</u>	<u>\$ 64,476</u>	<u>\$ 207,300</u>
Covered employee payroll	\$ -	\$ -	\$ -
Contributions as a percentage of covered employee payroll	N/A	N/A	N/A

Note:

* GASB 68 requires that information be shown for 10 years. Until a full 10 year trend is compiled, information will be shown for those years for which the information is available.

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CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS -
 COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLANS
 Last 10 Fiscal Years *

Public Employees Retirement Fund - City of Fort Wayne

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 3,814,308	\$ 3,588,652
Contributions in relation to the contractually required contribution	<u>3,814,308</u>	<u>3,588,652</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 32,837,584	\$ 31,704,289
Contributions as a percentage of covered-employee payroll	11.62%	11.32%

Public Employees Retirement Fund - City Utilities

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,163,471	\$ 2,196,819
Contributions in relation to the contractually required contribution	<u>2,163,471</u>	<u>2,196,819</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Utilities' covered-employee payroll	\$ 20,223,082	\$ 19,391,743
Contributions as a percentage of covered-employee payroll	10.70%	11.33%

1977 Police Officers' and Firefighters' Pension and Disability Fund

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 8,246,901	\$ 7,962,821
Contributions in relation to the contractually required contribution	<u>8,246,901</u>	<u>7,962,821</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 41,022,151	\$ 39,065,212
Contributions as a percentage of covered-employee payroll	20.10%	20.38%

Note:

* GASB 68 requires that information be shown for 10 years. Until a full 10 year trend is compiled, information will be shown for those years for which the information is available.

The notes to RSI are an integral part of the RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PENSION INVESTMENT RETURNS
 Last 10 Fiscal Years *

<u>1937 Firefighters' Pension Plan</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual money-weighted rate of return, net of investment expense	N/A **	N/A **	N/A **
<u>1925 Police Officers' Pension Plan</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual money-weighted rate of return, net of investment expense	N/A **	N/A **	N/A **
<u>Sanitary Officers' Pension Plan</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual money-weighted rate of return, net of investment expense	N/A **	N/A **	N/A **

Notes:

* GASB 68 requires that information be shown for 10 years. Until a full 10 year trend is compiled, information will be shown for those years for which the information is available.

** The City of Fort Wayne pension funds do not have any investments and, therefore, no returns on investment to report.

The notes to RSI are an integral part of the RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS -
 RETIREE HEALTHCARE PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01/01/14	\$ -	\$ 109,627,185	\$ (109,627,185)	0%	\$ 100,893,778	(109%)
01/01/15	-	114,128,359	(114,128,359)	0%	105,054,298	(109%)
01/01/16	-	125,301,031	(125,301,031)	0%	111,854,305	(112%)

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS -
 RETIREE HEALTHCARE PLAN

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed
12/31/13	\$ 8,220,636	47%
12/31/14	10,562,709	46%
12/31/15	10,710,241	42%

The notes to RSI are an integral part of RSI.

CITY OF FORT WAYNE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2015

Note 1. Budgets and Budgetary Accounting

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

Major Funds:

General Fund

Special Revenue Funds:

Highways and Streets, Parks, Fire, Community Legacy

Capital Projects Funds:

CEDIT, Redevelopment

Non-Major Funds:

Special Revenue Funds:

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

Capital Projects Funds:

Cumulative Capital Improvement, Cumulative Capital Development

CITY OF FORT WAYNE
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 December 31, 2015
 (Continued)

7. The City's budgetary process is based upon GAAP. Appropriations lapse with the expiration of the budgetary period unless encumbered by a purchase order or contract. Encumbered appropriations are carried over and added to the subsequent year's budget.
8. Budgeted amounts are as originally adopted, or as amended by the City Council and approved by the Indiana Department of Local Government Finance in the regular legal manner. Net decreases to the original appropriations totaled \$1,885,694 in 2015.

B. Expenditures in Excess of Appropriations

For the year ended December 31, 2015, 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:

Fund	Department	Object	Excess
General	City Clerk	Supplies	\$ 292
General	City Clerk	Other services and charges	3,673
General	Board of Public Works	Other services and charges	25,389
CEDIT		Capital outlay	276,980

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

Note 2. Infrastructure Assets – Modified Approach

The condition of the City's road pavement is measured using a pavement condition index (PCI). This pavement condition index is only one field of a larger database that takes into account many distress factors found in pavement surfaces. The PCI uses a measured scale that is based upon a condition index ranging from less than 0 or "Very Poor" condition pavement to 100 for "Very Good" condition pavement. No other factors exist that would significantly affect trends in the information reported.

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

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

1. Extreme winter weather conditions that result in excessive "freeze-thaw" activity.
2. Extreme summer weather conditions that result in excessive heat. Under extreme heat, asphalt can become soft and buckle. Concrete suffers from a condition known as "blow ups". The ground under the concrete roads and the roads themselves begin to expand during exceptionally high temperatures. The concrete can find no other way to expand than to "blow up", or shoot into the air.
3. Conflicts with utilities. Utility work that results in the disruption of a road surface will weaken the original integrity of the structure. More repairs may become necessary once a road's initial structure has been altered.

CITY OF FORT WAYNE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2015
(Continued)

4. Extreme loading. Each road is rated for a certain percentage of traffic coming from trucks. When the percentage exceeds the rating, damage to the road will occur.
5. The presence of water. Excessive water levels from winter thaw, high rains, water pipe breaks, or higher than usual water tables can cause rapid deterioration of roads.

Note 3. Financial Reporting – Pension Plans

A. Changes of assumptions.

- The interest rate for the 1937 Firefighters' and 1925 Police Officers' Pension plans increased from 2.56% for the December 31, 2014 valuation to 2.59% for the December 31, 2015 valuation, based on the Barclay's 20-year Municipal Bond Index rate.
- For the Sanitary Officers' Pension plan, in 2015, there was a change from the use of RP-2014 Total Data Set Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2014 to RP-2014 Total Data Set Mortality, adjusted to 2006, with Two Dimensional Mortality Improvement Scale MP-2015.
- For the Public Employees Retirement Fund, in 2015, the inflation assumption changed from 3.0% to 2.25% per year and the future salary increase assumption was reduced from a range of 3.25% to 4.5% to a range of 2.5% to 4.25%. The mortality assumption changed from the 2013 IRS Static Mortality projected five years with Scale AA to the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Table projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report. The retirement, termination, and disability assumptions were updated based on recent experience. The ASA annuitization assumption was updated from 50% of members assumed to annuitize their ASA balance to 60% of members assumed to annuitize their ASA balance prior to January 1, 2017.
- In 2015, the inflation assumption for the 1977 Police Officers' and Firefighters' Pension changed from 3.0% to 2.25% per year and the future salary increase assumption was reduced from 3.25% to 2.5%. The mortality assumption changed from the 2013 IRS Static Mortality projected five years with Scale AA to the RP-2014 (with MP-2014 improvement removed) Blue Collar Mortality Tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee Report. The termination assumption is a service based table of rates; the rates at most years of service were decreased to reflect recent experience. The disability assumption was adjusted to reflect recent experience.

B. Method and assumptions used in the calculations of actuarially determined contributions.

The actuarially determined contribution rates in the schedule of the 1937 Firefighters' and 1925 Police Officers' Pension plans contributions are calculated as of December 31, 2015. The following actuarial method and assumptions were used to determine contribution rates reported in their respective schedules:

CITY OF FORT WAYNE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2015
(Continued)

1937 Firefighters' and 1925 Police Officers' Pension Plans

Actuarial cost method	Entry Age Normal – Level Percent of Payroll
Amortization method	Level percentage of projected payroll, closed
Remaining amortization period	20 years
Inflation	2.25%
Salary increases	2.50%
Cost-of-Living Increases	Non-converted 2.50% per year in retirement Converted 2.00% per year in retirement
Discount rate	2.59% (Based on Barclay's 20-year Municipal Bond Index rate)
Mortality assumption	RP-2014 Blue Collar Mortality Tables with mortality improvement since 2006 using scale MP-2014 removed and projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee report

Sanitary Officers' Pension Plan

Actuarial cost method	Entry Age Normal – Level Percent of Payroll
Amortization method	Level percentage of projected payroll, closed
Remaining amortization period	20 years
Inflation	3.0%
Cost-of-Living Increases	4.0%
Discount rate	3.0%
Mortality assumption	RP-2014 Total Data Set Mortality, adjusted to 2006, with Two Dimensional Mortality Improvement Scale MP-2015

SUPPLEMENTARY INFORMATION



Major Governmental Funds

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

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

General Government:

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

Public Safety:

- Weights and Measures
- Police Merit Commission
- Police

Highways and Streets:

- Street Lighting/Flood/Transportation Engineering/Infrastructure

Health and Welfare:

- Animal Control

Economic Opportunity:

- Metropolitan Human Relations

Economic Development:

- Community Development

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

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

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

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

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

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

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

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

CITY OF FORT WAYNE
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2015

<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	\$ 2,271,822	\$ 2,281,822	\$ 2,189,310	\$ 92,512
Supplies	14,738	14,738	9,871	4,867
Other services and charges	143,389	133,389	118,848	14,541
Finance & Administration				
Personal services	2,364,058	2,364,058	2,247,982	116,076
Supplies	157,130	200,762	155,418	45,344
Other services and charges	7,678,690	7,269,696	5,875,613	1,394,083
Capital outlay	198,322	134,354	134,353	1
City Clerk				
Personal services	517,111	517,111	514,434	2,677
Supplies	10,550	10,550	10,842	(292)
Other services and charges	27,952	27,952	31,625	(3,673)
City Council				
Personal services	503,339	503,339	480,218	23,121
Supplies	450	450	98	352
Other services and charges	4,038	4,038	2,551	1,487
Board of Works				
Personal services	580,454	565,454	559,112	6,342
Supplies	6,002	6,002	2,637	3,365
Other services and charges	16,581	3,771	29,160	(25,389)
Law				
Personal services	429,074	429,074	406,179	22,895
Supplies	2,100	2,100	1,019	1,081
Other services and charges	106,128	106,120	76,864	29,256
Internal Audit				
Personal services	283,821	283,821	258,046	25,775
Supplies	300	300	178	122
Other services and charges	9,094	9,094	5,661	3,433
Total General government	<u>15,325,143</u>	<u>14,867,995</u>	<u>13,110,019</u>	<u>1,757,976</u>
Public safety:				
Weights and Measures				
Personal services	124,894	124,894	123,170	1,724
Supplies	5,083	5,083	4,109	974
Other services and charges	8,499	8,499	8,253	246
Police Merit Commission				
Personal services	4,500	4,500	3,600	900
Other services and charges	9,750	9,750	7,631	2,119
Police				
Personal services	44,537,765	44,537,765	43,554,726	983,039
Supplies	2,148,416	2,099,673	2,096,961	2,712
Other services and charges	6,823,339	6,823,339	6,765,974	57,365
Capital outlay	<u>121,500</u>	<u>121,500</u>	<u>111,995</u>	<u>9,505</u>
Total Public safety	<u>53,783,746</u>	<u>53,735,003</u>	<u>52,676,419</u>	<u>1,058,584</u>
Highways and streets:				
Street Lighting/Flood/Transp Engineering/Infrastructure				
Personal services	3,604,429	3,404,429	3,370,754	33,675
Supplies	398,901	413,354	410,318	3,036
Other services and charges	2,569,458	2,671,799	2,635,778	36,021
Capital outlay	<u>4,791,910</u>	<u>4,728,446</u>	<u>4,728,439</u>	<u>7</u>
Total Highways and streets	<u>11,364,698</u>	<u>11,218,028</u>	<u>11,145,289</u>	<u>72,739</u>

(Continued)

CITY OF FORT WAYNE
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2015
(Continued)

<u>Function and Department</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Positive (Negative)</u>
Health and welfare:				
Animal Control				
Personal services	2,392,933	2,380,933	2,261,646	119,287
Supplies	124,556	124,556	116,939	7,617
Other services and charges	339,692	339,692	308,319	31,373
Capital outlay	<u>12,800</u>	<u>7,334</u>	<u>1,526</u>	<u>5,808</u>
Total Health and welfare	<u>2,869,981</u>	<u>2,852,515</u>	<u>2,688,430</u>	<u>164,085</u>
Economic opportunity:				
Metropolitan Human Relations				
Personal services	684,423	684,423	661,053	23,370
Supplies	2,420	2,420	2,010	410
Other services and charges	<u>17,099</u>	<u>17,099</u>	<u>13,651</u>	<u>3,448</u>
Total Economic opportunity	<u>703,942</u>	<u>703,942</u>	<u>676,714</u>	<u>27,228</u>
Economic development:				
Community Development				
Personal services	3,834,326	3,834,326	3,509,747	324,579
Supplies	67,944	67,944	48,546	19,398
Other services and charges	666,039	559,813	536,864	22,949
Capital outlay	<u>1,094</u>	<u>1,094</u>	<u>1,094</u>	<u>-</u>
Total Economic development	<u>4,569,403</u>	<u>4,463,177</u>	<u>4,096,251</u>	<u>366,926</u>
Total General Fund	<u>\$ 88,616,913</u>	<u>\$ 87,840,660</u>	<u>\$ 84,393,122</u>	<u>\$ 3,447,538</u>

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES -
 OTHER BUDGETED MAJOR GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2015

	Redevelopment				CREDIT			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 12,762,149	\$ 12,762,150	\$ 12,764,556	\$ 2,406	\$ 23,036,274	\$ 23,036,274	\$ 23,036,274	\$ -
Intergovernmental	8,878	8,878	8,878	-	160	4,000,160	4,000,160	-
Charges for services	572,246	572,246	572,246	-	-	-	-	-
Other	2,272,227	2,272,227	2,272,244	17	128,332	128,332	131,417	3,085
Total revenues	15,615,500	15,615,501	15,617,924	2,423	23,164,766	27,164,766	27,167,851	3,085
Expenditures:								
Urban redevelopment and housing:								
Personal services	621,660	621,660	562,969	58,691	-	-	-	-
Supplies	44,163	44,163	44,010	153	-	-	-	-
Other services and charges	40,409,802	40,409,802	40,408,793	1,009	-	-	-	-
Capital outlay	2,038,216	2,038,216	2,038,216	-	-	-	-	-
Debt service:								
Principal	2,650,000	2,650,000	2,650,000	-	6,570,000	6,570,000	6,570,000	-
Interest	1,624,246	1,624,276	1,624,276	-	1,639,450	1,639,450	1,639,450	-
Capital outlay	-	-	-	-	6,796,699	7,165,863	7,442,843	(276,980)
Total expenditures	47,388,087	47,388,117	47,328,264	59,853	15,006,149	15,375,313	15,652,293	(276,980)
Other financing sources (uses):								
Transfers in	8,914,897	8,914,897	8,914,897	-	3,215,000	3,215,000	3,611,770	396,770
Transfers out	(7,320,779)	(7,320,779)	(7,320,779)	-	(13,892,862)	(13,892,862)	(13,614,057)	278,805
Capital leases issued	18,365,000	18,365,000	18,365,000	-	-	-	-	-
Total other financing sources (uses)	19,959,118	19,959,118	19,959,118	-	(10,677,862)	(10,677,862)	(10,002,287)	675,575
Net change in fund balances	(11,813,469)	(11,813,498)	(11,751,222)	62,276	(2,519,245)	1,111,591	1,513,271	401,680
Fund balances - beginning	57,330,256	57,330,256	57,330,256	-	9,112,762	9,112,762	9,112,762	-
Fund balances - ending	\$ 45,516,787	\$ 45,516,758	\$ 45,579,034	\$ 62,276	\$ 6,593,517	\$ 10,224,353	\$ 10,626,033	\$ 401,680

Non-major Governmental Funds

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

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

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

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

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

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

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

Reimbursable State Grants – to account for funds granted to the City from various State community development and social service programs.

Unsafe Building – to account for funds used to remove unsafe and severely deteriorated buildings from residential neighborhoods throughout the City.

DED International Trade – to account for revenues and expenditures related to international trade.

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

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

Federal Revolving – to account for various federal funds received for specific purposes.

Urban Development Action Grant – to account for funds granted to the City by the U.S. Department of Housing and Urban Development for specific categorical grants promoting economic and housing development.

Urban Enterprise Association – to account for funds that provide one-third of the Urban Enterprise Association (UEA) administrator's wage and benefit package and all the UEA secretaries' wages and benefit packages, as well as staff support by the City and UEA through a contractual arrangement.

Emergency Shelter Grant – to account for funds granted to the City under the U.S. Department of Housing and Urban Development Emergency Shelter Program which are to be used to provide emergency shelter and other services for displaced families and individuals.

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

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

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

Public Safety LOIT – to account for the additional local option income tax funds to pay for public safety.

Non-major Governmental Funds (continued)

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

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.

Levy Excess – to account for property tax levy excess revenues.

Animal Care Donation – to account for donations, restricted by donors, for animal care and other humane expenditures.

Animal Control Special Project – to account for all revenues, generated by fund raising activities, and expenditures for specific animal care needs.

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

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

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

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

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

Capital Projects Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The City maintains the following non-major capital projects funds:

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

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

Cumulative Capital Improvement – to account for cigarette tax distributions.

Cumulative Capital Development – to account for revenues from additional taxes levied on real and personal property.

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

Infrastructure Improvements – to account for the proceeds of bonds secured by a lease for infrastructure improvements.

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

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

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET -
 NON-MAJOR GOVERNMENTAL FUNDS
 December 31, 2015

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Capital Projects Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 8,797,516	\$ -	\$ 16,541,554	\$ 25,339,070
Receivables (net of allowances for uncollectibles):				
Taxes	797,754	-	103,349	901,103
Assessments	-	-	385,961	385,961
Intergovernmental	1,868,712	-	58,609	1,927,321
Loans	6,846,003	-	-	6,846,003
Miscellaneous	4,528,055	-	76,761	4,604,816
Interfund receivable - pooled cash	-	-	8,109,972	8,109,972
Interfund receivable	-	-	115,512	115,512
Due from other funds	2,700	-	16,734	19,434
Assets held for resale	4,348,328	-	1,347,910	5,696,238
	<u>4,348,328</u>	<u>-</u>	<u>1,347,910</u>	<u>5,696,238</u>
Total assets	<u>\$ 27,189,068</u>	<u>\$ -</u>	<u>\$ 26,756,362</u>	<u>\$ 53,945,430</u>
<u>Liabilities, deferred inflows of resources and fund balances</u>				
Liabilities:				
Accounts payable	\$ 664,849	\$ -	\$ 128,106	\$ 792,955
Wages and withholdings payable	127,165	-	-	127,165
Contracts payable	-	-	1,046,130	1,046,130
Retainage payable	-	-	306,918	306,918
Interfund payable - pooled cash	888,089	1,428,698	-	2,316,787
Due to other funds	-	-	114,104	114,104
Unearned revenue	20,322	-	-	20,322
	<u>1,700,425</u>	<u>1,428,698</u>	<u>1,595,258</u>	<u>4,724,381</u>
Total liabilities	<u>1,700,425</u>	<u>1,428,698</u>	<u>1,595,258</u>	<u>4,724,381</u>
Deferred inflows of resources	<u>1,644,555</u>	<u>-</u>	<u>537,410</u>	<u>2,181,965</u>
Fund balances:				
Nonspendable fund balance	10,247,768	-	1,347,910	11,595,678
Restricted fund balance	3,633,260	-	1,038,259	4,671,519
Committed fund balance	-	-	3,821,151	3,821,151
Assigned fund balance	10,078,667	-	18,416,374	28,495,041
Unassigned fund balance	(115,607)	(1,428,698)	-	(1,544,305)
	<u>23,844,088</u>	<u>(1,428,698)</u>	<u>24,623,694</u>	<u>47,039,084</u>
Total fund balances	<u>23,844,088</u>	<u>(1,428,698)</u>	<u>24,623,694</u>	<u>47,039,084</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 27,189,068</u>	<u>\$ -</u>	<u>\$ 26,756,362</u>	<u>\$ 53,945,430</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, 2015

	Non-major Special Revenue Funds	Non-major Debt Service Funds	Non-major Capital Projects Funds	Totals
Revenues:				
Taxes	\$ 4,792,077	\$ 1,000,000	\$ 2,434,563	\$ 8,226,640
Special assessments	-	-	144,368	144,368
Licenses and permits	1,248,522	-	-	1,248,522
Intergovernmental	8,595,559	-	864,794	9,460,353
Charges for services	5,425,822	-	-	5,425,822
Fines and forfeits	3,288,986	-	-	3,288,986
Other	2,581,598	1,000,000	7,808	3,589,406
	<u>25,932,564</u>	<u>2,000,000</u>	<u>3,451,533</u>	<u>31,384,097</u>
Total revenues				
Expenditures:				
Current:				
General government	2,751,255	-	-	2,751,255
Public safety	14,134,672	-	-	14,134,672
Highways and streets	3,568,192	-	-	3,568,192
Health and welfare	193,029	-	-	193,029
Economic opportunity	431,538	-	-	431,538
Economic development	450,040	-	-	450,040
Urban redevelopment and housing	4,443,642	-	-	4,443,642
Debt service:				
Principal	-	-	4,140,000	4,140,000
Interest and other charges	-	-	2,191,700	2,191,700
Capital outlay	-	-	17,438,832	17,438,832
	<u>25,972,368</u>	<u>-</u>	<u>23,770,532</u>	<u>49,742,900</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(39,804)</u>	<u>2,000,000</u>	<u>(20,318,999)</u>	<u>(18,358,803)</u>
Other financing sources (uses):				
Transfers in	3,647,198	300,000	28,004,799	31,951,997
Transfers out	(80,729)	(2,320,265)	(22,485,672)	(24,886,666)
Capital leases issued	-	-	2,500,000	2,500,000
	<u>3,566,469</u>	<u>(2,020,265)</u>	<u>8,019,127</u>	<u>9,565,331</u>
Total other financing sources (uses)				
Net change in fund balances	3,526,665	(20,265)	(12,299,872)	(8,793,472)
Fund balances - beginning	<u>20,317,423</u>	<u>(1,408,433)</u>	<u>36,923,566</u>	<u>55,832,556</u>
Fund balances - ending	<u>\$ 23,844,088</u>	<u>\$ (1,428,698)</u>	<u>\$ 24,623,694</u>	<u>\$ 47,039,084</u>

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET -
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2015

	Abandoned Vehicle	Parking Meter	Law Enforcement Training	Omnibus Crime	Cable Television	Community Development Block Grants	Reimbursable State Grants	Unsafe Building	International Trade	HOME
Assets										
Cash and cash equivalents	\$ 625,699	\$ -	\$ 1,768,340	\$ -	\$ 442,666	\$ -	\$ 8,044	\$ 1,735,191	\$ 46	\$ 121,819
Receivables (net of allowances for uncollectibles):										
Taxes	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	16,000	-	92,682	1,179	-	-	72,760
Loans	-	-	-	-	-	688,114	-	-	-	4,556,385
Miscellaneous	-	161,640	-	413	277,497	-	-	4,008,762	10,000	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	2,490,451	-	-	-	30,296
Total assets	\$ 625,699	\$ 161,640	\$ 1,768,340	\$ 16,413	\$ 720,163	\$ 3,271,247	\$ 9,223	\$ 5,743,953	\$ 10,046	\$ 4,781,260

Liabilities, deferred inflows of resources and fund balances

	Accounts payable	Wages and withholdings payable	Interfund payable - pooled cash	Unearned revenue	Total liabilities	Deferred inflows of resources	Fund balances:	Nonspendable fund balance	Restricted fund balance	Assigned fund balance	Unassigned fund balance	Total fund balances
Liabilities:												
Accounts payable	\$ 206	\$ 13,947	\$ 1,876	\$ 204	\$ 221,998	\$ 59,717						
Wages and withholdings payable	2,247	5,923	168	-	-	15,616						
Interfund payable - pooled cash	-	61,316	-	16,209	-	633,859						
Unearned revenue	-	-	-	-	-	-						
Total liabilities	2,453	81,186	2,044	16,413	221,998	709,192						96,251
Deferred inflows of resources	-	-	-	745	-	-						
Fund balances:												
Nonspendable fund balance	-	-	-	-	-	2,562,055						4,292,046
Restricted fund balance	-	-	-	-	-	-	8,937					392,963
Assigned fund balance	623,246	80,454	1,766,296	-	498,165	-	-	5,736,409	10,046			-
Unassigned fund balance	-	-	-	(745)	-	-						-
Total fund balances	623,246	80,454	1,766,296	(745)	498,165	2,562,055	8,937	5,736,409	10,046			4,685,009
Total liabilities, deferred inflows of resources and fund balances	\$ 625,699	\$ 161,640	\$ 1,768,340	\$ 16,413	\$ 720,163	\$ 3,271,247	\$ 9,223	\$ 5,743,953	\$ 10,046	\$ 4,781,260		

(Continued)

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET -
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2015
 (Continued)

Assets	Affordable Housing Trust	Federal Revolving	Urban Development Action Grant	Urban Enterprise Association	Emergency Shelter Grant	Neighborhood Stabilization	Neighborhood Stabilization 2013	Public Safety Academy Operating	Public Safety LOIT
Cash and cash equivalents	\$ 7,079	\$ 452,461	\$ 20,100	\$ -	\$ -	\$ 50,728	\$ 15,000	\$ 34,622	\$ 1,554
Receivables (net of allowances for uncollectibles):									
Taxes	-	-	-	-	-	-	-	-	797,438
Intergovernmental	-	1,681,502	-	-	4,329	-	-	-	-
Loans	224,031	-	-	-	-	937,913	435,000	-	-
Miscellaneous	-	-	-	65,551	-	-	-	920	-
Due from other funds	-	-	-	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	1,136,673	690,908	-	-
Total assets	\$ 231,110	\$ 2,133,963	\$ 20,100	\$ 65,551	\$ 4,329	\$ 2,125,314	\$ 1,140,908	\$ 35,542	\$ 798,992

Liabilities, deferred inflows of resources and fund balances

Liabilities:	Accounts payable	Wages and withholdings payable	Interfund payable - pooled cash	Unearned revenue	Total liabilities	Deferred inflows of resources	Fund balances:	Nonspendable fund balance	Restricted fund balance	Assigned fund balance	Unassigned fund balance	Total fund balances
Accounts payable	\$ -	\$ 203,287	\$ -	\$ 1,340	\$ 183	\$ 5,534	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wages and withholdings payable	-	21,309	-	4,964	-	-	-	-	-	-	-	-
Interfund payable - pooled cash	-	-	-	59,247	-	91,500	-	-	-	-	-	-
Unearned revenue	-	20,322	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	244,918	-	65,551	91,683	5,534	-	-	-	-	-	-
Deferred inflows of resources	-	846,056	-	-	-	-	-	-	-	-	-	797,438
Fund balances:												
Nonspendable fund balance	224,031	-	-	-	-	2,054,168	1,110,908	-	-	-	-	-
Restricted fund balance	-	1,042,989	-	-	-	65,612	30,000	-	-	-	-	-
Assigned fund balance	7,079	-	20,100	-	-	-	-	35,542	-	-	-	1,554
Unassigned fund balance	-	-	-	-	-	(87,354)	-	-	-	-	-	-
Total fund balances	231,110	1,042,989	20,100	65,551	91,683	2,119,780	1,140,908	35,542	-	-	-	1,554
Total liabilities, deferred inflows of resources and fund balances	\$ 231,110	\$ 2,133,963	\$ 20,100	\$ 65,551	\$ 4,329	\$ 2,125,314	\$ 1,140,908	\$ 35,542	\$ -	\$ -	\$ -	\$ 798,992

(Continued)

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET -
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2015
 (Continued)

	Consolidated Communications Partnership (CCP)	General Donation	Domestic Violence	Levy Excess	Animal Care Donation	Animal Control Special Project	Parking Fund	Barrett Law Surplus	Totals
Assets									
Cash and cash equivalents	\$ 1,343,046	\$ 947,118	\$ 9,978	\$ 7,586	\$ 980,083	\$ 185,236	\$ -	\$ 41,120	\$ 8,797,516
Receivables (net of allowances for uncollectibles):									
Taxes	-	-	316	-	-	-	-	-	797,754
Intergovernmental	-	-	-	-	-	-	260	-	1,868,712
Loans	-	4,560	-	-	-	-	-	-	6,846,003
Miscellaneous	-	393	-	-	574	-	2,305	-	4,528,055
Due from other funds	-	-	-	-	-	-	2,700	-	2,700
Assets held for resale	-	-	-	-	-	-	-	-	4,348,328
Total assets	\$ 1,343,046	\$ 952,071	\$ 10,294	\$ 7,586	\$ 980,657	\$ 185,236	\$ 5,265	\$ 41,120	\$ 27,189,068
Liabilities, deferred inflows of resources and fund balances									
Liabilities:									
Accounts payable	\$ 27,147	\$ 11,427	\$ -	\$ -	\$ 3,794	\$ 3,294	\$ 6,815	\$ -	\$ 664,849
Wages and withholdings payable	74,807	1,869	-	-	-	261	-	-	127,165
Interfund payable - pooled cash	-	-	-	-	-	-	25,958	-	888,089
Unearned revenue	-	-	-	-	-	-	-	-	20,322
Total liabilities	101,954	13,296	-	-	3,794	3,555	32,773	-	1,700,425
Deferred inflows of resources	-	-	316	-	-	-	-	-	1,644,555
Fund balances:									
Nonspendable fund balance	-	4,560	-	-	-	-	-	-	10,247,768
Restricted fund balance	-	934,215	-	-	976,863	181,681	-	-	3,633,260
Assigned fund balance	1,241,092	-	9,978	7,586	-	-	-	41,120	10,078,667
Unassigned fund balance	-	-	-	-	-	-	(27,508)	-	(115,607)
Total fund balances	1,241,092	938,775	9,978	7,586	976,863	181,681	(27,508)	41,120	23,844,088
Total liabilities, deferred inflows of resources and fund balances	\$ 1,343,046	\$ 952,071	\$ 10,294	\$ 7,586	\$ 980,657	\$ 185,236	\$ 5,265	\$ 41,120	\$ 27,189,068

CITY OF FORT WAYNE
 COMBINING BALANCE SHEET -
 NON-MAJOR CAPITAL PROJECTS FUNDS
 December 31, 2015

	Renaissance Pointe	Equipment Purchase	Cumulative Capital Improvement	Cumulative Capital Development	Building Project	Infrastructure Improvements	Barrett Law Commercial	Barrett Law Revolving Improvement	Totals
<u>Assets</u>									
Cash and cash equivalents	\$ 1,189,616	\$ 1,324,906	\$ 806,327	\$ 1,176,724	\$ 3,700,180	\$ 6,086,148	\$ 105,496	\$ 2,152,157	\$ 16,541,554
Receivables (net of allowances for uncollectibles):									
Taxes	-	-	-	103,349	-	-	-	-	103,349
Assessments	-	-	-	-	-	-	254	385,707	385,961
Intergovernmental	-	-	58,609	-	-	-	-	-	58,609
Miscellaneous	-	56,259	-	-	-	-	6	20,496	76,761
Interfund receivable - pooled cash	-	-	-	-	-	8,109,972	-	-	8,109,972
Interfund receivable	-	115,512	-	-	-	-	-	-	115,512
Due from other funds	-	-	16,734	-	-	-	-	-	16,734
Assets held for resale	1,347,910	-	-	-	-	-	-	-	1,347,910
Total assets	\$ 2,537,526	\$ 1,496,677	\$ 881,670	\$ 1,280,073	\$ 3,700,180	\$ 14,196,120	\$ 105,756	\$ 2,558,360	\$ 26,756,362

Liabilities, deferred inflows of resources and fund balances

<u>Liabilities:</u>									
Accounts payable	\$ 99	\$ 1,994	\$ 22,152	\$ 57,620	\$ -	\$ 46,241	\$ -	\$ -	\$ 128,106
Contracts payable	-	-	-	-	-	1,046,130	-	-	1,046,130
Contracts retainage payable	-	-	-	68,928	-	228,439	-	9,551	306,918
Due to other funds	-	-	-	-	114,104	-	-	-	114,104
Total liabilities	99	1,994	22,152	126,548	114,104	1,320,810	-	9,551	1,595,258
Deferred inflows of resources	-	-	57,006	103,349	-	-	260	376,795	537,410
Fund balances:									
Nonspendable fund balance	1,347,910	-	-	-	-	-	-	-	1,347,910
Restricted fund balance	1,038,259	-	-	-	-	-	-	-	1,038,259
Committed fund balance	-	831,600	-	739,822	-	2,187,699	-	62,030	3,821,151
Assigned fund balance	151,258	663,083	802,512	310,354	3,586,076	10,687,611	105,496	2,109,984	18,416,374
Total fund balances	2,537,427	1,494,683	802,512	1,050,176	3,586,076	12,875,310	105,496	2,172,014	24,623,694
Total liabilities, deferred inflows of resources and fund balances	\$ 2,537,526	\$ 1,496,677	\$ 881,670	\$ 1,280,073	\$ 3,700,180	\$ 14,196,120	\$ 105,756	\$ 2,558,360	\$ 26,756,362

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, 2015

	Abandoned Vehicle	Parking Meter	Law Enforcement Training	Omnibus Crime	Cable Television	Community Development Block Grants	Reimbursable State Grants	Unsafe Building	DED International Trade	HOME
Revenues:										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	110,586	-	1,137,936	-	-	-	-	-
Intergovernmental	-	-	-	63,005	-	1,577,576	27,712	-	-	1,160,016
Charges for services	-	255,122	236,689	-	-	178,505	-	-	-	1,022,263
Fines and forfeits	-	365,568	22,059	-	-	-	-	1,799,103	-	-
Other	214,506	5,916	1,867	-	401	5,557	18,555	12,820	10,000	476
Total revenues	214,506	626,606	371,201	63,005	1,138,337	1,761,638	46,267	1,811,923	10,000	2,182,755
Expenditures:										
Current:										
General government	-	634,522	-	-	1,256,729	-	-	-	-	-
Public safety	34,351	-	118,051	63,396	-	-	41,343	429,737	-	-
Highways and streets	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-	-
Economic opportunity	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	779	-
Urban redevelopment and housing	-	-	-	-	-	2,712,062	-	-	-	1,490,802
Total expenditures	34,351	634,522	118,051	63,396	1,256,729	2,712,062	41,343	429,737	779	1,490,802
Excess (deficiency) of revenues over (under) expenditures	180,155	(7,916)	253,150	(391)	(118,392)	(950,424)	4,924	1,382,186	9,221	691,953
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(60,000)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(60,000)	-	-	-	-	-
Net change in fund balances	180,155	(7,916)	253,150	(391)	(178,392)	(950,424)	4,924	1,382,186	9,221	691,953
Fund balances - beginning	443,091	88,370	1,513,146	(354)	676,557	3,512,479	4,013	4,354,223	825	3,993,056
Fund balances - ending	\$ 623,246	\$ 80,454	\$ 1,766,296	\$ (745)	\$ 498,165	\$ 2,562,055	\$ 8,937	\$ 5,736,409	\$ 10,046	\$ 4,685,009

(Continued)

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, 2015

(Continued)

	Affordable Housing Trust	Federal Revolving	Urban Development Action Grant	Urban Enterprise Association	Emergency Shelter Grant	Neighborhood Stabilization 2013	Neighborhood Stabilization 2013	Public Safety Academy Operating	Public Safety LOIT
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,784,632
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	2,116,653	-	-	98,866	-	-	-	-
Charges for services	-	3,473,473	-	-	-	2,131	-	-	-
Fines and forfeits	-	1,097,788	-	-	-	6,986	-	-	-
Other	6	27,660	16	439,306	-	1,092	-	-	-
Total revenues	6	6,715,574	16	439,306	98,866	10,209	-	-	4,784,632
Expenditures:									
Current:									
General government	-	432,270	-	-	-	-	-	-	-
Public safety	-	1,357,507	-	-	-	-	-	3,161	4,783,078
Highways and streets	-	3,458,294	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-
Economic opportunity	-	431,538	-	-	-	-	-	-	-
Economic development	-	-	-	423,700	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	186,228	11,675	-	-	-
Total expenditures	-	5,679,609	-	423,700	186,228	11,675	-	3,161	4,783,078
Excess (deficiency) of revenues over (under) expenditures	6	1,035,965	16	15,606	(87,362)	(1,466)	-	(3,161)	1,554
Other financing sources (uses):									
Transfers in	-	234,431	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	234,431	-	-	-	-	-	-	-
Net change in fund balances	6	1,270,396	16	15,606	(87,362)	(1,466)	-	(3,161)	1,554
Fund balances - beginning	231,104	(227,407)	20,084	(15,606)	8	2,121,246	1,140,908	38,703	-
Fund balances - ending	\$ 231,110	\$ 1,042,989	\$ 20,100	\$ -	\$ (87,354)	\$ 2,119,780	\$ 1,140,908	\$ 35,542	\$ 1,554

(Continued)

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, 2015

(Continued)

	Consolidated Communications Partnership (CCP)	General Donation	Domestic Violence	Levy Excess	Animal Care Donation	Animal Control Special Project	Parking Fund	Barrett Law Surplus	Totals
Revenues:									
Taxes	\$ -	\$ -	\$ 7,445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,792,077
Licenses and permits	-	-	-	-	-	-	-	-	1,248,522
Intergovernmental	3,231,229	4,908	-	-	313,463	-	-	-	8,595,559
Charges for services	125,818	126,966	-	-	-	-	-	-	5,425,822
Fines and forfeits	-	4,468	-	-	-	-	-	-	3,288,986
Other	1,049,157	331,152	-	-	3,313	172,137	287,156	505	2,581,598
Total revenues	4,406,204	467,494	7,445	-	316,776	172,137	287,156	505	25,932,564
Expenditures:									
Current:									
General government	-	131,766	-	-	-	-	295,004	964	2,751,255
Public safety	6,970,594	181,340	7,014	-	-	145,100	-	-	14,134,672
Highways and streets	-	109,898	-	-	-	-	-	-	3,568,192
Health and welfare	-	-	-	-	193,029	-	-	-	193,029
Economic opportunity	-	-	-	-	-	-	-	-	431,538
Economic development	-	25,561	-	-	-	-	-	-	450,040
Urban redevelopment and housing	-	42,875	-	-	-	-	-	-	4,443,642
Total expenditures	6,970,594	491,440	7,014	-	193,029	145,100	295,004	964	25,972,368
Excess (deficiency) of revenues over (under) expenditures	(2,564,390)	(23,946)	431	-	123,747	27,037	(7,848)	(459)	(39,804)
Other financing sources (uses):									
Transfers in	3,399,489	4,086	-	-	-	9,192	-	-	3,647,198
Transfers out	-	(2,274)	-	-	(8,202)	(10,253)	-	-	(80,729)
Total other financing sources (uses)	3,399,489	1,812	-	-	(8,202)	(1,061)	-	-	3,566,469
Net change in fund balances	835,099	(22,134)	431	-	115,545	25,976	(7,848)	(459)	3,526,665
Fund balances - beginning	405,993	960,909	9,547	7,586	861,318	155,705	(19,660)	41,579	20,317,423
Fund balances - ending	\$ 1,241,092	\$ 938,775	\$ 9,978	\$ 7,586	\$ 976,863	\$ 181,681	\$ (27,508)	\$ 41,120	\$ 23,844,088

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, 2015

	Renaissance Pointe	Equipment Purchase	Cumulative Capital Improvement	Cumulative Capital Development	Building Project	Infrastructure Improvements	Barrett Law Commercial	Barrett Law Revolving Improvement	Totals
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ 2,434,563	\$ -	\$ -	\$ -	\$ -	\$ 2,434,563
Special assessments	-	-	-	-	-	-	264	144,104	144,368
Intergovernmental	-	-	637,199	-	227,595	-	-	-	864,794
Other	1,017	369	554	-	394	2,083	-	3,391	7,808
Total revenues	1,017	369	637,753	2,434,563	227,989	2,083	264	147,495	3,451,533
Expenditures:									
Debt service:									
Principal	-	-	-	-	2,390,000	1,750,000	-	-	4,140,000
Interest and other charges	-	-	-	-	1,478,121	713,579	-	-	2,191,700
Capital outlay	585,449	4,411,086	483,869	1,400,348	-	10,358,434	-	199,646	17,438,832
Total expenditures	585,449	4,411,086	483,869	1,400,348	3,868,121	12,822,013	-	199,646	23,770,532
Excess (deficiency) of revenues over (under) expenditures	(584,432)	(4,410,717)	153,884	1,034,215	(3,640,132)	(12,819,930)	264	(52,151)	(20,318,999)
Other financing sources (uses):									
Transfers in	-	11,126,758	-	-	3,651,283	13,226,758	-	-	28,004,799
Transfers out	-	(11,126,758)	-	(232,156)	-	(11,126,758)	-	-	(22,485,672)
Capital leases issued	-	2,500,000	-	-	-	-	-	-	2,500,000
Total other financing sources (uses)	-	2,500,000	-	(232,156)	3,651,283	2,100,000	-	-	8,019,127
Net change in fund balances	(584,432)	(1,910,717)	153,884	802,059	11,151	(10,719,930)	264	(52,151)	(12,299,872)
Fund balances - beginning	3,121,859	3,405,400	648,628	248,117	3,574,925	23,595,240	105,232	2,224,165	36,923,566
Fund balances - ending	\$ 2,537,427	\$ 1,494,683	\$ 802,512	\$ 1,050,176	\$ 3,586,076	\$ 12,875,310	\$ 105,496	\$ 2,172,014	\$ 24,623,694

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES -
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2015

	Parking Meter			Law Enforcement Training			Cable Television					
	Budgeted Amounts		Variance	Budgeted Amounts		Variance	Budgeted Amounts		Variance			
	Original	Final	Positive (Negative)	Original	Final	Positive (Negative)	Original	Final	Positive (Negative)			
Revenues:												
Licenses and permits	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 10,586	\$ 1,068,000	\$ 1,068,000	\$ 1,137,936	\$ 69,936		
Charges for services	305,000	305,000	(49,878)	151,600	151,600	236,689	-	-	-	-		
Fines and forfeits	350,000	350,000	15,568	24,000	24,000	22,059	-	-	-	-		
Other	-	-	5,916	-	-	1,867	-	-	401	401		
Total revenues	655,000	655,000	(28,394)	275,600	275,600	371,201	1,068,000	1,068,000	1,138,337	70,337		
Expenditures:												
General government:												
Personal services	541,307	541,307	674	-	-	-	-	-	-	-		
Supplies	14,362	14,362	1,448	-	-	-	-	-	-	-		
Other services and charges	88,343	88,343	7,368	-	-	-	1,059,315	1,279,945	1,256,729	23,216		
Public safety:												
Other services and charges	-	-	-	212,964	212,964	118,051	-	-	-	-		
Total expenditures	644,012	644,012	9,490	212,964	212,964	118,051	1,059,315	1,279,945	1,256,729	23,216		
Other financing sources (uses):												
Transfers out	-	-	-	-	-	-	(60,000)	(60,000)	(60,000)	-		
Total other financing sources (uses)	-	-	-	-	-	-	(60,000)	(60,000)	(60,000)	-		
Net change in fund balances	10,988	10,988	(18,904)	62,636	62,636	253,150	(51,315)	(271,945)	(178,392)	93,553		
Fund balance - beginning	88,370	88,370	-	1,513,146	1,513,146	1,513,146	676,557	676,557	676,557	-		
Fund balances - ending	99,358	99,358	(8,904)	1,575,782	1,575,782	1,766,296	625,242	404,612	498,165	93,553		

(Continued)

CITY OF FORT WAYNE
 BUDGETARY COMPARISON SCHEDULES -
 OTHER NON-MAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2015
 (Continued)

	Unsafe Building			Public Safety LOIT			Domestic Violence		
	Budgeted Amounts		Variance Positive (Negative)	Budgeted Amounts		Variance Positive (Negative)	Budgeted Amounts		Variance Positive (Negative)
	Original	Final		Original	Final		Original	Final	
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeits	1,799,103	1,799,103	-	1,799,103	4,784,632	4,784,632	4,784,632	4,784,632	7,418
Other	12,820	12,820	-	12,820	-	-	-	-	-
Total revenues	1,811,923	1,811,923	-	1,811,923	4,784,632	4,784,632	4,784,632	4,784,632	7,418
Expenditures:									
Public safety:									
Personal Services	-	-	-	-	4,783,078	4,783,078	4,783,078	4,783,078	-
Supplies	-	-	-	-	-	-	-	-	150
Other services and charges	429,737	429,737	-	429,737	-	-	-	-	7,150
Total expenditures	429,737	429,737	-	429,737	4,783,078	4,783,078	4,783,078	4,783,078	7,300
Net change in fund balances	1,382,186	1,382,186	-	1,382,186	1,554	1,554	1,554	1,554	118
Fund balances - beginning	4,354,223	4,354,223	-	4,354,223	-	-	-	-	9,547
Fund balances - ending	5,736,409	5,736,409	\$	5,736,409	1,554	1,554	1,554	1,554	9,665

	Cumulative Capital Improvement			Cumulative Capital Development		
	Budgeted Amounts		Variance Positive (Negative)	Budgeted Amounts		Variance Positive (Negative)
	Original	Final		Original	Final	
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	654,518	654,518	637,199	2,425,913	2,434,563	8,650
Other	-	-	554	-	-	-
Total revenues	654,518	654,518	637,753	2,425,913	2,434,563	8,650
Expenditures:						
Supplies	169,576	289,507	288,789	250,000	248,687	1,313
Services	80,200	54,628	43,672	693,033	458,117	234,916
Capital outlay	473,223	158,164	151,408	925,431	693,544	-
Total expenditures	722,999	502,299	483,869	2,325,851	1,400,348	236,229
Other financing sources (uses):						
Transfers out	-	-	-	(232,156)	(232,156)	-
Net change in fund balances	(68,481)	152,219	153,884	(132,094)	557,180	244,879
Fund balances - beginning	648,628	648,628	648,628	248,117	248,117	-
Fund balances - ending	580,147	800,847	802,512	116,023	805,297	244,879

Non-major Proprietary Funds

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

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

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

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

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

Electric Utility – to account for the fixed assets retained by the utility after the sale to a private electric utility.

Yardwaste Facility – to account for the activities of the yardwaste facility.

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

Self Insurance – to account for the financial requirements to self-insure for the employee medical insurance plan, general liability and automobile liability, and worker's compensation liability.

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

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET POSITION -
 NON-MAJOR ENTERPRISE FUNDS
 December 31, 2015

	Solid Waste Management	Civic Center Parking Garage	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals
Assets							
Current assets:							
Cash and cash equivalents	\$ 611,660	\$ 359,593	\$ -	\$ -	\$ -	\$ 443,003	\$ 1,414,256
Receivables:							
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	4,650	4,650
Miscellaneous receivable	2,044	-	-	-	-	-	2,044
Due from other funds	1,322,194	-	-	-	-	25	1,322,219
Prepaid expenses	274	1,435	-	-	-	9	1,718
Total current assets	1,936,172	361,028	-	-	-	447,687	2,744,887
Noncurrent assets:							
Restricted cash and cash equivalents	-	-	-	48,585	-	-	48,585
Capital Assets:							
Land, improvements to land and construction in progress	-	997,802	-	-	75,732	6,002	1,079,536
Other capital assets (net of accumulated depreciation)	679,952	1,431,953	187,500	1,053,754	16,755	16,074	3,385,988
Total noncurrent assets	679,952	2,429,755	187,500	1,102,339	92,487	22,076	4,514,109
Total assets	2,616,124	2,790,783	187,500	1,102,339	92,487	469,763	7,258,996
Liabilities							
Current liabilities:							
Accounts payable	765,615	-	-	11,193	-	27,047	803,855
Wages and withholdings payable	7,855	-	-	-	-	694	8,549
Contracts payable	24,511	-	-	-	-	-	24,511
Due to other funds	-	-	-	-	-	5,491	5,491
Interfund payable	-	-	-	-	-	27	27
Compensated absences payable - current portion	10,160	-	-	-	-	1,730	11,890
Capital lease payable - current portion	401,345	-	-	-	-	-	401,345
Revenue bonds payable - current portion	-	-	-	110,000	-	-	110,000
Accrued interest payable	13,397	-	-	19,030	-	-	32,427
Total current liabilities	1,222,883	-	-	140,223	-	34,989	1,398,095
Noncurrent liabilities:							
Compensated absences payable	-	-	-	-	-	764	764
Capital lease payable	624,129	-	-	-	-	-	624,129
Revenue bonds payable, net	-	-	-	635,000	-	-	635,000
Total noncurrent liabilities	624,129	-	-	635,000	-	764	1,259,893
Total liabilities	1,847,012	-	-	775,223	-	35,753	2,657,988
Net position							
Net investment in capital assets	-	2,429,755	187,500	308,754	92,487	22,076	3,040,572
Restricted for:							
Debt service	-	-	-	18,362	-	-	18,362
Unrestricted	769,112	361,028	-	-	-	411,934	1,542,074
Total net position	\$ 769,112	\$ 2,790,783	\$ 187,500	\$ 327,116	\$ 92,487	\$ 434,010	\$ 4,601,008

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET POSITION -
 INTERNAL SERVICE FUNDS
 December 31, 2015

	Self Insurance	Garage	Totals
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 4,045,479	\$ 514,618	\$ 4,560,097
Miscellaneous receivable	53,168	5,169	58,337
Due from other funds	23,260	117,279	140,539
Inventories	-	51,023	51,023
Prepaid expenses	440	360	800
	<u>4,122,347</u>	<u>688,449</u>	<u>4,810,796</u>
Total current assets			
Noncurrent assets:			
Capital assets:			
Land, improvements to land and construction in progress	-	27,277	27,277
Other capital assets (net of accumulated depreciation)	16,652	341,732	358,384
	<u>16,652</u>	<u>369,009</u>	<u>385,661</u>
Total noncurrent assets			
	<u>16,652</u>	<u>369,009</u>	<u>385,661</u>
Total assets	<u>4,138,999</u>	<u>1,057,458</u>	<u>5,196,457</u>
<u>Liabilities</u>			
Current liabilities:			
Accounts payable	162,276	5,165	167,441
Wages and withholdings payable	7,931	3,793	11,724
Contract payable	-	487,086	487,086
Due to other funds	-	5,238	5,238
Compensated absences payable - current portion	12,320	33,041	45,361
Accrued group insurance benefits payable	1,630,505	-	1,630,505
Other current liabilities	237,627	-	237,627
	<u>2,050,659</u>	<u>534,323</u>	<u>2,584,982</u>
Total liabilities			
	<u>2,050,659</u>	<u>534,323</u>	<u>2,584,982</u>
<u>Net position</u>			
Net investment in capital assets	16,652	369,009	385,661
Unrestricted	2,071,688	154,126	2,225,814
	<u>2,071,688</u>	<u>154,126</u>	<u>2,225,814</u>
Total net position	<u>\$ 2,088,340</u>	<u>\$ 523,135</u>	<u>\$ 2,611,475</u>

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
 NON-MAJOR ENTERPRISE FUNDS
 For The Year Ended December 31, 2015

	<u>Solid Waste Management</u>	<u>Civic Center Parking Garage</u>	<u>Midtowne Parking Garage</u>	<u>2001 Parking Garage Addition</u>	<u>Electric Utility</u>	<u>Yardwaste Facility</u>	<u>Totals</u>
Operating revenues:							
Charges for goods and services	<u>\$ 10,362,742</u>	<u>\$ 702,359</u>	<u>\$ 81,855</u>	<u>\$ 220,099</u>	<u>\$ -</u>	<u>\$ 263,241</u>	<u>\$11,630,296</u>
Operating expenses:							
Personnel services	376,516	-	-	-	-	12	376,528
Contractual services	8,507,761	772,614	-	85,603	-	217,248	9,583,226
Utilities	2,943	58,981	-	-	-	-	61,924
Administrative services	-	-	-	-	-	55,338	55,338
Other supplies and services	353,598	47,082	117,749	-	-	5,123	523,552
Insurance claims and premiums	2,088	3,099	-	-	-	-	5,187
Depreciation	<u>678,400</u>	<u>190,356</u>	<u>12,500</u>	<u>42,150</u>	<u>721</u>	<u>4,667</u>	<u>928,794</u>
Total operating expenses	<u>9,921,306</u>	<u>1,072,132</u>	<u>130,249</u>	<u>127,753</u>	<u>721</u>	<u>282,388</u>	<u>11,534,549</u>
Operating income (loss)	<u>441,436</u>	<u>(369,773)</u>	<u>(48,394)</u>	<u>92,346</u>	<u>(721)</u>	<u>(19,147)</u>	<u>95,747</u>
Nonoperating revenues (expenses):							
Interest and investment revenue	1,149	-	3	-	-	-	1,152
Interest expense	<u>(32,286)</u>	<u>-</u>	<u>-</u>	<u>(41,508)</u>	<u>-</u>	<u>-</u>	<u>(73,794)</u>
Total nonoperating revenue (expenses)	<u>(31,137)</u>	<u>-</u>	<u>3</u>	<u>(41,508)</u>	<u>-</u>	<u>-</u>	<u>(72,642)</u>
Income (loss) before transfers	410,299	(369,773)	(48,391)	50,838	(721)	(19,147)	23,105
Transfers in	-	-	26,793	-	-	-	26,793
Transfers out	<u>(966,040)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(966,040)</u>
Change in net position	(555,741)	(369,773)	(21,598)	50,838	(721)	(19,147)	(916,142)
Total net position - beginning	<u>1,324,853</u>	<u>3,160,556</u>	<u>209,098</u>	<u>276,278</u>	<u>93,208</u>	<u>453,157</u>	<u>5,517,150</u>
Total net position - ending	<u>\$ 769,112</u>	<u>\$ 2,790,783</u>	<u>\$ 187,500</u>	<u>\$ 327,116</u>	<u>\$ 92,487</u>	<u>\$ 434,010</u>	<u>\$ 4,601,008</u>

CITY OF FORT WAYNE
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
 INTERNAL SERVICE FUNDS
 For The Year Ended December 31, 2015

	Self Insurance	Garage	Totals
Operating revenues:			
Charges for goods and services	\$ -	\$ 7,522,959	\$ 7,522,959
City contributions	31,741,189	-	31,741,189
Employee contributions	2,587,428	-	2,587,428
Insurance recoveries	26,672	-	26,672
	<u>34,355,289</u>	<u>7,522,959</u>	<u>41,878,248</u>
Total operating revenues			
Operating expenses:			
Personnel services	535,474	243,655	779,129
Contractual services	1,421,560	4,054,236	5,475,796
Utilities	1,960	33,141	35,101
Other supplies and services	17,308	3,154,231	3,171,539
Insurance claims and premiums	30,528,697	2,745	30,531,442
Depreciation	4,758	40,904	45,662
	<u>32,509,757</u>	<u>7,528,912</u>	<u>40,038,669</u>
Total operating expenses			
Operating income (loss)	<u>1,845,532</u>	<u>(5,953)</u>	<u>1,839,579</u>
Nonoperating revenues:			
Interest and investment revenue	2,277	250	2,527
Miscellaneous revenue	-	17,140	17,140
	<u>2,277</u>	<u>17,390</u>	<u>19,667</u>
Total nonoperating revenues			
Change in net position	1,847,809	11,437	1,859,246
Total net position - beginning	<u>240,531</u>	<u>511,698</u>	<u>752,229</u>
Total net position - ending	<u>\$ 2,088,340</u>	<u>\$ 523,135</u>	<u>\$ 2,611,475</u>

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CASH FLOWS -
 NON-MAJOR ENTERPRISE FUNDS
 For The Year Ended December 31, 2015

	Solid Waste Management	Civic Center Parking Garage	Midtowne Parking Garage	2001 Parking Garage Addition	Electric Utility	Yardwaste Facility	Totals
Cash flows from operating activities:							
Receipts from customers and users	\$ 10,480,590	\$ 702,359	\$ 81,855	\$ 220,099	\$ -	\$ 263,932	\$ 11,748,835
Payments to suppliers	(8,858,292)	(881,891)	(117,749)	(75,974)	-	(263,522)	(10,197,428)
Payments to employees	(383,924)	-	-	-	-	(12)	(383,936)
Net cash provided (used) by operating activities	1,238,374	(179,532)	(35,894)	144,125	-	398	1,167,471
Cash flows from noncapital financing activities:							
Transfer from other funds	-	-	26,793	-	-	-	26,793
Transfer to other funds	(966,040)	-	-	-	-	-	(966,040)
Net cash provided (used) by noncapital financing activities	(966,040)	-	26,793	-	-	-	(939,247)
Cash flows from capital and related financing activities:							
Proceeds from sale of capital assets	-	-	-	-	-	(5,729)	(5,729)
Principal paid on capital debt	-	-	-	(100,000)	-	-	(100,000)
Capital lease payments	(382,647)	-	-	-	-	-	(382,647)
Interest paid on capital debt	(37,453)	-	-	(44,125)	-	-	(81,578)
Net cash used by capital and related financing activities	(420,100)	-	-	(144,125)	-	(5,729)	(569,954)
Cash flows from investing activities:							
Investment income received	1,149	-	3	-	-	-	1,152
Net decrease in cash and cash equivalents	(146,617)	(179,532)	(9,098)	-	-	(5,331)	(340,578)
Cash and cash equivalents, January 1	758,277	539,125	9,098	48,585	-	448,334	1,803,419
Cash and cash equivalents, December 31	\$ 611,660	\$ 359,593	\$ -	\$ 48,585	\$ -	\$ 443,003	\$ 1,462,841
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	\$ 441,436	\$ (369,773)	\$ (48,394)	\$ 92,346	\$ (721)	\$ (19,147)	\$ 95,747
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	678,400	190,356	12,500	42,150	721	4,667	928,794
(Increase) decrease in assets:							
Miscellaneous receivable	4,314	-	-	-	-	691	5,005
Due from other funds	113,534	-	-	-	-	-	113,534
Prepaid expenses	7	(115)	-	-	-	-	(108)
Increase (decrease) in liabilities:							
Accounts payable and other liabilities	730,250	-	-	9,629	-	14,187	754,066
Wages and withholdings payable	(7,968)	-	-	-	-	-	(7,968)
Contracts payable	(722,159)	-	-	-	-	-	(722,159)
Compensated absences payable	560	-	-	-	-	-	560
Total adjustments	796,938	190,241	12,500	51,779	721	19,545	1,071,724
Net cash provided (used) by operating activities	\$ 1,238,374	\$ (179,532)	\$ (35,894)	\$ 144,125	\$ -	\$ 398	\$ 1,167,471

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CASH FLOWS -
 INTERNAL SERVICE FUNDS
 For The Year Ended December 31, 2015

	Self Insurance	Garage	Totals
Cash flows from operating activities:			
Receipts from customers and users	\$ 34,297,589	\$ 7,545,760	\$ 41,843,349
Payments to suppliers	(33,011,855)	(7,638,585)	(40,650,440)
Payments to employees	(547,535)	(250,838)	(798,373)
	<u>738,199</u>	<u>(343,663)</u>	<u>394,536</u>
Net cash provided (used) by operating activities			
Cash flows from investing activities:			
Miscellaneous income received	-	17,140	17,140
Investment income received	2,277	250	2,527
	<u>2,277</u>	<u>17,390</u>	<u>19,667</u>
Net cash provided by investing activities			
Net increase (decrease) in cash and cash equivalents	740,476	(326,273)	414,203
Cash and cash equivalents, January 1	<u>3,305,003</u>	<u>840,891</u>	<u>4,145,894</u>
Cash and cash equivalents, December 31	<u>\$ 4,045,479</u>	<u>\$ 514,618</u>	<u>\$ 4,560,097</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 1,845,532	\$ (5,953)	\$ 1,839,579
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	4,758	40,904	45,662
(Increase) decrease in assets:			
Miscellaneous receivable	(53,168)	(428)	(53,596)
Due from other funds	(4,531)	23,229	18,698
Inventories	-	5,621	5,621
Prepaid expenses	11	9	20
Increase (decrease) in liabilities:			
Accounts payable and other liabilities	(889,133)	(45,447)	(934,580)
Due to other funds	-	3,169	3,169
Wages and withholdings payable	(14,373)	(6,470)	(20,843)
Contracts payable	-	(357,584)	(357,584)
Accrued group insurance benefits	(153,209)	-	(153,209)
Compensated absences payable	2,312	(713)	1,599
	<u>(1,107,333)</u>	<u>(337,710)</u>	<u>(1,445,043)</u>
Total adjustments			
Net cash provided (used) by operating activities	<u>\$ 738,199</u>	<u>\$ (343,663)</u>	<u>\$ 394,536</u>

Non-major Fiduciary Funds

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

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

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

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

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

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

CITY OF FORT WAYNE
 COMBINING STATEMENT OF NET POSITION -
 PENSION TRUST FUNDS
 December 31, 2015

	Pension Trust Funds			
	Fire Pension	Police Pension	Sanitary Officers' Pension	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 358,465	\$ 1,398,937	\$ 67,368	\$ 1,824,770
Receivables:				
Taxes	-	-	22,440	22,440
Total assets	<u>358,465</u>	<u>1,398,937</u>	<u>89,808</u>	<u>1,847,210</u>
<u>Liabilities</u>				
Accounts payable	<u>13,872</u>	<u>18,907</u>	<u>1,282</u>	<u>34,061</u>
Net position restricted for pensions	<u>\$ 344,593</u>	<u>\$ 1,380,030</u>	<u>\$ 88,526</u>	<u>\$ 1,813,149</u>

CITY OF FORT WAYNE
 COMBINING STATEMENT OF CHANGES IN NET POSITION -
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2015

	Fire Pension	Police Pension	Sanitary Officers' Pension	Totals
<u>Additions</u>				
Contributions:				
Employer	\$ 6,660,281	\$ 7,672,731	\$ 531,204	\$ 14,864,216
Other	-	5,830	-	5,830
Investment income:				
Interest	308	872	20	1,200
Total additions	<u>6,660,589</u>	<u>7,679,433</u>	<u>531,224</u>	<u>14,871,246</u>
<u>Deductions</u>				
Benefit payments, including refunds of member contributions	6,734,075	7,809,396	487,644	15,031,115
Administrative expenses	<u>26,184</u>	<u>21,153</u>	<u>4,306</u>	<u>51,643</u>
Total deductions	<u>6,760,259</u>	<u>7,830,549</u>	<u>491,950</u>	<u>15,082,758</u>
Net increase (decrease) in net position	(99,670)	(151,116)	39,274	(211,512)
<u>Net position restricted for pensions</u>				
Net position - beginning	<u>444,263</u>	<u>1,531,146</u>	<u>49,252</u>	<u>2,024,661</u>
Net position - ending	<u>\$ 344,593</u>	<u>\$ 1,380,030</u>	<u>\$ 88,526</u>	<u>\$ 1,813,149</u>

CITY OF FORT WAYNE
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUND
 For The Year Ended December 31, 2015

	<u>FWNP Program</u>
Other assets - January 1, 2015	\$ -
Additions	6,094
Deductions	<u>(6,094)</u>
Other assets - December 31, 2015	<u>-</u>
Total assets - December 31, 2015	<u>\$ -</u>
Liabilities:	
Payables - January 1, 2015	\$ -
Additions	-
Deductions	<u>-</u>
Payables - December 31, 2015	<u>-</u>
Total liabilities - December 31, 2015	<u>\$ -</u>

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STATISTICAL SECTION



STATISTICAL SECTION

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

<u>Information presented:</u>	<u>Schedule:</u>
Financial Trends These schedules contain trend information to help the reader understand how Fort Wayne's financial performance and well-being has changed over time.	1, 2, 3, 4
Revenue Capacity These schedules contain information to help the reader assess the factors affecting Fort Wayne's ability to generate its property taxes.	5, 6, 7, 8, 9, 10
Debt Capacity These schedules present information to help the reader assess the affordability of Fort Wayne's current levels of outstanding debt and the city's ability to issue additional debt in the future.	11, 12, 13, 14, 15
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which Fort Wayne's financial activities take place and to help make comparisons over time and with other governments.	16, 17
Operating Information These schedules contain information about Fort Wayne's operations and resources to help the reader understand how the city's financial information relates to the services Fort Wayne provides and the activities it performs.	18, 19, 20

SCHEDULE 1
CITY OF FORT WAYNE
NET POSITION BY COMPONENT,
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	\$ 533,702,894	\$ 589,350,242	\$ 607,547,297	\$ 618,276,569	\$ 620,124,839	\$ 621,722,108	\$ 599,663,536	\$ 611,772,124	\$ 619,206,388	\$ 631,370,172
Unrestricted	26,886,506	(2,400,493)	360,631	88,388,510	(17,889,370)	(9,568,045)	46,361,334	42,976,564	48,172,893	(117,032,756)
Total governmental activities net position	\$ 560,589,400	\$ 586,949,749	\$ 607,907,928	\$ 706,665,079	\$ 602,235,469	\$ 612,154,063	\$ 646,024,870	\$ 654,748,688	\$ 667,379,281	\$ 514,337,416
Business-type activities										
Net investment in capital assets	\$ 320,404,006	\$ 386,420,190	\$ 402,815,943	\$ 414,351,923	\$ 411,514,334	\$ 417,438,607	\$ 428,453,754	\$ 434,943,499	\$ 444,907,612	\$ 477,480,410
Restricted	96,920,622	110,423,778	43,201,025	51,704,050	56,344,015	68,706,901	35,726,314	42,755,225	54,490,095	54,244,080
Unrestricted	9,776,256	(48,810,671)	8,706,741	5,788,191	21,000,124	28,229,967	24,454,318	36,589,844	33,565,699	10,771,904
Total business-type activities net position	\$ 427,100,884	\$ 448,033,297	\$ 454,723,709	\$ 471,844,164	\$ 488,858,473	\$ 514,375,475	\$ 488,634,386	\$ 514,288,568	\$ 532,963,406	\$ 542,496,394
Primary government										
Net investment in capital assets	\$ 854,106,900	\$ 975,770,432	\$ 1,010,363,240	\$ 1,032,628,492	\$ 1,031,639,173	\$ 1,039,160,715	\$ 1,028,117,290	\$ 1,046,715,623	\$ 1,064,114,000	\$ 1,108,850,582
Restricted	96,920,622	110,423,778	43,201,025	51,704,050	56,344,015	68,706,901	35,726,314	42,755,225	54,490,095	54,244,080
Unrestricted	36,662,762	(51,211,164)	9,067,372	94,176,701	3,110,754	18,661,922	70,815,652	79,566,408	81,738,592	(106,260,852)
Total primary government net position	\$ 987,690,284	\$ 1,034,983,046	\$ 1,062,631,637	\$ 1,178,509,243	\$ 1,091,093,942	\$ 1,126,529,538	\$ 1,134,659,256	\$ 1,169,037,256	\$ 1,200,342,687	\$ 1,056,833,810

SCHEDULE 2
CITY OF FORT WAYNE
CHANGES IN NET POSITION,
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 34,267,228	\$ 43,293,115	\$ 46,912,125	\$ 42,499,929	\$ 54,270,711	\$ 37,750,405	\$ 56,624,948	\$ 50,614,038	\$ 66,358,230	\$ 62,053,721
Public safety	85,874,761	73,322,973	89,437,205	91,472,609	88,538,736	99,719,439	117,073,744	95,038,152	93,423,819	79,355,648
Highways and streets	16,622,514	18,421,359	16,182,347	15,232,445	15,067,481	20,364,481	25,361,212	18,309,159	33,457,900	38,687,650
Sanitation	-	-	-	-	-	-	-	-	-	-
Health and welfare	2,048,561	2,061,814	2,241,770	2,208,504	2,293,273	2,360,378	2,427,916	2,337,893	2,436,466	2,343,226
Economic opportunity	633,818	676,725	581,361	614,539	629,750	853,216	859,447	1,097,287	1,023,674	1,108,252
Economic development	14,280,814	16,881,930	14,195,896	21,003,458	20,071,592	21,446,449	14,169,803	16,190,547	12,316,553	12,180,491
Culture and recreation	15,147,975	16,713,524	18,464,611	16,239,119	16,145,659	16,310,730	16,911,849	16,943,561	16,440,904	19,942,914
Urban redevelopment and housing	12,274,740	13,925,691	10,880,650	11,556,347	16,067,339	15,349,620	13,261,916	8,456,224	8,220,883	18,111,268
Interest on long-term deb	3,345,188	5,059,418	4,897,612	6,595,660	8,561,047	8,003,142	7,570,378	6,911,476	6,587,186	5,999,292
Total governmental activities expenses	184,495,599	190,356,549	202,793,577	207,422,610	221,645,588	222,157,475	254,261,213	215,898,337	236,265,615	239,782,462
Business-type activities:										
Water	22,097,610	23,967,328	25,534,359	27,115,430	28,536,908	30,172,661	30,861,585	31,646,349	35,909,639	38,899,710
Wastewater	25,818,890	25,070,120	27,108,486	30,155,146	32,286,367	35,442,210	36,861,668	39,188,536	43,919,976	44,024,088
Stormwater	6,790,476	8,524,119	9,297,028	8,814,871	6,726,323	6,644,746	6,340,243	6,988,721	7,852,619	9,397,755
Parking garages	856,677	870,496	1,103,152	927,160	962,090	1,031,575	840,032	1,029,036	962,781	1,371,642
Solid waste	9,198,279	9,685,013	9,173,713	9,421,139	9,176,636	9,537,722	10,302,317	10,587,142	10,377,926	9,953,592
Electric	-	-	-	-	-	-	-	-	-	721
Other	548,601	601,180	789,263	792,249	1,327,890	342,878	135,017	135,014	124,785	282,388
Total business-type activities expenses	65,310,533	68,718,256	73,006,001	77,225,995	79,016,214	83,171,792	85,340,862	89,574,798	99,147,726	103,929,896
Total primary government expenses	\$ 249,806,132	\$ 259,074,805	\$ 275,799,578	\$ 284,648,605	\$ 300,661,802	\$ 305,329,267	\$ 339,602,075	\$ 305,473,135	\$ 335,413,341	\$ 343,712,358
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 16,928,556	\$ 15,541,243	\$ 19,576,653	\$ 16,211,704	\$ 17,921,175	\$ 18,866,514	\$ 20,022,851	\$ 20,645,091	\$ 21,065,638	\$ 21,192,251
Public safety	1,998,386	3,669,870	3,466,134	2,784,920	3,187,197	2,131,190	4,556,089	2,009,087	4,413,243	6,569,223
Highways and streets	1,927,137	2,796,825	2,527,736	3,534,887	3,143,593	2,913,768	4,989,382	1,702,095	1,224,817	4,004,178
Health and welfare	410,062	402,630	415,483	-	389,397	392,683	351,282	352,843	396,996	391,982
Economic opportunity	-	-	-	-	-	-	-	239,652	150	-
Economic development	272,422	294,763	238,750	358,399	22,014	2,540	4,556	800	1,320	-
Culture and recreation	4,095,331	3,629,892	3,912,244	3,420,932	3,181,970	3,325,834	3,390,634	3,493,500	3,955,609	4,504,709
Urban redevelopment and housing	84,484	191,034	35,873	585,395	976,603	1,968,975	1,938,820	4,597,628	1,808,972	1,747,498
Operating grants and contributions	24,136,110	29,823,769	26,297,770	26,007,077	28,849,624	24,575,372	28,574,586	27,397,898	25,905,033	25,606,326
Capital grants and contributions	83,827,988	-	-	-	-	-	-	-	-	4,000,000
Total governmental activities program revenues	133,680,476	56,350,026	56,470,643	52,903,314	57,671,573	54,176,876	63,828,200	60,438,594	58,771,628	68,016,317
Business-type activities:										
Charges for services:										
Water	25,849,920	30,122,226	31,592,716	31,275,117	33,511,691	33,299,143	33,483,078	39,757,464	39,569,738	45,721,766
Wastewater	28,495,423	34,681,439	34,108,946	36,112,762	42,532,710	51,105,546	52,708,121	56,837,593	57,375,547	59,535,008
Stormwater	9,440,089	9,386,794	9,639,442	9,838,056	9,656,494	10,866,155	9,765,631	10,135,025	9,780,647	9,899,967
Parking garages	824,206	941,558	846,423	936,653	866,718	853,578	750,755	933,383	986,913	1,004,313
Solid waste	9,179,821	9,191,668	10,756,633	10,769,150	10,868,182	10,888,565	10,533,360	10,441,182	10,447,288	10,362,742
Other	1,928,780	1,847,590	1,880,703	1,903,148	1,901,300	153,582	208,686	159,194	165,656	263,241
Capital grants and contributions	4,812,222	2,261,521	4,042,688	2,051,375	1,145,028	8,807,876	2,553,796	3,814,014	6,858,289	6,631,962
Total business-type activities program revenues	80,530,461	88,432,796	92,867,551	92,886,261	100,502,123	115,974,445	110,003,427	122,077,855	125,184,078	133,418,999
Total primary government program revenues	\$ 214,210,937	\$ 144,782,822	\$ 149,338,194	\$ 145,789,575	\$ 158,173,696	\$ 170,151,321	\$ 173,831,627	\$ 182,516,449	\$ 183,955,706	\$ 201,435,316
Net (Expense)/Revenue	\$ (50,815,123)	\$ (134,006,523)	\$ (146,322,934)	\$ (154,519,296)	\$ (163,974,015)	\$ (167,980,599)	\$ (190,433,013)	\$ (155,459,743)	\$ (177,493,987)	\$ (171,766,145)
Governmental activities	15,219,928	19,714,540	19,861,550	15,660,266	21,485,909	32,802,663	24,662,565	32,503,057	26,036,352	29,489,103
Business-type activities	(35,595,195)	(114,291,983)	(126,461,384)	(138,859,030)	(142,488,106)	(135,177,946)	(165,770,448)	(122,956,696)	(151,457,635)	(142,277,042)
Total primary government net expense										

(Continued)

SCHEDULE 2
CITY OF FORT WAYNE
CHANGES IN NET POSITION,
LAST TEN FISCAL YEARS
(*accrual basis of accounting*)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
(Continued)										
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property Taxes	\$ 81,710,470	\$ 101,530,616	\$ 101,143,807	\$ 106,258,189	\$ 101,740,994	\$ 102,373,455	\$ 101,741,414	\$ 98,889,877	\$ 108,230,933	\$ 113,215,063
CEDT	18,559,384	22,639,824	26,043,765	21,597,717	13,152,138	30,609,528	21,325,013	23,402,767	22,542,375	25,961,950
Shared revenues	-	-	-	10,598,990	12,343,443	12,815,920	12,371,147	12,549,771	13,043,049	24,190,682
Other tax	19,465,162	22,721,936	25,611,516	14,657,823	8,176,180	18,747,296	13,602,411	16,747,446	19,405,620	12,890,751
Unrestricted investment earnings	3,501,707	2,648,235	1,203,254	133,281	192,071	134,828	2,087,098	1,814,996	1,971,939	3,461,843
Refunds and reimbursements	676,499	554,435	447,443	-	-	-	-	-	-	-
Other	4,538,422	5,329,916	7,420,643	5,001,387	4,265,209	5,643,312	4,964,340	6,217,961	14,015,726	5,780,235
Transfers	5,068,998	4,941,910	5,410,685	5,913,483	7,971,274	7,574,854	69,181,442	8,282,519	8,539,733	9,358,669
Total governmental activities	133,520,642	160,366,872	167,281,113	164,160,870	147,841,309	177,899,193	225,272,865	167,905,337	187,749,375	194,859,193
Business-type activities:										
Unrealized gain	5,871,663	6,925,750	(7,760,453)	7,369,457	4,335,200	289,203	185,718	162,353	246,666	280,750
Unrestricted investment earnings	6,441	-	-	4,215	(635,526)	-	-	1,276,495	-	68,895
Other	(5,068,998)	(4,941,910)	(5,410,685)	(5,913,483)	(7,971,274)	(7,574,854)	(69,181,442)	(8,282,519)	(8,539,733)	(9,358,669)
Transfers	-	-	-	-	-	-	-	-	-	-
Special items:	-	(765,967)	-	-	-	-	-	-	-	-
Change in accounting estimate	-	-	-	-	-	-	-	-	-	-
Total business-type activities	809,106	1,217,873	(13,171,138)	1,460,189	(4,471,600)	(7,285,651)	(68,995,724)	(6,843,671)	(8,293,067)	(9,009,024)
Total primary government	\$ 134,329,748	\$ 161,584,745	\$ 154,109,975	\$ 165,621,059	\$ 143,369,709	\$ 170,613,542	\$ 156,277,141	\$ 161,061,666	\$ 179,456,308	\$ 185,850,169
Change in Net Position										
Governmental activities	82,705,519	26,360,349	20,958,179	9,641,574	(16,132,706)	9,918,594	34,839,852	12,445,594	10,255,388	23,093,048
Business-type activities	16,029,034	20,932,413	6,690,412	17,120,455	17,014,309	25,517,002	(44,333,159)	25,659,386	17,743,285	20,480,079
Total primary government	\$ 98,734,553	\$ 47,292,762	\$ 27,648,591	\$ 26,762,029	\$ 881,603	\$ 35,435,596	\$ (9,493,307)	\$ 38,104,980	\$ 27,998,673	\$ 43,573,127

SCHEDULE 3
CITY OF FORT WAYNE
FUND BALANCES - GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011 (A)	2012	2013	2014	2015
General Fund										
Committed fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,264,756	\$ 273,261	\$ 423,718	\$ 448,628	\$ 303,448
Assigned fund balance	-	-	-	-	-	505,345	455,799	478,501	599,260	472,805
Unassigned fund balance	-	-	-	-	-	17,114,010	7,513,607	2,344,562	4,734,486	5,903,572
Reserved	567,547	773,156	441,349	237,956	771,329	-	-	-	-	-
Unreserved	10,430,841	13,748,285	17,523,205	22,120,466	19,700,924	-	-	-	-	-
Total general fund	\$ 10,998,388	\$ 14,521,441	\$ 17,964,554	\$ 22,358,422	\$ 20,472,253	\$ 18,884,111	\$ 8,242,667	\$ 3,246,781	\$ 5,782,374	\$ 6,679,825
All Other Governmental Funds										
Nonspendable fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,977,540	\$ 16,575,425	\$ 26,725,295	\$ 29,750,106	\$ 29,821,187
Restricted fund balance	-	-	-	-	-	5,561,382	8,340,046	3,005,081	4,297,607	4,671,519
Committed fund balance	-	-	-	-	-	3,955,018	5,769,039	5,427,249	20,080,713	14,684,259
Assigned fund balance	-	-	-	-	-	66,742,065	131,181,368	126,575,563	138,477,422	122,336,357
Unassigned fund balance	-	-	-	-	-	(4,127,485)	(1,739,052)	(1,921,903)	(2,104,730)	(1,544,305)
Reserved	17,005,413	35,711,349	23,859,569	40,286,861	38,984,950	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	16,538,405	15,149,846	21,134,098	20,360,573	10,605,142	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	75,742,600	35,469,432	41,320,714	54,296,240	44,775,635	-	-	-	-	-
Total all other governmental funds	\$ 109,286,418	\$ 86,330,627	\$ 86,314,381	\$ 114,943,674	\$ 94,365,727	\$ 93,108,520	\$ 160,126,826	\$ 159,811,285	\$ 190,501,118	\$ 169,969,017
Total all funds	\$ 120,284,806	\$ 100,852,068	\$ 104,278,935	\$ 137,302,096	\$ 114,837,980	\$ 111,992,631	\$ 168,369,493	\$ 163,058,066	\$ 196,283,492	\$ 176,648,842

(A) In fiscal year 2011, the City implemented GASB Statement No. 54, which establishes criteria for classifying fund balances into specifically defined classifications and clarified definitions for governmental fund types. Presentation is not comparable to prior years.

SCHEDULE 4
CITY OF FORT WAYNE
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	\$ 121,346,167	\$ 143,367,188	\$ 150,144,132	\$ 159,225,133	\$ 137,255,522	\$ 161,905,901	\$ 154,014,688	\$ 149,280,367	\$ 166,173,637	\$ 172,208,322
Special assessments	624,104	1,100,821	2,624,496	518,243	370,683	220,531	616,344	151,990	695,473	144,368
Licenses and permits	2,770,726	2,918,642	3,104,693	3,297,008	3,436,698	3,340,956	3,373,964	3,428,466	3,897,166	3,581,989
Intergovernmental	20,655,668	21,024,827	21,153,423	20,762,071	24,789,823	22,895,276	22,569,745	23,081,665	23,316,245	27,738,710
Charges for services	11,391,877	11,829,982	13,552,905	12,504,176	11,534,926	9,451,477	12,896,865	8,968,647	9,348,006	12,851,463
Fines and forfeits	2,086,280	2,235,376	2,739,687	1,628,997	1,259,583	1,923,258	2,154,282	2,040,081	2,548,381	3,581,651
Other revenues	9,810,233	11,808,418	7,956,694	6,316,881	6,811,929	7,944,386	12,876,247	13,902,101	17,547,118	11,346,615
Total revenues	168,685,055	194,285,254	201,276,030	204,252,509	185,459,164	207,681,785	208,502,135	200,853,317	223,526,026	231,453,118
Expenditures										
General government	14,304,380	16,778,706	16,705,755	18,018,850	20,565,280	16,862,976	18,541,886	18,413,510	22,616,031	23,243,056
Public safety	81,888,043	88,331,161	96,522,275	92,779,336	94,456,145	96,714,372	100,799,538	104,407,777	102,401,137	105,015,516
Highways and streets	19,156,312	21,605,191	21,614,732	23,233,485	21,498,417	24,199,424	28,789,645	23,303,830	32,471,183	32,887,319
Health and welfare	2,277,770	2,455,757	2,640,100	2,673,814	2,719,563	2,813,251	2,914,915	2,882,056	2,971,220	2,881,459
Economic opportunity	633,818	676,725	581,361	614,539	629,750	853,216	859,447	1,097,287	1,023,674	1,108,252
Economic development	2,374,777	2,613,308	2,974,721	4,768,443	4,485,927	6,287,472	4,545,413	4,511,986	4,647,436	4,546,291
Culture and recreation	17,411,791	20,682,816	20,278,971	17,043,814	16,816,035	17,454,015	16,616,587	17,502,472	19,094,469	20,434,813
Urban redevelopment and housing	13,245,625	23,873,279	27,706,283	12,265,364	15,584,714	12,455,659	13,512,729	11,595,796	12,639,791	47,497,630
Capital outlay	29,176,837	43,204,117	25,525,070	63,656,899	24,255,712	30,793,392	19,108,837	17,026,173	21,129,906	24,881,675
Debt service										
Principal	8,250,899	9,105,532	12,958,615	10,170,000	11,450,000	10,716,170	12,110,000	11,665,000	11,555,197	13,360,000
Interest	3,944,739	4,221,037	4,119,238	5,432,408	7,633,011	7,152,041	6,709,179	6,193,017	6,240,289	5,455,426
Bond issuance costs	493,419	-	-	68,471	-	-	-	-	-	-
Total expenditures	193,158,410	233,547,629	231,627,121	250,725,423	220,094,554	226,301,988	224,508,176	218,598,904	236,790,333	281,311,437
Excess of revenues over (under) expenditures	(24,473,355)	(39,262,375)	(30,351,091)	(46,472,914)	(34,635,390)	(18,620,203)	(16,006,041)	(17,745,587)	(13,264,307)	(49,858,319)
Other Financing Sources (Uses)										
Transfers in	29,753,688	24,523,935	29,538,091	31,104,814	37,150,609	35,527,229	90,080,123	33,348,031	52,934,483	60,348,649
Transfers out	(24,699,590)	(19,582,025)	(24,167,406)	(26,391,331)	(29,179,335)	(27,952,375)	(22,298,681)	(25,065,512)	(44,394,750)	(50,989,980)
Bonds issued	20,825,000	-	-	49,595,000	-	-	-	-	30,000,000	-
Premium on bond issuance	-	-	-	237,467	-	-	-	-	-	-
Discount on bonds sold	-	-	-	(528,731)	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	(3,056,144)	-	-	-	-	-	-
Loans issued	-	1,500,000	9,850,000	-	-	-	-	1,750,000	-	-
Capital leases	8,030,000	13,387,727	18,557,273	28,555,000	4,200,000	8,200,000	5,570,506	6,100,000	7,950,000	20,865,000
Total other financing sources (uses)	33,909,098	19,829,637	33,777,958	79,496,075	12,171,274	15,774,854	73,351,948	16,132,519	46,489,733	30,223,669
Net change in fund balances	\$ 9,435,743	\$ (19,432,738)	\$ 3,426,867	\$ 33,023,161	\$ (22,464,116)	\$ (2,845,349)	\$ 57,345,907	\$ (1,613,068)	\$ 33,225,426	\$ (19,634,650)
Debt service as a percentage of noncapital expenditures	7.8%	7.6%	8.6%	10.3%	10.1%	9.4%	9.6%	8.9%	8.5%	7.6%

SCHEDULE 5
 CITY OF FORT WAYNE
 TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS

Fiscal Year	(A) General Property	Excise	Wheel	Financial Institution	(B) COIT	CREDIT	(C) CRED	Total
2006	\$ 82,206,070	\$ 6,040,667	\$ 1,889,604	\$ 697,578	\$ 11,929,264	\$ 18,582,984	\$ -	\$ 121,346,167
2007	100,296,860	7,226,724	1,993,311	701,520	11,971,510	21,177,263	-	143,367,188
2008	103,507,348	7,430,416	2,294,080	749,778	13,270,484	22,892,026	-	150,144,132
2009	105,390,737	7,367,276	2,197,107	719,430	17,338,565	26,212,018	-	159,225,133
2010	102,628,121	7,323,046	4,276,697	699,339	8,176,180	14,152,138	-	137,255,522
2011	102,997,748	7,541,737	4,360,311	707,531	16,936,027	28,362,547	1,000,000	161,905,901
2012	101,752,044	7,587,261	4,566,893	687,052	14,725,753	22,945,684	1,750,000	154,014,688
2013	99,525,426	7,241,730	4,353,025	687,548	14,135,824	21,586,815	1,750,000	149,280,367
2014	108,244,035	7,357,184	4,509,289	655,004	20,250,428	23,407,697	1,750,000	166,173,637
2015	113,113,685	7,651,367	4,509,547	694,247	20,703,202	23,036,274	2,500,000	172,208,322

(A) Includes taxes on both real and personal property. Additionally, beginning in 2014, Cumulative Capital Development Fund is included in General Property.

(B) Beginning in 2014, Public Safety LOIT is included in COIT.

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

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

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

SCHEDULE 6
 CITY OF FORT WAYNE
 PROPERTY TAX LEVIES AND COLLECTIONS - ALLEN COUNTY,
 LAST TEN FISCAL YEARS

<u>Tax Collections Measurement:</u>	2015	2014	2013	2012	2011
Total Tax Levy	\$ 356,574,609	\$ 352,103,000	\$ 331,494,358	\$ 324,449,495	\$ 316,973,671
Current Tax Collections	\$ 346,338,133	\$ 341,576,136	\$ 321,700,333	\$ 313,264,561	\$ 306,407,599
Percent of Levy Collected	97.13%	97.01%	97.05%	96.55%	96.67%
Delinquent Tax Collections	\$ 9,761,454	\$ 9,227,603	\$ 9,896,607	\$ 9,423,276	\$ 7,492,374
Total Tax Collections	\$ 356,099,586	\$ 350,803,740	\$ 331,596,940	\$ 322,687,836	\$ 313,899,973
Percent of Total Tax Collections to Levy	99.87%	99.63%	100.03%	99.46%	99.03%
Outstanding Delinquent Taxes	\$ 12,001,408	\$ 12,442,833	\$ 12,265,024	\$ 14,007,744	\$ 13,781,018
Percent of Delinquent Taxes to Levy	3.37%	3.53%	3.70%	4.32%	4.35%

<u>Tax Collections Measurement:</u>	2010	2009	2008	2007	2006
Total Tax Levy	\$ 319,525,460	\$ 337,853,052	\$ 468,378,102	\$ 450,324,056	\$ 423,667,496
Current Tax Collections	\$ 307,284,280	\$ 322,439,869	\$ 454,185,187	\$ 433,282,315	\$ 411,472,985
Percent of Levy Collected	96.17%	95.44%	96.97%	96.22%	97.12%
Delinquent Tax Collections	\$ 5,437,834	\$ 12,026,170	\$ 10,843,230	\$ 16,618,199	\$ 9,072,693
Total Tax Collections	\$ 312,722,114	\$ 334,466,039	\$ 465,028,417	\$ 449,900,514	\$ 420,545,678
Percent of Total Tax Collections to Levy	97.87%	99.00%	99.28%	99.91%	99.26%
Outstanding Delinquent Taxes	\$ 15,892,667	\$ 19,209,633	\$ 18,780,143	\$ 23,314,369	\$ 15,360,588
Percent of Delinquent Taxes to Levy	4.97%	5.69%	4.01%	5.18%	3.63%

Source: Allen County Auditor's Office

Note: GASB Statement 44 requires that the information in this schedule be shown for each "period for which levied" as defined in Statement 33. The City of Fort Wayne does not maintain records of tax delinquencies; all taxes are collected and distributed by the Allen County Auditor. Since the county auditor's office does not keep records by levy year, they are unable to provide the city with tax information by levy year. Therefore, the city has presented this information in the prior year format. The city will discuss GASB 44 with the county auditor's office in order to obtain the appropriate information to meet this requirement.

SCHEDULE 7
 CITY OF FORT WAYNE
 ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS

Year (A)	Assessed Valuation (B)	Estimated Actual Value (C)	Total Direct Tax Rate	Percent Increase (D) (%)
2015	\$ 8,093,724,951	\$ 8,093,724,951	1.5106	1.06
2014	8,008,561,561	8,008,561,561	1.4716	0.00
2013	7,984,553,514	7,984,553,514	1.3411	(0.01)
2012	8,062,225,389	8,062,225,389	1.3274	(0.01)
2011	8,128,378,487	8,128,378,487	1.3149	(0.05)
2010	8,515,625,766	8,515,625,766	1.2238	(0.02)
2009	8,712,264,335	8,712,264,335	1.1515	(0.14)
2008	10,074,509,442	10,074,509,442	0.9941	0.03
2007	9,824,189,539 (E)	9,824,189,539	1.0195	0.27
2006	7,714,274,681	7,714,274,681	1.0795	0.03

Average Annual Rate of Increase 0.53%

- (A) A reassessment was completed in 2002 that is reflected in the values for 2005 and 2006.
- (B) Assessed values for personal property are updated annually.
- (C) Assessed value reflects actual value.
- (D) Change in assessed valuation.
- (E) A portion of Aboite Township and Wayne Township was annexed into the City of Fort Wayne on January 1, 2006.

Note: GASB Statement 44 has called for a new report on the assessed values that breaks the total value into major components such as residential, commercial and industrial property as well as any adjustments and credits. At the time of CAFR production, this information is not available from the County Auditor's office. Therefore, the City has presented this information in the prior year format.

SCHEDULE 8
CITY OF FORT WAYNE
DIRECT AND OVERLAPPING PROPERTY TAX RATES,
LAST TEN FISCAL YEARS
(rate per \$100 of assessed value)

Fiscal Year	City of Fort Wayne													Overlapping Rates (B)			
	General Fund Rate	Debt Service Rate	Fire Pension Rate	Police Pension Rate	Sanitary Officers' Pension Rate	Community Services Rate	Abandoned Vehicles Rate	Fire Rate	Park Rate	CCD Rate	Redevelopment General Rate	Increment Replacement Rate (D)	(A) Total City	(B), (C) Municipal Corporations	(B), (C) School Districts	Allen County	(B), (C) Townships and Other
2006	0.5043	-	0.0367	0.0437	0.0059	0.0001	-	0.3765	0.1082	0.0000	0.0041	-	1.0795	0.2243	1.4743	0.5675	0.0967
2007	0.5170	-	0.0443	0.0435	0.0042	0.0000	-	0.3128	0.0923	0.0000	0.0054	-	1.0195	0.2078	1.3812	0.5331	0.0955
2008	0.5366	-	0.0229	0.0214	0.0040	0.0001	-	0.3130	0.0925	0.0000	0.0036	0.0044	0.9985	0.2088	1.3540	0.5789	0.1020
2009	0.6539	-	0.0000	0.0000	0.0050	0.0001	-	0.3721	0.1150	0.0000	0.0054	-	1.1515	0.2781	0.8294	0.4631	0.1344
2010	0.6905	-	0.0000	0.0000	0.0061	0.0001	-	0.3943	0.1264	0.0000	0.0064	-	1.2238	0.2832	0.8271	0.5187	0.1175
2011	0.7400	-	0.0000	0.0000	0.0065	0.0001	-	0.4251	0.1361	0.0000	0.0071	-	1.3149	0.2984	0.9000	0.5155	0.1302
2012	0.6666	-	0.0000	0.0000	0.0054	0.0001	-	0.4927	0.1557	0.0000	0.0069	-	1.3274	0.3092	0.8527	0.5279	0.1365
2013	0.6438	-	0.0000	0.0000	0.0043	0.0001	-	0.5424	0.1451	0.0000	0.0054	-	1.3411	0.3141 (E)	0.9766	0.5404	0.1402
2014	0.7700	-	0.0000	0.0000	0.0063	0.0001	-	0.4883	0.1824	0.0167	0.0078	-	1.4716	0.3195	1.0177	0.5477	0.1260
2015	0.7068	-	0.0000	0.0000	0.0071	0.0001	-	0.5557	0.1991	0.0327	0.0091	-	1.5106	0.3189	1.0123	0.5447	0.1464

(A) Obtained from the Budget Order (Fort Wayne Civil City).
(B) Overlapping rates are those of local and county governments that apply to property owners within the City of Fort Wayne. Not all overlapping rates apply to all Fort Wayne property owners.
(C) Obtained from the Allen County Auditor's Office and the various governmental units. The figures used for the municipal corporations, school districts, and townships represent citywide averages.
(D) Corrected the rate reported in the 2008 Schedule 8.
(E) Corrected the rate reported in the 2013 Schedule 8.

Source: From Published Rates for Wayne Township

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

SCHEDULE 9
 CITY OF FORT WAYNE
 PRINCIPAL PROPERTY TAX PAYERS,
 CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2015			2006		
	(A) Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value (%)	(B) Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value (%)
GGP - Glenbrook LLC	\$ 166,374,400	1	2.06	\$ 114,784,990	1	1.49
IOM Health System LP (Lutheran Network)	161,492,730	2	2.00	-	-	-
Indiana Michigan Power Company (Formerly AEP)	73,152,587	3	0.90	61,775,820	3	0.80
Frontier North Inc (Formerly GTE North/Verizon)	71,501,210	4	0.88	103,188,020	2	1.34
Wal-Mart Stores East LP/Re Bus Tr	66,773,840	5	0.83	44,015,630	8	0.57
St Joseph Health System LLC	64,913,024	6	0.80	50,375,850	5	0.65
Frontier Communications Online & LD	64,913,026	7	0.80	-	-	-
Canterbury Green Apartments LLC	58,303,000	8	0.72	53,563,100	4	0.69
IMI Jefferson Pointe LLC	51,659,900	9	0.64	41,129,900	10	0.53
Edward Rose of Indiana	45,342,880	10	0.56	43,130,130	9	0.56
Sommerfeld Nicholas	-	-	-	48,964,800	6	0.63
Meijer Stores LP	-	-	-	44,844,320	7	0.58
Total	\$ 824,426,597		10.19	\$ 605,772,560		7.85

(A) Represents the taxable assessed valuations for taxes due and payable in 2015 within the corporation limits.

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

Source: Allen County Auditor's Office

SCHEDULE 10
 CITY OF FORT WAYNE UTILITIES
 WATER AND SEWER RATES,
 LAST TEN FISCAL YEARS

Fiscal Year	Water				Sewer			
	(Meter Use) Monthly Base Rate	Rate per 748 gallons (Up to 18,675 gallons)	Rate per 748 gallons (From 18,676 gallons to 89,640 gallons)	Rate per 748 gallons (Over 89,640 gallons)	Monthly Base Rate	Rate per 748 gallons (Up to 18,675 gallons)	Rate per 748 gallons (From 18,676 gallons to 89,640 gallons)	Rate per 748 gallons (Over 89,640 gallons)
Inside City								
1/1/06-8/31/06	5.84	1.19	1.06	0.99	2.22	1.94	1.94	1.94
9/1/06-12/31/06	7.30	1.49	1.33	1.24	2.22	1.94	1.94	1.94
1/1/07-2/28/07	7.30	1.49	1.33	1.24	2.22	1.94	1.94	1.94
3/1/07-12/31/07	7.30	1.49	1.33	1.24	2.78	2.43	2.43	2.43
2008	7.30	1.49	1.33	1.24	2.78	2.43	2.43	2.43
2009	7.30	1.49	1.33	1.24	2.78	2.43	2.43	2.43
2010	7.30	1.49	1.33	1.24	4.08	2.87	2.87	2.87
2011	7.30	1.49	1.33	1.24	4.69	3.30	3.30	3.30
1/1/12-6/30/12	7.30	1.49	1.33	1.24	5.21	3.66	3.66	3.66
7/1/12-12/31/12	7.30	1.49	1.33	1.24	5.68	3.99	3.99	3.99
1/1/13-6/30/13	8.73	1.78	1.59	1.48	5.68	3.99	3.99	3.99
7/1/2013-12/31/13	8.73	1.78	1.59	1.48	6.19	4.36	4.36	4.36
2014	9.23	2.08	1.94	1.89	6.19	4.36	4.36	4.36
2015	9.23	2.08	1.94	1.89	8.80	4.42	4.42	4.42
Outside City								
1/1/06-8/31/06	6.72	1.37	1.33	1.24	2.78	2.43	2.43	2.43
9/1/06-12/31/06	8.40	1.71	1.66	1.55	2.78	2.43	2.43	2.43
1/1/07-2/28/07	8.40	1.71	1.66	1.55	2.78	2.43	2.43	2.43
3/1/07-12/31/07	8.40	1.71	1.66	1.55	3.48	3.03	3.03	3.03
2008	8.40	1.71	1.66	1.55	3.48	3.03	3.03	3.03
2009	8.40	1.71	1.66	1.55	3.48	3.03	3.03	3.03
2010	8.40	1.71	1.66	1.55	5.10	3.59	3.59	3.59
2011	8.40	1.71	1.66	1.55	5.87	4.13	4.13	4.13
1/1/12-6/30/12	8.40	1.71	1.66	1.55	6.51	4.58	4.58	4.58
7/1/12-12/31/12	8.40	1.71	1.66	1.55	7.10	4.99	4.99	4.99
1/1/13-6/30/13	10.05	2.05	1.99	1.85	7.10	4.99	4.99	4.99
7/1/2013-12/31/13	10.05	2.05	1.99	1.85	7.73	5.44	5.44	5.44
2014	10.62	2.40	2.24	2.18	7.73	5.44	5.44	5.44
2015	10.62	2.40	2.24	2.18	11.00	5.53	5.53	5.53

Source: City of Fort Wayne, City Utilities Accounting Department

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

SCHEDULE 11
CITY OF FORT WAYNE
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(dollars in thousands)

	2006	2007	2008	2009	2010	2011	2013	2014	2015	
<u>City of Fort Wayne</u>										
Debt Limit	\$ 51,428	\$ 65,495	\$ 67,163	\$ 58,082	\$ 56,771	\$ 54,189	\$ 53,230	\$ 53,390	\$ 55,158	
Total net debt applicable to limit	(B) 33,690	29,585	25,305	50,565 (C)	45,185	42,005	35,255	31,680 (D)	27,965	
Legal debt margin	\$ 17,738	\$ 35,910	\$ 41,858	\$ 7,517	\$ 11,586	\$ 12,184	\$ 17,975	\$ 21,710	\$ 27,193	
Total net debt applicable to the limit as a percentage of debt limit	65.51%	45.17%	37.68%	87.06%	79.59%	77.52%	66.23%	59.34%	50.70%	
<u>Park District</u>										
Debt Limit	\$ 50,562	\$ 64,680	\$ 66,331	\$ 57,340	\$ 56,029	\$ 53,485	\$ 52,574	\$ 52,813	\$ 54,634	
Total net debt applicable to limit	(B) 13,485	13,290	11,980	10,855	9,380	7,885	4,725	3,065	1,340	
Legal debt margin	\$ 37,077	\$ 51,390	\$ 54,351	\$ 46,485	\$ 46,649	\$ 45,600	\$ 47,849	\$ 49,748	\$ 49,748	
Total net debt applicable to the limit as a percentage of debt limit	26.67%	20.55%	18.06%	18.93%	16.74%	14.74%	8.99%	5.80%	2.45%	
<u>Redevelopment District</u>										
Debt Limit	\$ 51,428	\$ 65,495	\$ 67,163	\$ 58,082	\$ 56,771	\$ 54,189	\$ 53,230	\$ 53,390	\$ 55,158	
Total net debt applicable to limit	(B) 29,535	26,545	21,880	19,390	16,795	14,090	9,555	7,770	5,910	
Legal debt margin	\$ 21,893	\$ 38,950	\$ 45,283	\$ 38,692	\$ 39,976	\$ 40,099	\$ 43,675	\$ 45,620	\$ 49,248	
Total net debt applicable to the limit as a percentage of debt limit	57.43%	40.53%	32.58%	33.38%	29.58%	26.00%	17.95%	14.55%	10.71%	
Legal Debt Margin Calculation for Fiscal Year 2015										
	City of Fort Wayne	Park District	Redev District							
Assessed adjusted value (Civil City)	\$ 2,757,900	\$ -	\$ -							
Assessed adjusted value (Park District)	-	2,731,690 (A)	-							
Assessed adjusted value (Redevelopment District)	-	-	2,757,900 (A)							
Total Assessed adjusted value	\$ 2,757,900	\$ 2,731,690	\$ 2,757,900							
Debt limit (2% of assessed adjusted value)	55,158	54,634	55,158							
Debt applicable to limit:										
General obligation bonds	-	1,340	-							
Special obligation bonds	27,965	-	5,910							
Less: Amount set aside for repayment of debt	-	-	-							
Total net debt applicable to limit	27,965	1,340	5,910							
Legal debt margin	\$ 27,193	\$ 53,294	\$ 49,248							

(A) Assessed adjusted value is determined by dividing the net assessed valuation by 3. Each taxing district has a 2% debt limit.
(B) Increase in debt is due to additional Special Obligation Bonds issued by Community Development and the Parks Department.
(C) Increase in debt is due to additional Special Obligation Bonds issued by Community Development.
(D) Corrected the amount reported in the 2015 Schedule 11.

Note: The City of Fort Wayne is reporting the Legal Debt Margin, by Taxing District.

SCHEDULE 12
 CITY OF FORT WAYNE
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT,
 AS OF DECEMBER 31, 2015
(dollars in thousands)

Governmental Unit	Debt Outstanding	(A) Estimated Percentage Applicable (%)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Allen County Public Library	\$ 69,307	60.88	\$ 42,194
Allen County	35,325	60.88	21,506
Southwest Allen School District	23,340	51.10	11,927
East Allen School District	45,997	12.15	5,589
Fort Wayne Community Schools	140,325	91.61	128,552
Northwest Allen School District	99,410	21.82	<u>21,691</u>
Subtotal, overlapping debt			<u>\$ 231,458</u>
City direct debt			
General Obligation Bonds			1,340
Special Obligation Bonds			61,635
First Mortgage Bonds			27,120
Capital Leases			68,229
Notes and Loans Payable			<u>6,355</u>
Subtotal, City direct debt			<u>\$ 164,679</u>
Total direct and overlapping debt			<u>\$ 396,137</u>

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

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

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

SCHEDULE 13
 CITY OF FORT WAYNE
 RATIOS OF OUTSTANDING DEBT BY TYPE,
 LAST TEN FISCAL YEARS
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities					Business-Type Activities					Total Primary Government	(A) Percentage of Personal Income	(B) Per Capita
	General Obligation Bonds	Special Obligation Bonds	First Mortgage Bonds	Capital Leases	Loans Payable	Mortgages Payable	Revenue Bonds	Capital Leases	Loans Payable				
2006	\$ 6,680	\$ 70,030	\$ 29,445	\$ 16,425	\$ 879	\$ 42	\$ 85,380	\$ 3,381	\$ 73,171	\$ 285,433	4.00%	(B) \$ 1,269	
2007	5,555	63,865	27,495	23,910	2,259	-	102,435	3,051	83,031	311,601	3.82%	1,246	
2008	3,085	56,080	24,765	35,511 (C)	11,870 (D)	-	94,325	2,710	84,052	312,398	3.58%	(F) 1,242	
2009	3,100	77,710 (E)	39,875 (E)	57,829 (E)	11,260	-	85,795	2,359	110,802 (E)	388,730	4.46%	1,545	
2010	2,805	68,555	38,420	56,159	10,621	-	118,545	1,996	109,249	406,350	4.66%	1,588	
2011	2,530	61,450	36,260	57,386	9,622	-	148,400	2,522	134,356	452,526	5.23%	1,784	
2012	2,245	54,045	34,015	56,431	7,861	-	209,290	2,163	134,950	501,000	5.61%	1,975	
2013	1,950	47,585	31,805	55,630	7,490	-	274,975	1,794	144,578	565,807	5.97%	2,230	
2014	1,650	70,375	29,510	73,569	6,858	-	322,710	1,415	144,192	650,279	6.75%	2,535	
2015	1,340	61,635	27,120	68,229	6,355	-	306,360	1,025	202,140	674,204	6.57%	2,608	

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

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. The City of Fort Wayne fully implemented GASB Statement 34 in 2002.

SCHEDULE 14
CITY OF FORT WAYNE
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING,
LAST TEN FISCAL YEARS
(dollars in thousands, except per capita)

Fiscal Year	General Bonded Debt Outstanding			Less: Funds Restricted for Debt Service	Net General Bonded Debt	(A)		(B) Per Capita
	General Obligation Bonds	Special Obligation Bonds	Total			Percentage of Actual Taxable Value of Property (%)	Property (%)	
2006	\$ 6,680	\$ 70,030	\$ 76,710	\$ 7,290	\$ 69,420	0.90	\$ 277.58	
2007	5,555	63,865	69,420	8,965	60,455	0.62	240.62	
2008	3,085	56,080	59,165	8,310	50,855	0.50	202.13	
2009	3,100	77,710	80,810	9,450	71,360	0.82	278.87	
2010	2,805	68,555	71,360	7,380	63,980	0.75	252.20	
2011	2,530	61,450	63,980	7,690	56,290	0.69	221.17	
2012	2,245	54,045	56,290	6,755	49,535	0.61	195.26	
2013	1,950	47,585	49,535	7,020	42,515	0.53	167.59	
2014	1,650	70,375	72,025	9,050	62,975	0.79	245.52	
2015	1,340	61,635	62,975	9,485	53,490	0.66	206.91	

(A) See Schedule 7 for property value data.

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

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

SCHEDULE 15
CITY OF FORT WAYNE
PLEDGED-REVENUE COVERAGE,
LAST TEN FISCAL YEARS
(dollars in thousands)

Fiscal Year	Water Revenue Bonds					Sewer Revenue Bonds						
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage (%)	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage (%)
2006	\$ 25,850	\$ 21,562	\$ 4,288	\$ 2,000	\$ 1,018	1.42	\$ 28,495	\$ 23,086	\$ 5,410	\$ 4,515	\$ 1,997	0.83
2007	30,122	22,280	7,842	1,480	952	3.22	34,681	22,489	12,192	4,705	2,195	1.77
2008	31,593	24,173	7,420	1,530	898	3.06	34,109	23,786	10,323	4,920	1,616	1.58
2009	31,275	25,237	6,038	1,585	842	2.49	36,113	26,442	9,671	5,960	2,485	1.15
2010	33,511	26,673	6,838	1,645	784	2.82	42,532	28,653	13,879	5,625	2,240	1.76
2011	33,299	28,008	5,291	1,705	722	2.18	51,105	30,132	20,973	5,470	1,999	2.81
2012	33,483	28,844	4,639	1,775	652	1.91	52,708	33,269	19,439	11,430	4,610	1.21
2013	39,757	29,535	10,222	2,435	1,592	2.54	56,838	22,695	34,143	11,090	4,037	2.26
2014	39,570	33,575	5,995	2,840	1,585	1.35	57,376	38,257	19,119	7,757	5,090	1.49
2015	45,709	31,894	13,815	3,620	3,640	1.90	59,943	34,064	25,879	11,475	6,228	1.46

Fiscal Year	Civic Center Parking Garage-1979 (e)					Parking Garage Addition-2001						
	Parking Garage Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage (%)	Parking Garage Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage (%)
2006	\$ 752	\$ 647	\$ 105	\$ 85	\$ 3	1.19	\$ -	\$ 41	\$ (41) (A)	\$ 65	\$ 81	(0.28)
2007	715	653	62	-	-	-	150	41	109	70	77	0.74
2008	705	907 (p)	(202)	-	-	-	60	19	41	75	74	0.28
2009	773	715	58	-	-	-	80	42	38	75	71	0.26
2010	722	754	(32)	-	-	-	80	42	38	80	67	0.26
2011	674	827	(153)	-	-	-	89	42	47	85	63	0.32
2012	668	638	30	-	-	-	-	42	(42) (E)	90	59	(0.28)
2013	679	701	(22)	-	-	-	170	150	20	95	54	0.13
2014	682	739	(57)	-	-	-	136	79	57	95	49	0.40
2015	702	1,072	(370)	-	-	-	220	128	92	100	44	0.64

Fiscal Year	Stormwater Revenue Bond-2006 (c)					
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage (%)
2005	\$ 5,843	\$ 5,456	\$ 387	\$ -	\$ -	-
2006	9,440	6,192	3,248	-	292	11.12
2007	9,387	7,949	1,438	845	666	0.95
2008	9,639	9,145	494	875	634	0.33
2009	9,838	8,533	1,305	910	602	0.86
2010	9,656	6,385	3,271	945	567	2.16
2011	10,866	6,246	4,620	985	532	3.05
2012	9,766	6,061	3,705	1,020	495	2.45
2013	10,135	6,744	3,391	1,065	457	2.23
2014	9,781	6,473	3,308	1,110	414	2.17
2015	10,988	8,446	2,552	1,155	351	1.69

(A) The Plaza Parking Garage took a hit in 2006 when the renovated Allen County Juvenile Center reopened. Most court cases moved to the Juvenile Center and the parkers also moved over to the Center. However, an increase in monthly users has increased the revenue in 2007.
(B) The Plaza Parking Garage debt was paid off in 2006.
(C) The Stormwater Revenue Bond of 2006 was not reported on the 2006 CAFR Schedule 15.
(D) The increase in operating expenses is a combination of an increase in depreciation expense, maintenance expense of the garage, cost of salt, snow removal, and administrative expenses.
(E) The revenue for this parking was deposited to a pooled parking fund - Refer to non-major special revenue income statement parking fund.

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

SCHEDULE 16
CITY OF FORT WAYNE
DEMOGRAPHIC AND ECONOMIC STATISTICS,
LAST TEN CALENDAR YEARS

Year	(A) Population	(B) Personal Income (thousands of dollars)	(C) Per Capita Personal Income	(D) Unemployment Rate (%)
2006	250,086	\$ 8,167,309	\$ 32,658	5.3
2007	251,247 (E)	8,466,521	33,698	4.8
2008	251,591 (F)	8,718,131	34,652	6.4
2009	255,890 (G)	8,720,219	34,078	10.7
2010	253,691 (H)	8,647,819	34,088	10.9
2011	254,514 (I)	8,958,638	35,199	9.0
2012	254,688 (J)	9,517,945	37,371	8.2
2013	256,496 (K)	9,581,921	37,357	7.2
2014	258,522 (L)	10,266,426	39,712	5.7
2015	258,522 (M)	N/A*	N/A*	4.5

(A) Population number for 2006 was certified by the Office of the Governor of Indiana.

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

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

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

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

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

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

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

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

(J) From US Census Bureau estimate based on 2010 census. This is a revision to the population estimate provided for the 2012 CAFR Schedule 16.

(K) From US Census Bureau estimate based on 2010 census. This is a revision to the population estimate provided for the 2013 CAFR Schedule 16.

(L) From US Census Bureau estimate based on 2010 census. This is a revision to the population estimate provided for the 2014 CAFR Schedule 16.

(M) From US Census Bureau estimate based on 2010 census. Used the latest population estimate available.

* Information not available at time of 2015 CAFR production.

SCHEDULE 17
 CITY OF FORT WAYNE
 PRINCIPAL EMPLOYERS,
 CURRENT YEAR AND NINE YEARS AGO

Employer	2015			2006		
	Employees	Rank	Percentage of Total (%) (A)	Employees	Rank	Percentage of Total (%) (A)
Parkview Health Systems (Formerly Parkview Memorial Hospital)	4,710	1	2.33	3,844	2	2.18
Lutheran Health Network (Formerly Lutheran Hospital)	4,301	2	2.13	3,432	3	1.95
General Motors Truck & Bus Group	4,100	3	2.03	2,981	4	1.69
Fort Wayne Community Schools	3,600	4	1.78	4,201	1	2.38
Lincoln Financial Group (Formerly Lincoln National Corporation)	1,970	5	0.97	1,700	8	0.96
City of Fort Wayne	1,907	6	0.94	1,852	7	1.05
BFGoodrich Tire Manufacturing	1,580	7	0.78	1,502	9	0.85
Frontier Communications Corporation	1,316	8	0.65	-	-	-
Allen County Government	1,305	9	0.64	1,964	5	1.11
IPFW	1,163	10	0.57	-	-	-
ITT Exelis	-	-	-	1,910	6	1.08
Scott's Food Stores, Inc.	-	-	-	1,500	10	0.85
Total	25,952		12.83	22,922		14.13

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

Source: Greater Fort Wayne Inc. and Indiana University Purdue University Fort Wayne as maintained by the Community Research Institute thru 4/20/2012.

SCHEDULE 18
 CITY OF FORT WAYNE
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM,
 LAST TEN FISCAL YEARS

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government	118	119	119	129	104	108	116	112	112	119
Public Safety										
Police	429	453	446	450	421	451	468	462	470	497
Fire	356	369	356	367	359	349	342	339	353	338
Civilians	226	215	211	201	199	198	194	191	161	157
Highways and streets	165	183	178	156	148	153	143	145	170	173
Health and welfare	35	37	40	37	41	43	42	43	42	34
Culture and recreation	147	148	153	147	129	129	144	144	153	152
Urban redevelopment and housing	43	44	48	43	58	54	57	56	57	57
Internal Services	8	8	8	8	8	8	8	8	8	7
Solid Waste	2	2	2	2	2	2	3	4	5	5
City Utilities										
Water	119	119	122	115	119	118	118	115	121	124
Sewage	88	86	90	92	99	98	97	98	96	98
Storm Water	21	19	23	21	22	22	19	20	18	20
Planning and Design	29	32	34	37	40	42	43	50	54	56
Engineering	18	18	16	13	10	11	11	11	10	9
Customer Relations	27	27	30	27	34	29	29	30	29	28
Administrative	21	20	22	29	25	26	27	29	30	33
Total	1,852	1,896	1,895	1,874	1,818 (A)	1,841	1,861	1,857	1,889	1,907

(A) Retirees were significant in 2010

Source: City of Fort Wayne Payroll Department

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

SCHEDULE 19
 CITY OF FORT WAYNE
 OPERATING INDICATORS BY FUNCTION/PROGRAM,
 LAST TEN FISCAL YEARS

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Finance and Administration										
Emerging business enterprise applicants					8	11	7	6	36	48
Worksite visits	11	10	6	9	25 (A)	21	9	11	2	5
Wage violations	40	35	30	15	18	57 (B)	26	32	72 (G)	42
Compliance workshops	22	39	14	18	4	4	2	1	-	-
Public Safety										
Police										
Calls for service	3	3	0	0						
Accident records and analysis	182,912	188,011	198,634	184,111	186,667	201,344	194,648	184,351	167,745	171,585
Fatal accident investigation	9,500	9,348	9,478	8,055	8,858	8,951	9,033	9,008	7,574 (E)	10,742
Fire Department	8	9	14	14	9	9	16	12	17 (E)	12
Emergency medical runs	6,433	6,830	7,142	6,581	6,627	6,794	7,029	6,751	7,277	8,021
Fire rescue runs	10,566	11,291	14,127	12,113	12,574	11,771	13,281	10,922	11,833	11,906
Weight & Measures										
Scales inspected	1,257	1,278	1,447	1,362	1,949	1,384 (C)	1,723	1,747	1,893	1,960
Measuring devices inspected	5,851	4,910	6,840	5,046	6,043	6,004	6,088	6,449	5,230	6,451
Calibrations and tests conducted	2,506	14,281	20,512	22,026	22,240	21,503	18,890	5,996	14,367	67 (I)
Highways and streets										
Street Department										
Paving - miles of maintenance	16	16	14	12	15	13	14	14	12	13
Chip and seal - miles of maintenance	14	14	12	10	13	12	11	10	12	10
Crack sealing - miles of maintenance	96	79	55	81	80	68	78	65	78	59
Traffic Engineering										
Development & Buildg. Plans Processed	208	218	161	145	111	112	124	162	145	145
Traffic counts conducted	50	40	46	32	49	44	43	47	43	10
Traffic studies conducted	190	200	200	200	250	250	250	250	250	15
Traffic investigations (complaints)	325	350	380	380	425	425	450	450	450	500
Traffic Signal Division										
New signals installed	6	5	7	6	3	5	2	1	2	4
Signals modernized	14	16	14	14	7	23	6	12	10	4
Signal accident repairs	36	31	34	34	29	20	34	61	43	27
Signal bulbs replaced (emergency/non-emergency)	10	54	29	7	26	7	43	63	89	152

(Continued)

SCHEDULE 19
 CITY OF FORT WAYNE
 OPERATING INDICATORS BY FUNCTION/PROGRAM,
 LAST TEN FISCAL YEARS

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
(Continued)										
Sign & Marking Division										
Signs manufactured	5,169	4,065	6,548	4,008	4,370	3,701	2,266	1,347	2,960	4,183
Street lanes marked - painted (miles)	719	759	755	881	690	529	655	727	537	739
Curb parking marked (feet)	21,037	12,271	14,029	9,555	14,963	20,976	7,381	7,225	6,471	8,763
Crosswalks marked	849	913	902	865	807	818	721	1,546	611	510
Lane arrows marked	822	950	1,076	1,006	988	1,210	1,065	1,374	1,418	2,298
Health and welfare										
Animals handled	15,919	15,719	16,608	15,805	15,791	15,863	14,994	13,709	12,844	12,724
Animals adopted	1,920	2,132	2,529	2,540	2,265	2,382	2,748	2,850	3,602	4,164
Animals euthanized (domestic)	11,508	11,397	11,444	10,286	9,742	10,693	9,203	8,340	6,037	4,531
Animals returned to owners	1,692	1,712	1,810	1,620	1,854	2,056	2,019	1,811	2,003	2,056
Bite cases	915	829	901	980	665	850	837	828	748	836
Education programs contacts	282,442	626,390	735,450	867,079	832,735	768,581	244,526	259,334	187,497	225,466
Urban redevelopment and housing										
Neighborhood Code Enforcement										
Emergency orders to abate	1,286	1,133	976	612	1,519	1,530	1,288	1,263	1,379	1,496
Emergency orders to demolish	93	56	31	5	6	8	10	12	7	4
Boardings	729	629	600	369	926	744	734	854	737	631
Demolitions - hearing affirmed	19	136	43	26	124	125	52	139	139	63
Water										
New connects	649	128	142	121	74	71	78	95	98	833
Consumption (millions of gallons)	8,310	8,408	8,391	8,069	8,214	8,270	8,712	8,100	7,793	8,419
Wastewater										
New connects	843	611	642	534	340	651	225	498	1,010	662
Sewage treatment (millions of gallons)	7,724	7,780	7,488	7,177	8,620	8,616	8,768	8,470	8,353	8,166

- (A) Increased due to new contractors to monitor projects, requirement for federally funded projects, and follow-up to worker proper wage rate allegations.
- (B) Increased due to new reporting model based on wage violations per individual instead of counting projects.
- (C) Decreased - 2010 had a higher than normal amount of reinspections.
- (D) Sewer increase largely due to Allen County Regional Water and Sewer District.
- (E) Figures tracked and submitted by Police; previously by Traffic Engineering.
- (F) Figure includes domestic animals only; previously included wild.
- (G) Increased due to growth in number of projects.
- (H) Increased due to septic eliminations and district projects.
- (I) Decrease due to the elimination of calibrations and tests conducted in 2015.

SCHEDULE 20
 CITY OF FORT WAYNE
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM,
 LAST TEN FISCAL YEARS

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>Public Safety</u>										
<u>Police</u>										
Division outposts	4	4	4	4	4	4	4	4	4	4
Training academies	1	1	1	1	1	1	1	1	1	1
<u>Fire</u>										
Fire stations	18	18	18	18	18	18	18	18	18	18
Training academies	1	1	1	1	1	2	2	2	2	2
Safety Village						1	1	1	1	1
<u>Highways and streets</u>										
Number of street lights	32,594	33,174	33,354	33,592	33,725	33,896	33,923	33,877	33,904	33,950
Miles of streets	1,130	1,144	1,144	1,149	1,217	1,161	1,160	1,160	1,162	1,163
<u>Health and welfare</u>										
<u>Animal Control</u>										
Animal care centers	1	1	1	1	1	1	1	1	1	1
Patrol districts	3	3	3	3	3	3	3	3	3	3
<u>Culture and recreation</u>										
Acreage for parks and recreational areas	2,625	2,631	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805
Parks and recreational areas	84	85	86	86	86	86	86	86	86	86
Golf courses	3	3	4	4	4	4	4	4	4	4
Swimming pools	4	4	4	3	3	3	3	3	3	3
<u>Water</u>										
Miles of water lines	1,010	1,024	1,153	1,157	1,159	1,160	1,164	1,176	1,370	1,374
Treatment capacity (million gallons/day)	72	72	72	72	72	72	72	72	72	72
<u>Wastewater</u>										
Miles of sewer/stormwater mains	1,715	1,727	1,802	1,830	1,861	1,856	1,880	1,893	1,899	2,014
Treatment capacity (million gallons/day)	60	60	60	60	60	60	70	70	70	70

Sources: Various city departments.

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

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