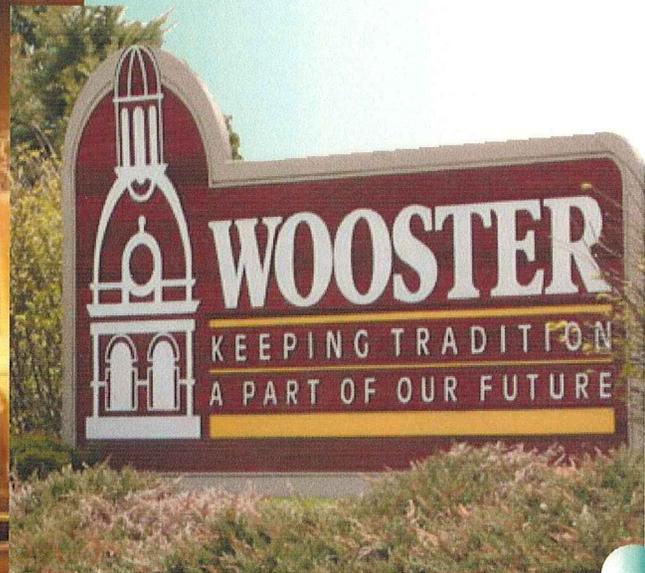


*The Comprehensive
Annual Financial Report*

2006



*Wooster, Ohio
fiscal year ended December 31, 2006*

**CITY OF WOOSTER, OHIO
Comprehensive Annual Financial Report
For the year ended December 31, 2006**

Prepared by Finance Department

**CITY OFFICIALS
As of January 1, 2007**

MAYOR

James A. Howey
Third Term Expires 12-31-07

CITY COUNCIL

Judi Mitten
President
First Term Expires 12-31-07
Nineteenth year of service

Mindy Cavin
Term Expires 12-31-07
First Term - Ward 1

Robert Breneman
Term Expires 12-31-07
Third Term – At Large

Keith Topovski
Term Expires 12-31-09
First Term – Ward 2
Third Year of Service

Jon Ulbright
Term Expires – 12-31-09
Second Term – At Large
Eighteenth year of service

David Silvestri
Term Expires 12-31-07
First Term - Ward 3

Jon Ansel
Term Expires 12-31-09
First Term - At Large

Jeff Griffin
Term Expires 12-31-09
First Term - Ward 4
Fifth Year of Service

DIRECTOR OF FINANCE

Andrei A. Dordea, CPA – 4 years of service

DIRECTOR OF LAW

Richard Benson – 16 years of service

DIRECTOR OF ADMINISTRATION

Michael Sigg – 7 years of service

WOOSTER COMMUNITY HOSPITAL ADMINISTRATOR

William Sheron - 12 years of service

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Judith K. Mitten
Mayor

Andrei A. Dordea, CPA
Director of Finance

Finance Department
PO Box 1128
Wooster, OH 44691
(330) 263-5225

CITY OF WOOSTER

May 31, 2007

City Council and Citizens of Wooster
Wooster, Ohio

The Comprehensive Annual Financial Report

The Ohio Revised Code requires that every public office, other than a state agency, publish a financial report for each fiscal year. Because the City prepares this report pursuant to generally accepted accounting principles, the report must be filed with the Auditor of State within one hundred fifty days after the end of the fiscal year. This document is produced to fulfill this requirement for the year ended December 31, 2006.

City Management is fully responsible for the completeness and reliability of the information contained in this report. The City uses a comprehensive framework of internal controls to ensure that this information is dependable. Because the cost of internal controls should not exceed the benefit derived from such controls, the objective of the framework is to provide reasonable, not absolute, assurance that this report is free from any material misstatements.

Rea and Associates, Inc., Accountants and Business Consultants, have issued an unqualified ("clean") opinion for the City of Wooster's financial statements for the year ended December 31, 2006. The independent auditor's report is located in the front of the financial section of this report on page 13.

Management Discussion and Analysis (MD&A) immediately follows the independent auditor's report. The MD&A provides a narrative of the financial statements including an introduction, overview and analysis of the information reported in this document. MD&A, beginning on page 15, complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Wooster, incorporated in 1817, is located in the north central part of the State of Ohio. The City's 17.121 square mile area is home to a population of 26,411. Located within Wayne County, Wooster is a home rule municipal corporation under the laws of the State of Ohio and, as such, operates under its own charter. The current charter was adopted in 1972 and has undergone two amendments since that time. The city government consists of a Mayor, a seven-member Council and a Council President. All of these officials are elected for four-year terms. The Mayor, three Council members and the Council President are elected on an at-large basis. The four remaining Council members are elected from their respective wards within the City.

The City provides a full range of municipal services contemplated by its charter. These services include police, fire, health care, recreation programs (including parks), a subsidized transportation program, water and water pollution control programs, planning and zoning, and general administrative services.

For financial reporting purposes, the City includes in this report all funds, agencies, boards, and commissions that are controlled by, or dependent on, the City legislative branch. "Controlled by" or "dependent on" the City is determined on the basis of budget adoption, taxing authority, outstanding debts secured by revenues or general taxing authority of the City, and/or the City's obligation to fund any deficits that may occur.

Annual budgets are adopted for all City funds, with the exception of agency funds. Under state law, the Mayor is required to submit an annual budget (often referred to as the "tax budget") to Council for consideration and approval no later than July 15. By Charter the Mayor must submit an annual appropriation ordinance to City Council by the last Council meeting in the November of the preceding year. This ordinance builds upon the tax budget of the previous July and is updated for any estimates or revisions. The legal level of City Council appropriated budgetary control is at the program level within a fund.

Local Economy

The Economic Segment Mix and The Change of Economic Segment Mix as Measured by Total Income Tax Receipts for the Tax Years 2000 through 2006

Change%	2000	2001	2002	2003	2004	2005	2006	00/06
Industrial	39.1%	36.9%	34.2%	33.0%	31.6%	28.2%	28.4%	-27.3%
Construction	4.4	4.8	4.9	4.7	4.1	4.1	5.1	15.7
Retail	9.0	9.3	8.6	9.0	8.6	9.1	8.1	-10.4
Oil	1.9	2.0	2.2	2.3	2.4	2.8	2.7	42.1
Services	10.1	10.6	11.1	12.0	11.7	12.3	11.9	17.5
Education/Govt.	13.3	14.6	17.4	17.8	18.5	18.0	18.0	35.1
Financial	4.3	4.3	3.9	4.3	4.6	5.0	4.9	14.0
Restaurants	2.1	2.2	2.2	2.3	2.0	2.2	1.9	-11.4
Medical	8.4	9.0	7.1	7.1	7.1	8.2	6.9	-18.0
Miscellaneous	7.4	6.4	8.4	7.5	9.5	10.1	12.2	65.3

% Chg. in \$ by Yr. -10.90% 0.63% -0.08% -1.19% 0.81% 5.43% 6.31%

The chart displayed above demonstrates past economic trends in the community and provides indications of possible future trends. The Industrial segment continues to lead our economy. Through economic diversification, the City has become less reliant on the industrial sector. We view this trend as positive and expect this pattern to continue. We anticipate, as indicated by the strength of the construction segment and building permits issued during the last three years, future economic expansion. The significant dollar permits issued in 2006 were: Wayne County Public Library \$6.5 million (new library); Western Reserve Mutual \$5.5 million (new construction); Chesterland Productions \$5 million (new construction); Westerman, Inc \$2 million (new construction); Chesterland Estates PLL \$1.5 million (new construction); Farindola Properties LTD \$780,000 (new construction); Wooster Community Hospital \$650,000 (renovation); Liberty Market Properties LLC \$500,000 (renovation).

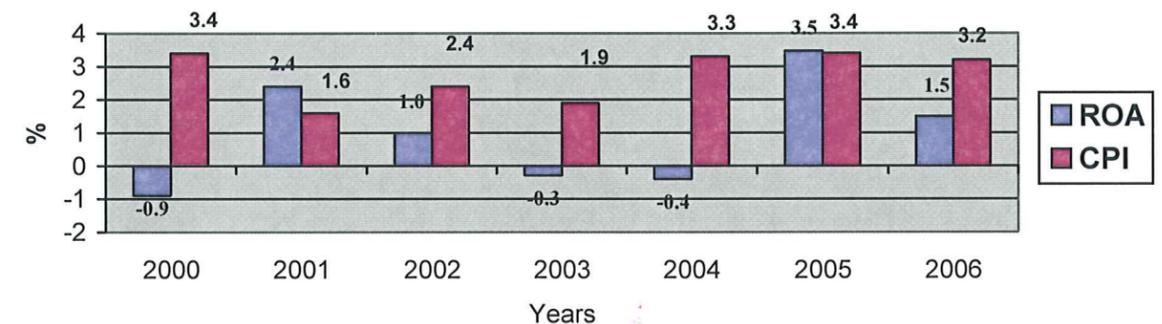
Financial Management Initiatives

On January 17, 1995, and amended in 1999, Council passed and the Mayor approved new financial policies for the governmental funds of the City. In part, the ordinance states:

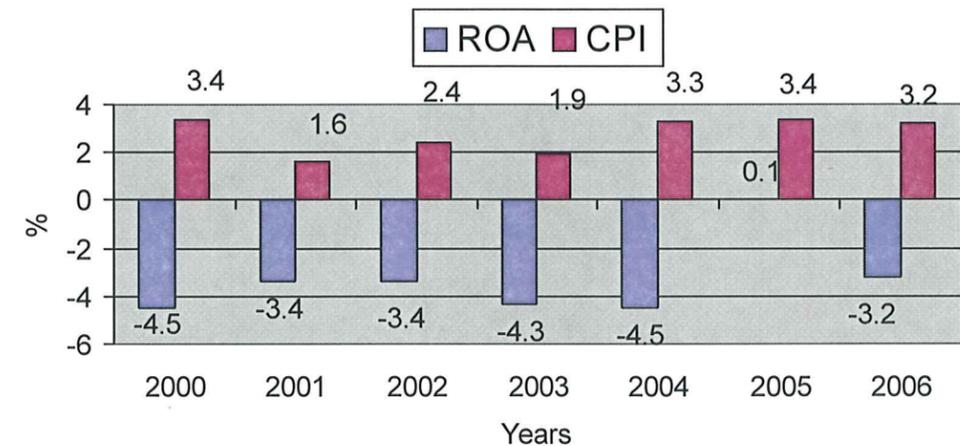
- (1) The governmental funds shall be budgeted to have a rate of return on all assets greater than or equal to the rate of inflation;
- (2) Council will not provide new services unless new revenue is available or there is a cost reduction in another service;
- (3) By 1999, the General Fund shall have an unencumbered cash balance of at least 60 days of expenditures, but no more than 240 days;
- (4) By 2001, the Capital Improvements Fund shall have a cash balance at least equal to the value of the annual depreciation of the governmental fund assets; and,
- (5) If the General Fund cash exceeds the 240 day requirement and the Capital Improvements Fund cash requirement is achieved and the return on assets in the governmental funds is greater than the rate of inflation Council will lower either the property tax rate or the income tax rate.

GASB Statement No. 34 financial reporting requirements facilitate monitoring actual results with these City policies. Our positions on each measurable point as of December 31 are presented in the following graphs:

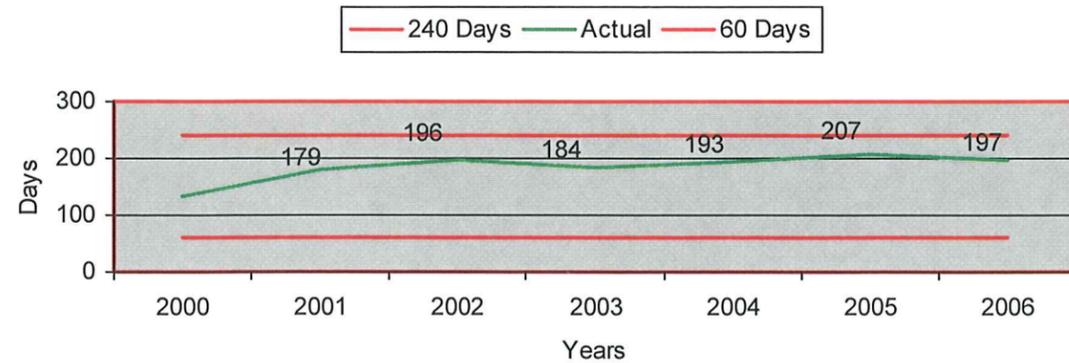
Total Return on Assets (Governmental Operations) vs CPI



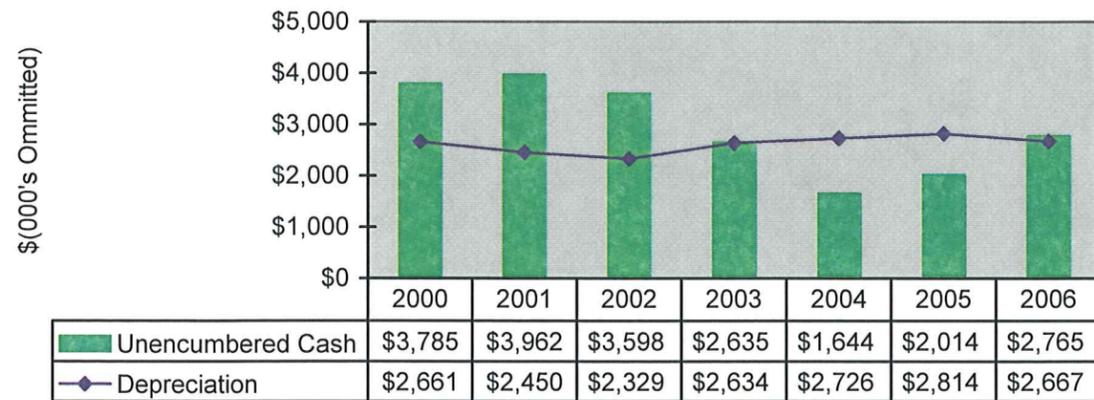
Return on Assets From Operations (Governmental Operations) vs CPI



Days in Unencumbered General Fund Cash



Unencumbered Cash Balance (Capital Improvement Fund) to Annual Depreciation (Governmental Activities)



The City's financial management team makes an authorized annual transfer each fiscal year from the General Fund to the Capital Improvements Fund. This item is budgeted and the transfer is made to ensure that the cash balance in the Capital Improvements Fund remains at least equal to the amount of annual depreciation of governmental fund assets.

Major Initiatives

In efforts to meet the health care needs of the citizens of Wooster and surrounding areas, the Wooster Community Hospital completed a major construction project in 2006. A 50,000 square foot expansion project was added to the east side of the Hospital. Housed in the addition is the new obstetrical unit, named the Women's Pavilion, and the new Progressive Care Unit. The Progressive Care Unit has 29 rooms for cardiac care, and is conveniently located close to intensive care and also to emergency room facilities. All equipment in the unit is mobile and easily accessible, which prevents patients from being moved between rooms. The Women's Pavilion Obstetrical Unit was designed with family-centered maternity care in mind. This unit offers new birthing suites, some equipped with jacuzzi tubs, with private bathrooms and a series of features for the comfort of families including glider rockers and loveseat-convertible beds.

Work continues on the renovation of the City's Water Pollution Control facilities. City management committed itself to expansion of the plant at its current site, where it can remain for the next twenty years, in order to minimize the cost of the renovation. The expansion of the plant will enable the City to improve general treatment efficiencies, to reduce power consumption, to expand the volume of wastewater that could be treated from 15 million gallons per day (MGD) to 27 MGD to meet National Pollutant Discharge Elimination System (commonly referred to as "NPDES") Permit requirements, and to decrease biosolids production, thereby reducing the cost of sludge hauling and disposal. The approximately \$20 million dollar project is being funded through low interest state loans and existing cash balances.

As resources allow, Wooster's Division of Engineering designs, bids, and supervises projects in order to continue work on the City's master plan for sewer separation. Throughout various areas in the City, the sanitary and storm sewer waters run through the same lines. The sewer separation projects reduce the number of combined sewer overflows into receiving streams following rain events, as well as reducing the frequency of sewer back-ups due to sanitary sewer surcharging from storm flows. Separation of these lines also allows for the increased capacity potential of the sanitary sewer infrastructure already in place.

The Beall Avenue Reconstruction and Streetscape project is phase three of an on-going streetscape program throughout the City. New utilities and roadway will be constructed along sections of Beall Avenue, complete with curb and gutter, turn lanes, storm sewer, water line, and a boulevard section through The College of Wooster. There are multiple funding sources for this project, including existing cash balances, federal and state grants, as well as private donations. Construction on this project is currently on-schedule and will continue throughout the up-coming year, with completion anticipated in October 2008.

Award and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wooster, Ohio, for its comprehensive annual financial report for the fiscal year ended December 31, 2005. This was the twenty-sixth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the dedicated and efficient services of the Finance Department, and the various managers, directors, and employees who contributed to this report. Our sincere appreciation is given not only for their assistance in the preparation of this report, but also for the efforts expended throughout the year in following good financial management in order to maintain sound business practices. We would also like to acknowledge the members of City Council who have consistently supported the City's goals of both excellence and continuous improvement in all aspects of financial management.

This annual report is dedicated with respect and affection to the memory of James A. Howey, mayor of Wooster from his election and inauguration on January 1, 1996, until his death on April 17, 2007. Jamie devoted his lifetime to the betterment of his community. Active in the Boy Scouts, the Jaycees, the Exchange Club of Wooster, the United Way, Habitat for Humanity and as mayor of the City of Wooster for more than eleven years, his life was an example of service to others. Whether it was a spaghetti dinner for 300, building a pavilion in a park, or putting up backstops for ball fields, Jamie was the first one there and the last to leave.

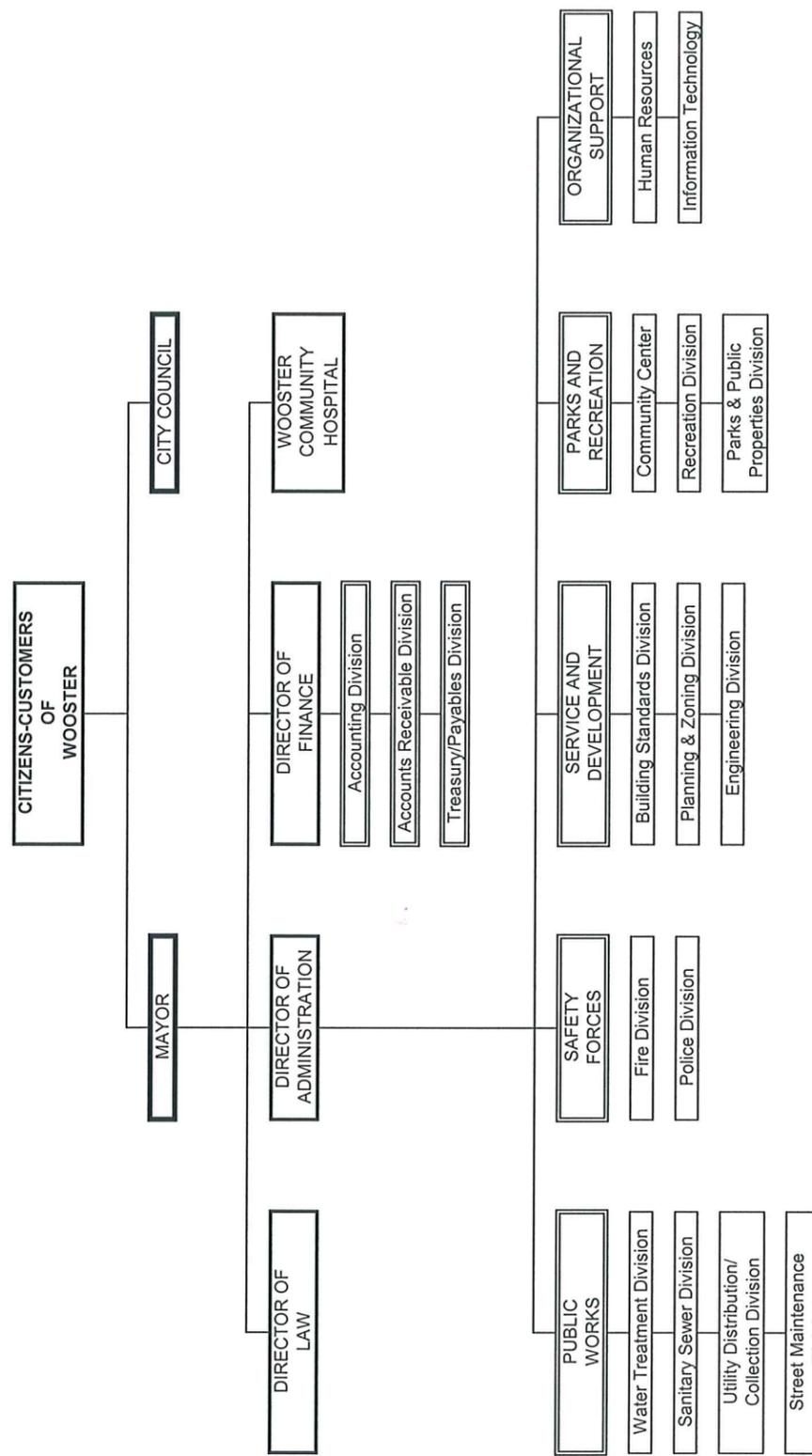
Respectfully submitted,

Judith K. Mitten
Mayor

Andrei A. Dordea, CPA
Director of Finance

CITY OF WOOSTER, OHIO ORGANIZATION CHART

As of December 31, 2006



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wooster
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2005

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



President

Executive Director

Rea & Associates, Inc.

ACCOUNTANTS AND BUSINESS CONSULTANTS

May 31, 2007

To the Honorable Mayor and City Council
City of Wooster
Wayne County, Ohio

INDEPENDENT AUDITOR'S REPORT

Financial Section

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wooster, Wayne County, Ohio, as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Wooster's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wooster, Wayne County, Ohio, as of December 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2007, on our consideration of the City of Wooster's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis and the budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wooster, Ohio's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Hea & Associates, Inc.

Wooster, Ohio

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the City of Wooster's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2006. Descriptions and definitions follow the highlights below. Please read the MD&A in conjunction with our letter of transmittal, which begins on page 5, and the City's basic financial statements, which begin immediately following the MD&A.

FINANCIAL HIGHLIGHTS

- The City's net assets (total assets minus total liabilities) increased \$9.58 million as a result of this year's operations.
- The City-wide total return on assets was 3.53%.
- Total expenses of all City services was \$106.37 million in 2006 compared to \$99.56 million in 2005.
- Net assets of our business-type activities increased by \$8.60 million. Of these amounts Wooster Community Hospital net assets increased \$9.61 million while the City's utility service and economic development funds net assets decreased by \$1.01 million.
- The return on total assets for the business-type activities was 4.14% with the Hospital returning 7.15% on its total assets and the City's utility and economic development services returning (1.37%).
- Net assets of the governmental activities increased by \$0.98 million. The return on total assets for the governmental activities was 1.53%.
- The capital improvements fund ended the year with a cash balance of \$3.10 million. Depreciation expense for all governmental capital assets for 2006 was \$2.67 million. The City budgeted \$1.60 million (including carry-over projects) from the capital improvements fund (for governmental capital projects) in 2006.
- Net governmental capital assets increased by \$1.05 million in 2006.

USING THIS ANNUAL REPORT

The major portion of this annual report consists of a series of financial statements and explanatory notes. The Statement of Net Assets and the Statement of Activities (on pages 27 and 28 & 29) provide information about the services provided by the City of Wooster as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 30. For governmental activities, these statements demonstrate how these services were financed in the short term as well as what remains for future spending. Individual fund financial statements also report the City's operations in more detail than the government-wide statements.

Reporting the City as a Whole

The Statement of Net Assets and the Statement of Activities

One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Recognition of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

These two statements report the City's *net assets* and changes in them. We can think of the City's net assets, the difference between assets (what the citizens own) and liabilities (what the citizens owe) as one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net assets are one indicator of whether its *financial health* is improving or deteriorating. We also must consider other nonfinancial factors, however, such as changes in the City's property tax base, income tax base, and the condition of the City's capital assets (roads, buildings, water and sewer lines) to assess the *overall health* of the City. Each factor is important to sustaining levels of service.

In the Statement of Net Assets and the Statement of Activities, we divide the City into two kinds of activities:

- **Governmental activities:** most of the City's basic services are reported here, including the police, fire, street maintenance, parks and recreation, and general administration (City Council, Mayor and Clerk of Council, Director of Administration, Law, Finance, Engineer and Information Technology). Income taxes, property taxes, state and federal grants, and several user fees finance most of these activities.
- **Business-type activities:** water, sanitary sewer, storm drainage, trash collection, and hospital services are reported here. The City charges fees to its customers to cover the cost of these services.

Reporting the City's Most Significant Funds

Fund Financial Statements

Our analysis of the City's major governmental activities begins on page 21. The fund financial statements begin on page 30 and provide detailed information about the most significant funds-not the City as a whole. Some funds are required to be established by State law. However, City Council establishes many other funds to help it control and manage money for particular purposes (e.g., Economic Development Capital Improvements Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (e.g., grants received from the U.S. Department of Housing and Urban Development). The City's three categories of funds, governmental, proprietary and fiduciary, use different accounting techniques.

Governmental funds: Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation beside the fund financial statements.

Proprietary funds: When the City charges customers for the full cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City's enterprise funds (a component of business-type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. We use internal service funds, such as the City's Garage Fund, (the other component of proprietary funds) to report activities that provide supplies and services to the City's other programs and activities.

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources are not available to support the City's own programs. The City of Wooster has only agency funds to report within the Fiduciary Fund category. Agency funds are reported on the accrual basis and present a statement of assets and liabilities and a statement of changes in assets and liabilities.

THE CITY AS A WHOLE

The City's combined net assets increased from \$219.03 million to \$228.61 million. The primary reason for this increase can be attributed to the strong financial performance of the Wooster Community Hospital. Our analysis below focuses on the assets, liabilities and net assets (Table 1) and changes in net assets (Table 2) of the City's governmental and business-type activities.

Table 1

Net Assets (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2005	2006	2005	2006	2005	2006
Current Assets	\$ 25,215	\$ 25,943	\$ 91,613	\$ 88,755	\$116,828	\$114,698
Noncurrent receivables	2,612	2,670	639	562	3,251	3,232
Net capital assets	34,414	35,460	99,580	118,706	133,994	154,166
Total assets	62,241	64,073	191,832	208,023	254,073	272,096
Current Liabilities	(7,079)	(8,234)	(14,595)	(12,434)	(21,674)	(20,668)
Noncurrent liabilities	(4,184)	(3,883)	(9,183)	(18,933)	(13,367)	(22,816)
Total liabilities	(11,263)	(12,117)	(23,778)	(31,367)	(35,041)	(43,484)
Net Assets						
Invested in capital assets, net of related debt	29,806	30,220	90,273	99,531	120,079	129,751
Restricted	8,705	7,723	1,535	1,918	10,240	9,641
Unrestricted (deficit)	12,467	14,013	76,246	75,207	88,713	89,220
Total net assets	\$ 50,978	\$ 51,956	\$168,054	\$176,656	\$219,032	\$228,612

Unrestricted net assets of governmental activities, the portion of net assets that can be used to finance day-to-day governmental operations (without constraints established by debt covenants, enabling legislation, or other legal requirements), increased 12.35% from \$12.47 million at December 31, 2005 to \$14.01 million at December 31, 2006. Restricted net assets, those restricted mainly for capital projects and special purposes such as street cleaning or maintenance, decreased 0.98 million (11.29%). Investment in governmental capital assets net of related debt increased by \$0.41 million (1.39%).

The net assets of our business-type activities increased by \$8.60 million or 5.21% (\$168.05 million to \$176.66 million) in 2006. The majority of this increase was in the hospital fund which increased by \$9.61 million. The City is required to use these business-type net assets for sustaining services of the water, sanitary sewer, storm sewer and hospital funds.

Overall, the City's financial position improved as evidenced by the 4.37% increase in total net assets.

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Financial Ratios
(dollars in thousands)

The following Financial Ratios may be used to assess the financial stability of the City over an extended period of time. The City has adopted guidelines regarding return on assets as discussed under the Governmental Activities section and the Business-type Activities section.

"Working Capital" balances demonstrate the continuing ability to finance operations with cash. The relative stability of the "current ratio" and the "liabilities to net assets" demonstrate the fact that the City has not financed its working capital with an increasing proportion of debt.

"Working Capital" is the amount by which current assets exceed current liabilities. The "Current Ratio" compares current assets to current liabilities and is an indicator of the ability to pay current obligations.

Working Capital (\$ in thousands)	2000	2001	2002	2003	2004	2005	2006
Entity Wide Summary	\$ 79,564	\$ 87,483	\$ 92,021	\$ 98,878	\$ 99,549	\$ 95,154	\$ 94,031
Governmental	\$ 16,839	\$ 17,255	\$ 16,365	\$ 17,089	\$ 16,413	\$ 18,136	\$ 17,709
Business-type	\$ 62,725	\$ 70,228	\$ 75,656	\$ 81,789	\$ 83,136	\$ 77,018	\$ 76,322

Current Ratio	2000	2001	2002	2003	2004	2005	2006
Entity Wide Summary	5.02	4.86	4.52	5.77	6.30	5.39	5.55
Governmental	4.12	3.93	3.03	3.31	3.78	3.56	3.15
Business-type	5.36	5.21	5.19	7.14	7.45	6.28	7.14

"Liabilities to Net Assets" indicates the extent of borrowing.

Liabilities to Net Assets	2000	2001	2002	2003	2004	2005	2006
Entity Wide Summary	21%	22%	21%	18%	16%	16%	19%
Governmental	21%	22%	22%	24%	21%	22%	23%
Business-type	21%	22%	20%	16%	14%	14%	18%

"Return on Assets (ROA) from Operations" illustrates to what extent there will be sufficient funds from normal operations to replace assets in the future.

ROA from operations	2000	2001	2002	2003	2004	2005	2006
Entity Wide Summary	5%	3%	3%	2%	1%	3%	1%
Governmental	-4%	-3%	-3%	-4%	-4%	0%	-3%
Business-type	8%	4%	4%	4%	3%	4%	2%

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

"Total Return on Assets" includes all operating and non-operating revenues and expenses.

Total Return on Assets	2000	2001	2002	2003	2004	2005	2006
Entity Wide Summary	5%	5%	6%	3%	3%	5%	4%
Governmental	-1%	2%	2%	0%	0%	3%	2%
Business-type	7%	6%	7%	5%	4%	5%	4%

"Capital Asset Change" from previous year indicates whether the City of Wooster financially maintains infrastructure, buildings and equipment for future generations.

Capital Asset Change	2000	2001	2002	2003	2004	2005	2006
Entity Wide Summary	0%	3%	5%	6%	3%	14%	15%
Governmental	-1%	-1%	1%	4%	0%	2%	3%
Business-type	0%	5%	7%	7%	5%	19%	19%

"Days in Receivable" determines how many days it takes to collect amounts billed to customers.

Days In Receivable	2000	2001	2002	2003	2004	2005	2006
Entity Wide Summary	67	58	60	67	70	69	69
Governmental	102	97	109	111	126	123	136
Business-type	58	48	50	57	59	58	57

"Personal Services to Total Costs" measures the percentage of personal service costs to total cost.

Personal Service %	2000	2001	2002	2003	2004	2005	2006
Entity Wide Summary	54%	53%	56%	59%	60%	60%	60%
Governmental	61%	63%	60%	60%	61%	59%	62%
Business-type	52%	50%	54%	58%	60%	60%	60%

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Table 2

Changes in Net Assets (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2006	2005	2006	2005	2006	2005
Program revenues:						
Charges for Services	\$ 1,458	\$ 1,569	\$ 92,466	\$ 87,926	\$ 93,924	\$ 89,495
Operating Grants and Contributions	2,147	2,165	1,007	495	3,154	2,660
Capital Grants and Contributions	314	1,361	-	-	314	1,361
General revenues:						
Income Taxes (net of refunds)	8,559	8,922	-	-	8,559	8,922
Property Taxes	2,454	2,278	-	-	2,454	2,278
Other Taxes	918	657	-	-	918	657
Grants and Contributions	1,660	1,603	-	-	1,660	1,603
Interest and Investment Earnings	997	532	3,428	2,179	4,425	2,711
Other revenues	327	328	216	134	543	462
Total Revenues:	18,834	19,414	97,117	90,734	115,951	110,148
Governmental program expenses including indirect expenses:						
Safety Services	10,431	9,912	-	-	10,431	9,912
Health and Social Services	143	138	-	-	143	138
Leisure Services	2,380	2,320	-	-	2,380	2,320
Environment and Development	1,348	1,062	-	-	1,348	1,062
Transportation Services	2,939	3,220	-	-	2,939	3,220
Administrative Services	437	128	-	-	437	128
Interest on Long Term Debt	189	137	-	-	189	137
Business-type services:						
Wooster Community Hospital	-	-	77,586	72,244	77,586	72,244
Water	-	-	4,663	4,328	4,663	4,328
Water Pollution Control	-	-	4,505	4,404	4,505	4,404
Storm Drainage	-	-	656	751	656	751
Refuse Collection	-	-	1,093	904	1,093	904
CDBG development loan	-	-	-	7	-	7
Total expenses	17,867	16,917	88,503	82,638	106,370	99,555
Excess (deficiency) before transfers/special item	967	2,498	8,614	8,096	9,581	10,594
Special Item - change in est plant closure costs	-	-	-	1,803	-	1,803
Transfers	11	(341)	(11)	341	-	-
Change in Net Assets	978	2,157	8,603	10,240	9,581	12,397
Net Assets Beginning	50,978	48,821	168,054	157,814	219,032	206,635
Net Assets Ending	\$ 51,956	\$ 50,978	\$ 176,657	\$ 168,054	\$ 228,613	\$ 219,032

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Explanations for larger fluctuations between years are as follows:

- Charges for services revenue was higher in 2006 primarily due to increased hospital service demand.
- Capital grants and contributions revenue lower because significant grant funds were received in 2005 to construct a roadway for a high-tech industrial park.
- Interest and investment earnings revenue was higher in 2006 because of higher portfolio yields.

Governmental Activities

Table 3 below presents the cost of each of the City's four largest Governmental programs: Safety Services, Transportation Services, Leisure Services, and Environment and Development Services as well as each program's *net* cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions. The increase in the net cost demonstrates the inability to recover increased cost of the program under the current revenue policies.

Table 3

Statement of Activities (accrual)

Governmental Activities (in thousands)	Total Cost of Services		Net Cost of Services	
	2006	2005	2006	2005
Safety Services	\$10,431	\$9,912	\$9,819	\$9,183
Transportation Services	2,939	3,220	956	293
Leisure Services	2,380	2,320	1,939	1,839
Environment and Development Services	1,348	1,062	666	349

- Total cost of services in safety services program experienced a 5.2% increase in 2006. This was due primarily to inflation and filling five vacancies.
- Total cost of transportation services program decreased 8.3% in 2006 because of decreased street resurfacing activity.
- Total cost of environment and development services program increased by 26.9% in 2006 due to increased community development block grant activities.

Statement of Revenues, Expenditures and Changes in Fund Balances (modified accrual)

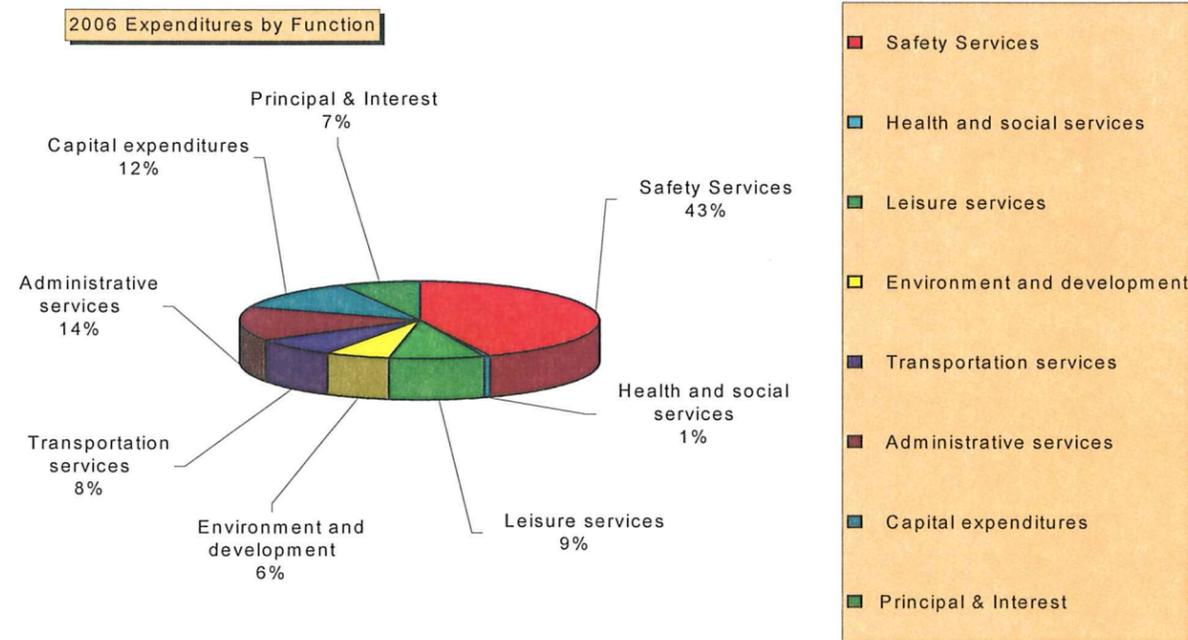
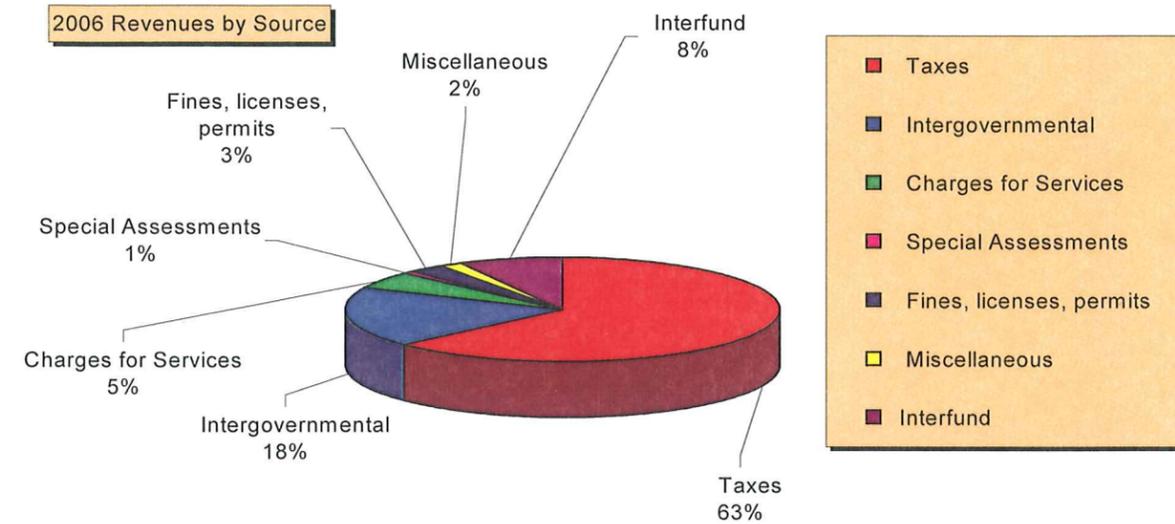
Governmental Funds

Information below compares revenues and expenditures for all governmental fund types for 2005 and 2006.

(in thousands)

Revenues by Source:	2006	2005	% Change
Taxes	\$12,345	\$11,298	9.3
Intergovernmental	3,593	4,922	-27.0
Charges for Services	1,032	1,073	-3.8
Special Assessments	198	242	-18.2
Fines, licenses, permits	520	588	-11.6
Miscellaneous	353	834	-57.7
Interfund	1,505	1,657	-9.2
Total Revenues	\$19,546	\$20,614	-5.2

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**



**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

(in thousands)

Expenditures by Function:	2006	2005	% Change
Safety Services	\$9,406	\$8,625	9.1
Health and social services	143	138	3.6
Leisure services	1,839	1,703	8.0
Environment and development	1,289	1,048	23.0
Transportation services	1,636	1,741	-6.0
Administrative services	3,058	3,075	-0.6
Capital expenditures	2,664	3,145	-15.3
Debt service:			
Principal	1,353	344	293.3
Interest	190	167	13.8
Total Expenditures	\$21,578	\$19,986	8.0

Business-type Funds

The City's major Enterprise Funds consist of the Water Fund, the Water Pollution Control Fund, the Storm Drainage Fund, the Hospital Fund and the Refuse Collection Fund. The basic financial statements for the major funds are included in this report. Because the focus on business-type funds is a cost of service measurement or capital maintenance, we have included these funds in Table 4, below, which demonstrates return on ending assets and return on ending net assets.

In November of 1989, Council passed an ordinance that set forth the following policy regarding all enterprise funds user charges (rates).

1. Sufficient revenue must be generated by the charges to ensure high quality service for an indefinite period of time. Therefore, the return on assets must approximate inflation after consideration of gifts, donations, grants and subsidized loans.
2. Sufficient cash flow must be generated by the charges to ensure all expenditures, including debt service, can be paid in a timely manner.

The Water Pollution Control plant will be completing upgrades over the next year to comply with EPA regulations which we believe will affect us next year.

Rates for the Storm Water Utility were increased by 60% in November of 2001, the first adjustment since inception in 1987.

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Table 4 - Proprietary Funds Statements

(in thousands)	Hospital	Water	Water Pollution Control	Storm Drainage	Refuse	Non-major Enterprise Funds
Total Assets	\$134,400	\$27,100	\$36,756	\$8,671	\$455	\$642
Net Assets	124,823	20,481	23,541	6,805	364	642
Change in Net Assets	9,613	(482)	(742)	262	(74)	25
Return on Ending Total Assets	7.2%	-1.8%	-3.2%	3.0%	16.3%	3.9%
Return on Ending Net Assets	7.7%	-2.4%	-2.0%	3.9%	20.3%	3.9%

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual revenues for the General Fund came in 9.68% higher than budget for 2006. Following are highlights for significant variances between the final budget and actual results:

- Taxes were 8.45% over budget primarily due to income tax and estate tax receipts.
- Interfund services came in 25.41% over budget. This increase is the result of plant closure costs substantially increasing the Water Fund portion of allocated overhead expense. Accordingly, the general fund received a larger than anticipated allocation of interfund revenue.
- Interest income came in 66.89% over budget because of greater portfolio investment yields
- Miscellaneous revenues were 205.73% greater than budget primarily the result of storm damage reimbursement from the local Solid Waste District and FEMA reimbursement for police officer assistance during hurricane Katrina recovery efforts.

Actual expenditures for the General Fund were 6.95% lower than budgeted for 2006. Following are highlights for significant variances between the final budget and actual results:

- Safety services came in under budget by 4.91%. This was primarily due to prudent financial management.
- Transportation services were 7.62% under budget because decreased street resurfacing activity.
- Administration came in under budget by 13.41%. This was primarily due to prudent financial management.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2006 the City had a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges, and water and sewer lines at a cost of \$279.56 million. (See Table 5). This amount represents a net increase (including additions and deductions) of \$26.40 million, or 10.40%, over last year.

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Table 5

Capital Assets at Year-end
(Net of Depreciation, in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2005	2006	2005	2006	2005	2006
Land	\$ 2,095	\$ 2,095	\$ 3,042	\$ 3,110	\$ 5,137	\$ 5,205
Buildings	7,008	7,086	68,168	85,986	75,176	93,072
Improvements	61,602	62,373	47,721	51,580	109,323	113,953
Equipment	8,964	9,752	36,956	40,504	45,920	50,256
Construction-in-progress	789	908	16,814	16,163	17,603	17,071
Subtotal	80,458	82,214	172,701	197,343	253,159	279,557
Accumulated Depreciation	(46,044)	(46,754)	(73,121)	(78,637)	(119,165)	(125,391)
Totals	<u>\$ 34,414</u>	<u>\$ 35,460</u>	<u>\$ 99,580</u>	<u>\$118,706</u>	<u>\$133,994</u>	<u>\$154,166</u>

The City's 2007 capital budget anticipates a spending level of \$33.33 million for capital projects, exclusive of the hospital. Of this amount, \$7.78 million is budgeted for the water pollution control plant upgrade. The Hospital's 2007 Capital Budget anticipates a capital projects spending level of \$12.20 million. More detailed information about the City's capital assets is presented in Note 6 to the basic financial statements.

Debt

At year-end, the City had \$22.42 million in bonds, notes and loans outstanding versus \$12.90 million last year representing an increase of 73.8% as shown in Table 6 below. \$10.98 million of this increase in debt was to fund the upgrade at the water pollution control plant.

Table 6

Outstanding Debt, at Year-end
(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2005	2006	2005	2006	2005	2006
General obligation bonds and notes, special assessment bonds and notes (backed by the City)	\$3,593	\$ 3,240	\$ 0	\$ 0	\$ 3,593	\$ 3,240
General obligation revenue bonds and notes (backed by specific revenues and the City of Wooster)	0	0	9,307	19,175	9,307	19,175
Totals	<u>\$3,593</u>	<u>\$3,240</u>	<u>\$9,307</u>	<u>\$19,175</u>	<u>\$12,900</u>	<u>\$22,415</u>

At December 31, 2006 the City's general obligation bonds are rated Aa3 by Moody's and A+ by Standard and Poor's. Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 15 to the basic financial statements.

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2006**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City is a stand-alone community with the nearest large city twenty-five miles distant. The City has in the diversified mix of economic sectors a relatively strong, greater than 28%, industrial sector. Because the community is stand-alone and derives its tax revenue from income taxes, the government budgets are forecast relying on employment conditions. Below is a five-year table that demonstrates the changes in employment of those employers that employed 500 or more individuals as of December 31, 2002. Figures are rounded to the nearest 50.

Employer	Nature of Activity	2002	2003	2004	2005	2006
	Auto Parts					
Worthington Industries	Fabricator	850	650	600	550	500
The County of Wayne	Government	850	850	700	850	850
The City of Wooster	Government/Hospital	750	800	850	850	875
	Auto Parts					
Luk, Inc	Fabricator	750	750	850	1,000	1,000
The College of Wooster	Education	550	350	600	600	600
Rexroth Corporation	Hydraulics	550	450	350	n/a	n/a
	Manufacturer					
Wal-Mart	Retail	550	450	550	350	500
Wooster Brush Company	Manufacturer of Paint Applicators	550	600	600	550	550
Wooster City Schools	Education	500	500	450	400	500
Total of Above		5,900	5,400	5,550	5,150	5,375

BUDGETS

The Mayor proposed and Council adopted an original budget for the year 2007, which, if necessary, adjusted rates for any revenues for inflation and other local and statewide economic factors. The target of 60 to 240 days of unencumbered cash in the General Fund is budgeted to be maintained. The variances between the originally adopted budget for the year 2006 and the final budget are caused by amendments to the original appropriation ordinance. (See Note 2.)

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, employees, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. This report is also available on the City's website at www.woosteroh.com. If you have questions about this report or need additional financial information, contact the Director of Finance, City of Wooster, 538 North Market Street, Wooster, Ohio 44691, (330) 263-5225.

**CITY OF WOOSTER, OHIO
STATEMENT OF NET ASSETS
DECEMBER 31, 2006**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Equity in city treasury cash	\$ 19,697,854	\$ 72,159,259	\$ 91,857,113
Net receivables	6,061,616	14,805,816	20,867,432
Inventory	183,549	1,248,837	1,432,386
Prepaid expenses	0	541,406	541,406
Total current assets	25,943,019	88,755,318	114,698,337
Noncurrent assets:			
Net receivables	2,669,901	562,020	3,231,921
Capital assets (net of accumulated depreciation):			
Land	2,094,563	3,110,266	5,204,829
Buildings	2,952,576	55,301,098	58,253,674
Improvements/Infrastructure	26,116,449	29,775,124	55,891,573
Equipment	3,388,165	14,356,941	17,745,106
Construction in progress	908,235	16,162,818	17,071,053
Net capital assets	35,459,988	118,706,247	154,166,235
Total noncurrent assets	38,129,889	119,268,267	157,398,156
Total assets	\$ 64,072,908	\$ 208,023,585	\$ 272,096,493
LIABILITIES			
Current liabilities			
Accounts payable	\$ 507,637	\$ 4,883,293	\$ 5,390,930
Accrued wages and benefits	977,512	3,319,636	4,297,148
Other accrued liabilities	10,611	667,665	678,276
Compensated absences, current	875,004	2,140,729	3,015,733
Short term debt	2,000,000	0	2,000,000
Current portion of long term bonds and notes	221,563	1,138,300	1,359,863
Current portion special assessment debt with government commitment	128,285	0	128,285
Current portion long term loans	10,336	265,323	275,659
Unearned revenue	3,502,869	18,815	3,521,684
Total current liabilities	8,233,817	12,433,761	20,667,578
Noncurrent liabilities			
Bonds and notes	1,841,127	6,463,700	8,304,827
Special assessment debt with governmental commitment	965,205	0	965,205
Loans	73,189	11,307,744	11,380,933
Compensated absences	1,003,508	1,161,821	2,165,329
Total noncurrent liabilities	3,883,029	18,933,265	22,816,294
Total liabilities	12,116,846	31,367,026	43,483,872
NET ASSETS			
Invested in capital assets, net of related debt	30,220,283	99,531,180	129,751,463
Restricted for:			
Capital projects	2,202,612	0	2,202,612
Debt service	2,310,526	0	2,310,526
Hospital donor requirements	0	351,760	351,760
Street construction and maintenance	1,759,823	0	1,759,823
Other purposes	1,449,568	1,566,324	3,015,892
Unrestricted	14,013,250	75,207,295	89,220,545
Total net assets	51,956,062	176,656,559	228,612,621
Total liabilities and net assets	\$ 64,072,908	\$ 208,023,585	\$ 272,096,493

See accompanying notes to the basic financial statements

**CITY OF WOOSTER, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006**

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government					
Governmental activities:					
Safety services	\$ 9,317,993	\$ 1,113,292	\$ 501,466	\$ 46,446	\$ 64,077
Health and social services	142,851	0	0	0	0
Leisure services	2,088,205	292,154	428,796	12,166	0
Environment and development	1,284,509	63,710	228,043	453,717	0
Transportation services	2,703,343	235,490	108,048	1,624,655	250,350
Administrative services	3,335,297	(2,899,197)	191,408	10,353	0
Central services	343,494	(341,896)	0	0	0
Interest expense	189,308	0	0	0	0
Total governmental activities	<u>19,405,000</u>	<u>(1,536,447)</u>	<u>1,457,761</u>	<u>2,147,337</u>	<u>314,427</u>
Business-type activities:					
Wooster Community Hospital	77,494,019	92,016	83,692,444	956,884	0
Water	4,290,385	372,827	3,742,199	1,500	0
Water pollution control	3,626,054	878,727	3,224,387	0	0
Storm drainage	541,907	114,765	863,905	0	0
Refuse collection	1,014,655	78,112	938,003	49,000	0
CDBG development loans	0	0	5,135	0	0
Total business-type activities	<u>86,967,020</u>	<u>1,536,447</u>	<u>92,466,073</u>	<u>1,007,384</u>	<u>0</u>
Total primary government	<u>\$ 106,372,020</u>	<u>\$ 0</u>	<u>\$ 93,923,834</u>	<u>\$ 3,154,721</u>	<u>\$ 314,427</u>

General revenues:

Taxes:

City income taxes	\$ 8,558,902
Property taxes	2,453,710
Estate taxes	814,161
Other taxes	104,711
Grants and contributions	1,659,626
Interest and investment earnings	996,876
Miscellaneous	327,119
Total general revenues	<u>14,915,105</u>
Change in net assets before transfers	966,077
Transfers	11,692
Change in net assets	<u>977,769</u>
Net assets -- beginning	50,978,293
Net assets -- ending	<u>\$ 51,956,062</u>

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (9,819,296)	\$ 0	\$ (9,819,296)
(142,851)	0	(142,851)
(1,939,397)	0	(1,939,397)
(666,459)	0	(666,459)
(955,780)	0	(955,780)
(234,339)	0	(234,339)
(1,598)	0	(1,598)
(189,308)	0	(189,308)
<u>(13,949,028)</u>	<u>0</u>	<u>(13,949,028)</u>
0	7,063,293	7,063,293
0	(919,513)	(919,513)
0	(1,280,394)	(1,280,394)
0	207,233	207,233
0	(105,764)	(105,764)
0	5,135	5,135
<u>0</u>	<u>4,969,990</u>	<u>4,969,990</u>
<u>(13,949,028)</u>	<u>4,969,990</u>	<u>(8,979,038)</u>
\$ 8,558,902	\$ 0	\$ 8,558,902
2,453,710	0	2,453,710
814,161	0	814,161
104,711	0	104,711
1,659,626	0	1,659,626
996,876	3,427,837	4,424,713
327,119	216,142	543,261
<u>14,915,105</u>	<u>3,643,979</u>	<u>18,559,084</u>
966,077	8,613,969	9,580,046
11,692	(11,692)	0
977,769	8,602,277	9,580,046
50,978,293	168,054,282	219,032,575
<u>\$ 51,956,062</u>	<u>\$ 176,656,559</u>	<u>\$ 228,612,621</u>

See accompanying notes to the basic financial statements

**CITY OF WOOSTER, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2006**

	General Fund	Street Construction Maintenance and Repair Fund	Capital Improvements Fund	Debt Service Fund
Assets:				
Equity in city treasury cash	\$ 12,039,593	\$ 1,089,617	\$ 3,101,179	\$ 669,036
Taxes receivable	3,874,307	0	0	0
Accounts receivable	77,915	8,711	0	0
Due from other governments	968,795	554,877	0	0
Due from other funds	69,700	0	0	0
Accrued interest receivable	81,246	8,394	22,267	5,492
Inventory	57,145	107,068	0	0
Long term receivables	0	0	0	0
Special assessments receivable	0	0	0	1,640,032
Total assets	\$ 17,168,701	\$ 1,768,667	\$ 3,123,446	\$ 2,314,560
Liabilities:				
Accounts payable	\$ 143,226	\$ 5,510	\$ 44,038	\$ 0
Accrued salaries, wages and benefits	963,554	1,096	0	0
Due to other funds	0	0	0	0
Notes payable	0	0	0	0
Deferred revenue	3,585,109	472,306	0	1,640,032
Total liabilities	4,691,889	478,912	44,038	1,640,032
Fund balances:				
Reserved for encumbrances	2,302,703	115,741	336,539	0
Unreserved, reported in:				
General fund	10,174,109	0	0	0
Special revenue funds	0	1,174,014	0	0
Capital projects funds	0	0	2,742,869	0
Debt service funds	0	0	0	674,528
Total fund balances	12,476,812	1,289,755	3,079,408	674,528
Total liabilities and fund balances	\$ 17,168,701	\$ 1,768,667	\$ 3,123,446	\$ 2,314,560

See accompanying notes to the basic financial statements

**CITY OF WOOSTER, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2006**

Other Governmental Funds	Total Governmental Funds
\$ 2,757,595	\$ 19,657,020
355,534	4,229,841
5,090	91,716
82,056	1,605,728
0	69,700
16,930	134,329
19,336	183,549
1,029,869	1,029,869
0	1,640,032
\$ 4,266,410	\$ 28,641,784
\$ 249,556	\$ 442,330
1,095	965,745
69,700	69,700
2,000,000	2,000,000
1,421,958	7,119,405
3,742,309	10,597,180
997,512	3,752,495
0	10,174,109
967,697	2,141,711
(1,441,108)	1,301,761
0	674,528
524,101	18,044,604
\$ 4,266,410	\$ 28,641,784

Total Governmental Fund Balances \$ 18,044,604

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 35,459,988

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.

Special assessments receivable	\$ 1,640,032	
Delinquent property taxes receivable	\$ 229,639	
Due from other governments	1,125,530	
Income tax receivable	621,336	
		3,616,537

Long-term liabilities, including bonds payable, are not due and payable and payable in the current period and therefore are not reported in the funds.

Accrued interest payable	\$ (10,611)	
Current portion - G.O. bonds	(221,563)	
Current portion - OPWC loans	(10,336)	
Bonds	(1,712,842)	
Loans	(73,189)	
Compensated absences, current	(875,004)	
Compensated absences, non-current	(1,003,508)	
Special assessment debt	(1,221,775)	
		(5,128,828)

Internal service fund net assets are not included in fund statements but are included in the Statement of Net Assets

Liabilities	(19,317)	
Equity in city cash	40,835	
		21,518

Retainage on capital assets is included in the Statement of Activities, but not included on the fund statements (57,757)

Net Assets of Governmental Activities \$ 51,956,062

**CITY OF WOOSTER, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006**

	General Fund	Street Construction Maintenance and Repair Fund	Capital Improvements Fund	Debt Service Fund
Revenues :				
Taxes	\$ 11,791,789	\$ 0	\$ 0	\$ 0
Intergovernmental	1,823,415	1,113,408	0	0
Charges for services	1,032,895	0	0	0
Special assessments	0	0	0	197,603
Fines, licenses, permits	509,163	25	0	0
Interfund services provided	1,504,907	0	0	0
Interest income	584,101	45,775	143,125	36,429
Miscellaneous	282,151	58,545	8,400	0
Total Revenues	17,528,421	1,217,753	151,525	234,032
Expenditures :				
Current operations :				
Safety services	8,785,271	251,841	0	0
Health and social services	142,851	0	0	0
Leisure services	1,834,780	0	0	0
Environment and development	815,133	0	0	0
Transportation services	939,414	658,162	0	196
Administrative services	2,995,980	0	0	0
Capital expenditures	0	11,386	1,164,658	0
Debt service :				
Principal	168,621	12,529	0	120,909
Interest	65,842	6,548	0	66,178
Total Expenditures	15,747,892	940,466	1,164,658	187,283
Excess revenues over(under) expenditures	1,780,529	277,287	(1,013,133)	46,749
Other financing sources (uses) :				
Transfers in	0	0	1,447,341	0
Transfers (out)	(1,447,341)	0	0	0
Net changes in fund balances	333,188	277,287	434,208	46,749
Fund balances at beginning of year	12,143,624	1,012,468	2,645,200	627,779
Fund balances at end of year	\$ 12,476,812	\$ 1,289,755	\$ 3,079,408	\$ 674,528

See accompanying notes to the basic financial statements

**CITY OF WOOSTER, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006**

Other Governmental Funds	Total Governmental Funds
\$ 552,757	\$ 12,344,546
656,474	3,593,297
0	1,032,895
0	197,603
11,179	520,367
0	1,504,907
187,447	996,877
3,578	352,674
1,411,435	20,543,166
368,983	9,406,095
0	142,851
4,287	1,839,067
473,548	1,288,681
38,209	1,635,981
62,389	3,058,369
1,487,762	2,663,806
1,051,349	1,353,408
51,481	190,049
3,538,008	21,578,307
(2,126,573)	(1,035,141)
0	1,447,341
0	(1,447,341)
(2,126,573)	(1,035,141)
2,653,674	19,082,745
\$ 527,101	\$ 18,047,604

Net Change in Fund Balances - Total Governmental Funds	\$ (1,035,141)
<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	8,434
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(198,346)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	1,353,408
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	1,100
Some expenses reported in the Statement of Activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(94,388)
Some expenditures reported in the governmental funds, such as labor and materials for street construction are not reported as expenses in the Statement of Activities, but instead are included in net capital assets.	942,724
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each disposal. This is the net book value of the disposed capital assets.	(22)
Change in Net Assets of Governmental Activities	\$ 977,769

CITY OF WOOSTER, OHIO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2006

	Business-type Activities			
	Wooster Community Hospital	Water	Water Pollution Control	Storm Drainage
Assets				
Current Assets				
Equity in city treasury cash	\$ 59,012,552	\$ 2,246,462	\$ 9,611,906	\$ 513,901
Receivables - net of allowances:				
Accounts	12,689,027	507,031	440,445	104,931
Accrued interest	495,930	53,062	112,913	7,191
Due from other governments	0	0	261,487	0
Inventory	1,112,169	78,043	13,639	44,986
Prepaid expenses	541,406	0	0	0
Total Current Assets	<u>73,851,084</u>	<u>2,884,598</u>	<u>10,440,390</u>	<u>671,009</u>
Noncurrent assets				
Long term receivables	0	0	373,404	0
Net capital assets	60,548,980	24,215,582	25,942,126	7,999,559
Total Noncurrent assets	<u>60,548,980</u>	<u>24,215,582</u>	<u>26,315,530</u>	<u>7,999,559</u>
Total Assets	<u>\$ 134,400,064</u>	<u>\$ 27,100,180</u>	<u>\$ 36,755,920</u>	<u>\$ 8,670,568</u>
Liabilities				
Current Liabilities				
Accounts Payable	\$ 2,564,727	\$ 298,177	\$ 1,350,942	\$ 23,538
Contracts Payable	555,048	0	0	0
Accrued salaries, wages and benefits	3,099,788	103,939	95,143	20,766
Other accrued liabilities	639,196	0	0	0
Interest payable	0	23,298	0	5,171
Current portion of long term debt	0	1,016,172	254,738	132,713
Current portion of compensated absences	1,810,781	144,497	153,217	32,234
Unearned revenues	0	0	0	18,815
Total Current Liabilities	<u>8,669,540</u>	<u>1,586,083</u>	<u>1,854,040</u>	<u>233,237</u>
Noncurrent Liabilities				
Long term debt	0	4,905,136	11,266,536	1,599,772
Compensated absences	907,309	127,465	94,732	32,315
Total Noncurrent Liabilities	<u>907,309</u>	<u>5,032,601</u>	<u>11,361,268</u>	<u>1,632,087</u>
Total Liabilities	<u>9,576,849</u>	<u>6,618,684</u>	<u>13,215,308</u>	<u>1,865,324</u>
Net Assets				
Invested in capital assets, net of related debt	60,548,980	18,294,275	14,420,851	6,267,074
Restricted for				
Other purpose	924,259	0	0	0
Hospital donor requirements	351,760	0	0	0
Unrestricted	62,998,216	2,187,221	9,119,761	538,170
Total net assets	<u>124,823,215</u>	<u>20,481,496</u>	<u>23,540,612</u>	<u>6,805,244</u>
Total liabilities and net assets	<u>\$ 134,400,064</u>	<u>\$ 27,100,180</u>	<u>\$ 36,755,920</u>	<u>\$ 8,670,568</u>

See accompanying notes to the basic financial statements

	Business-type Activities			Governmental Activities
	Refuse	Nonmajor Enterprise Funds	Totals	Internal Service
Assets				
Current Assets				
Equity in city treasury cash	\$ 324,234	\$ 450,204	\$ 72,159,259	\$ 40,835
Receivables - net of allowances:				
Accounts	125,751	0	13,867,185	0
Accrued interest	4,803	3,245	677,144	0
Due from other governments	0	0	261,487	0
Inventory	0	0	1,248,837	0
Prepaid expenses	0	0	541,406	0
Total Current Assets	<u>454,788</u>	<u>453,449</u>	<u>88,755,318</u>	<u>40,835</u>
Noncurrent assets				
Long term receivables	0	188,616	562,020	0
Net capital assets	0	0	118,706,247	19,393
Total Noncurrent assets	<u>0</u>	<u>188,616</u>	<u>119,268,267</u>	<u>19,393</u>
Total Assets	<u>\$ 454,788</u>	<u>\$ 642,065</u>	<u>\$ 208,023,585</u>	<u>\$ 60,228</u>
Liabilities				
Current Liabilities				
Accounts Payable	\$ 90,861	\$ 0	\$ 4,328,245	\$ 7,550
Contracts Payable	0	0	555,048	0
Accrued salaries, wages and benefits	0	0	3,319,636	11,767
Other accrued liabilities	0	0	639,196	0
Interest payable	0	0	28,469	0
Current portion of long term debt	0	0	1,403,623	0
Current portion of compensated absences	0	0	2,140,729	10,332
Unearned revenues	0	0	18,815	0
Total Current Liabilities	<u>90,861</u>	<u>0</u>	<u>12,433,761</u>	<u>29,649</u>
Noncurrent Liabilities				
Long term debt	0	0	17,771,444	0
Compensated absences	0	0	1,161,821	30,579
Total Noncurrent Liabilities	<u>0</u>	<u>0</u>	<u>18,933,265</u>	<u>30,579</u>
Total Liabilities	<u>90,861</u>	<u>0</u>	<u>31,367,026</u>	<u>60,228</u>
Net Assets				
Invested in capital assets, net of related debt	0	0	99,531,180	0
Restricted for				
Other purpose	0	642,065	1,566,324	0
Hospital donor requirements	0	0	351,760	0
Unrestricted	363,927	0	75,207,295	0
Total net assets	<u>363,927</u>	<u>642,065</u>	<u>176,656,559</u>	<u>0</u>
Total liabilities and net assets	<u>\$ 454,788</u>	<u>\$ 642,065</u>	<u>\$ 208,023,585</u>	<u>\$ 60,228</u>

CITY OF WOOSTER, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006

	Business-type Activities			
	Wooster Community Hospital	Water	Water Pollution Control	Storm Drainage
Operating Revenues :				
Charges for services	\$ 83,692,444	\$ 3,742,199	\$ 3,224,387	\$ 863,905
Interfund services provided	0	0	0	0
Miscellaneous	131	142,300	30,589	5,236
Total operating revenues	<u>83,692,575</u>	<u>3,884,499</u>	<u>3,254,976</u>	<u>869,141</u>
Operating expenses:				
Personal services	48,478,606	1,592,430	1,460,754	260,224
Operations and maintenance	22,750,424	1,448,096	1,024,171	3,785
Depreciation	6,264,989	930,064	1,141,129	213,091
Interfund services used	92,016	372,827	878,727	114,765
Total operating expenses	<u>77,586,035</u>	<u>4,343,417</u>	<u>4,504,781</u>	<u>591,865</u>
Operating income (loss)	<u>6,106,540</u>	<u>(458,918)</u>	<u>(1,249,805)</u>	<u>277,276</u>
Non-operating revenues (expenses):				
Interest & investment earnings	2,549,528	273,977	514,142	49,896
Operating subsidies	956,884	1,500	0	0
Miscellaneous	0	26,902	0	0
Interest expense	0	(319,793)	0	(64,808)
Net non-operating revenues (expenses)	<u>3,506,412</u>	<u>(17,414)</u>	<u>514,142</u>	<u>(14,912)</u>
Income (loss) before transfers	9,612,952	(476,332)	(735,663)	262,364
Transfers	0	(5,846)	(5,846)	0
Change in net assets	9,612,952	(482,178)	(741,509)	262,364
Total net assets at beginning of year	<u>115,210,263</u>	<u>20,963,674</u>	<u>24,282,121</u>	<u>6,542,880</u>
Total net assets at end of year	<u>\$ 124,823,215</u>	<u>\$ 20,481,496</u>	<u>\$ 23,540,612</u>	<u>\$ 6,805,244</u>

See accompanying notes to the basic financial statements

	Business-type Activities			Governmental Activities
	Refuse	Nonmajor Enterprise Funds	Totals	Internal Service
	\$ 938,003	\$ 5,135	\$ 92,466,073	\$ 0
	0	0	0	341,896
	10,984	0	189,240	1,598
	<u>948,987</u>	<u>5,135</u>	<u>92,655,313</u>	<u>343,494</u>
	0	0	51,792,014	192,984
	1,014,656	0	26,241,132	149,217
	0	0	8,549,273	1,293
	78,112	0	1,536,447	0
	<u>1,092,768</u>	<u>0</u>	<u>88,118,866</u>	<u>343,494</u>
	(143,781)	5,135	4,536,447	0
	20,315	19,979	3,427,837	0
	49,000	0	1,007,384	0
	0	0	26,902	0
	0	0	(384,601)	0
	<u>69,315</u>	<u>19,979</u>	<u>4,077,522</u>	<u>0</u>
	(74,466)	25,114	8,613,969	0
	0	0	(11,692)	0
	(74,466)	25,114	8,602,277	0
	438,393	616,951	168,054,282	0
	<u>\$ 363,927</u>	<u>\$ 642,065</u>	<u>\$ 176,656,559</u>	<u>\$ 0</u>

CITY OF WOOSTER, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006

	Business-type Activities		
	Wooster Community Hospital	Water	Water Pollution Control
Cash flows from operating activities:			
Cash received from customers	\$ 83,319,737	\$ 3,841,726	\$ 3,347,194
Cash paid to suppliers	(23,546,964)	(1,391,973)	(492,393)
Cash paid to employees	(48,231,063)	(1,571,606)	(1,418,382)
Cash received from interfund services provided	0	0	0
Cash paid for internal services used	(92,016)	(372,827)	(878,727)
Other revenue (expense)	131	142,300	30,589
Net cash provided (used) by operating activities	<u>11,449,825</u>	<u>647,620</u>	<u>588,281</u>
Cash flows from capital and related financing activities:			
Proceeds from capital debt	0	0	10,532,301
Economic development loans	0	0	0
Loss on disposal of capital assets	17,497	51,905	0
Proceeds from sale of assets	0	140	0
Acquisitions of capital assets	(12,025,647)	(2,148,134)	(12,696,352)
Principal paid on capital debt	0	(981,072)	0
Interest paid on capital debt	0	(323,451)	0
Net cash provided (used) for capital and related financing activities	<u>(12,008,150)</u>	<u>(3,400,612)</u>	<u>(2,164,051)</u>
Cash flows from investing activities:			
Interest from investments	2,391,115	280,784	488,902
Net cash provided (used) by investing activities	<u>2,391,115</u>	<u>280,784</u>	<u>488,902</u>
Cash flows from non-capital financing activities:			
Insurance settlement proceeds	0	26,763	0
Payment to close previous Water Treatment Plant	0	(1,626,900)	0
Operating subsidies	956,883	1,500	0
Net cash provided (used) by non-capital financing activities	<u>956,883</u>	<u>(1,598,637)</u>	<u>0</u>
Net increase (decrease) in cash and cash equivalents	2,789,673	(4,070,845)	(1,086,868)
Cash and cash equivalents at beginning of year	56,222,879	6,317,307	10,698,774
Cash and cash equivalents at end of year	<u>\$ 59,012,552</u>	<u>\$ 2,246,462</u>	<u>\$ 9,611,906</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 6,106,540	\$ (458,918)	\$ (1,249,805)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	6,264,989	930,064	1,141,129
Changes in assets and liabilities:			
Receivables - net of allowances	(372,707)	99,528	122,806
Inventory	(2,931)	7,156	(3,586)
Prepaid expenses	(25,531)	0	0
Accounts and other payables	(531,346)	48,966	535,364
Accrued expenses	247,543	20,824	42,373
Other accrued liabilities	(236,732)	0	0
Net cash provided (used) by operating activities	<u>\$ 11,449,825</u>	<u>\$ 647,620</u>	<u>\$ 588,281</u>

See accompanying notes to the basic financial statements

	Business-type Activities			Governmental Activities	
	Storm Drainage	Refuse	Nonmajor Enterprise Funds	Totals	Internal Service
	\$ 866,123	\$ 961,554	\$ 5,135	\$ 92,341,469	\$ 0
	(43,022)	(1,065,380)	0	(26,539,732)	(143,300)
	(260,973)	0	0	(51,482,024)	(191,391)
	0	0	0	0	341,896
	(114,764)	(78,112)	0	(1,536,446)	0
	5,236	10,984	0	189,240	1,598
	<u>452,600</u>	<u>(170,954)</u>	<u>5,135</u>	<u>12,972,507</u>	<u>8,803</u>
	0	0	0	10,532,301	0
	0	0	53,745	53,745	0
	0	0	0	69,402	0
	0	0	0	140	0
	(1,411,357)	0	0	(28,281,490)	(20,686)
	(127,712)	0	0	(1,108,784)	0
	(65,058)	0	0	(388,509)	0
	<u>(1,604,127)</u>	<u>0</u>	<u>53,745</u>	<u>(19,123,195)</u>	<u>(20,686)</u>
	54,239	18,885	18,410	3,252,335	0
	<u>54,239</u>	<u>18,885</u>	<u>18,410</u>	<u>3,252,335</u>	<u>0</u>
	0	0	0	26,763	0
	0	0	0	(1,626,900)	0
	0	49,000	0	1,007,383	0
	<u>0</u>	<u>49,000</u>	<u>0</u>	<u>(592,754)</u>	<u>0</u>
	(1,097,288)	(103,069)	77,290	(2,898,353)	(11,883)
	1,611,189	427,303	372,914	75,650,366	52,718
	<u>\$ 513,901</u>	<u>\$ 324,234</u>	<u>\$ 450,204</u>	<u>\$ 72,159,259</u>	<u>\$ 40,835</u>
	\$ 277,276	\$ (143,781)	\$ 5,135	\$ 4,536,447	\$ 0
	213,091	0	0	8,549,273	1,293
	2,217	23,551	0	(124,605)	0
	(25,959)	0	0	(25,320)	0
	0	0	0	(25,531)	0
	(391,276)	(50,724)	0	(389,016)	5,916
	377,251	0	0	687,991	1,594
	0	0	0	(236,732)	0
	<u>\$ 452,600</u>	<u>\$ (170,954)</u>	<u>\$ 5,135</u>	<u>\$ 12,972,507</u>	<u>\$ 8,803</u>

CITY OF WOOSTER, OHIO
STATEMENT OF ASSETS & LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2006

	Total Agency Funds
Assets:	
Equity in city treasury cash	\$ 448,105
Accrued interest receivable	729
Total assets	<u>\$ 448,834</u>
Liabilities:	
Accounts payable	\$ 50
Due to agency recipient	448,784
Total liabilities	<u>\$ 448,834</u>

See accompanying notes to the basic financial statements

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Wooster (City) was incorporated on October 13, 1817 under the laws of the State of Ohio. In 1973 a voter-approved charter became effective. The City provides various services and consists of many different activities and smaller accounting entities. These include a community hospital, an economic development loan program, a police force, a fire fighting and prevention force, a water treatment plant, a sewage treatment plant, a storm water drainage system, a traffic control system, street lighting, a street maintenance force (including construction, repair, and snow and ice removal), a parks and recreation system, a community center, rubbish collection and recycling service, and staff to provide the necessary support to these service providers. All are responsible to the citizens of Wooster and are therefore included within the reporting entity.

The criteria used to determine which accounting entities, agencies, commissions, boards and authorities are part of the City's operations include how the budget is adopted, whether debt is secured by general obligations of the City, the City's duty to cover any deficits that may occur, and supervision over the accounting functions. There are no agencies, organizations or activities meeting any of the above criteria that are excluded from the City reporting entity.

Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The City's funds are grouped into two broad fund categories and six generic fund types for financial statement presentation purposes. Governmental funds include the general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds and an internal service fund. The City has three fiduciary agency funds.

Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. Fiduciary funds are also excluded from the government-wide financial statements.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. The primary effect of the internal service fund activity has been eliminated from the government-wide financial statements. Other activities from interfund services provided and used are not eliminated in the process of consolidation.

The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Indirect expenses for centralized services and administrative overhead are allocated among the programs, functions and segments using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Net assets should be reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net assets restricted for other purposes result from special revenue funds and the restrictions on their net asset use.

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.

FUND FINANCIAL STATEMENTS

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

GOVERNMENTAL FUNDS

All governmental funds are accounted for using modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The major governmental funds are:

- General Fund – This is the City's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.
- Street Construction Maintenance and Repair Fund– Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees restricted for maintenance of streets within the City.
- Capital Improvements Fund – To account for various capital projects financed by general fund revenues.
- Debt Service Fund – To accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of special assessment principal and interest. These debt issues were sold to finance construction of various projects that were deemed to benefit only those residents in the immediate area of the projects and are paid for by those residents through assessments against their property.

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within one month of year-end and available to pay obligations of the current period). These revenues include investment earnings, income taxes withheld by employers, estate taxes, and fines and forfeitures. In accordance with GASB 36, certain state-levied locally shared taxes including motor vehicle license tax and gasoline taxes are considered voluntary non-exchange transactions. These types of transactions are subject to six months accrual and income recognition. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

Property taxes and special assessments (in the debt service funds), though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property tax and special assessment receivables are recorded and deferred until they become available.

Other revenues, including licenses and permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt, which has not matured, are recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

PROPRIETARY FUNDS

All proprietary funds are accounted for using the accrual basis of accounting. The City applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989, to its enterprise funds and business-type activities, provided they do not conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements. These funds account for operations that are primarily financed by user charges. The economic resource focus concerns determining costs as a means of maintaining the capital investment and management control. Revenues are recognized when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility and hospital service receivables are recorded at each year-end. City Council granted certain residents a credit against storm drainage user charges for amounts paid by them for special assessments levied. The amount of the credit is recorded as deferred revenue and will be credited against each customer's monthly storm drainage charge. The receivable and revenue from such assessments are reported as accounts receivable and user charges (or deferred revenue), respectively.

Proprietary funds distinguish operating revenues and expenses 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 all the City's enterprise funds and internal service fund are charges to customers for sales and services. Operating expenses for enterprise funds and the internal service fund 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.

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

The major proprietary funds are:

- Wooster Community Hospital Fund – To account for the health care services provided by the City owned and operated hospital.
- Water Production Fund – To account for the provision of water treatment and distribution to the residential and commercial users of the City and some residents of the county.
- Water Pollution Control Fund – To account for sanitary sewer services provided to the residential and commercial users of the City and some residents of the county.
- Storm Drainage Fund – To account for the storm drainage runoff service provided to the residential and commercial users of the City.
- Refuse Collection Fund – To account for trash collection services provided to the residential and some commercial users of the City.

The City's only internal service fund is the Municipal Garage Fund. This fund accounts for the costs of maintaining automotive equipment used by various City departments. Costs are billed to the departments for labor and materials at actual cost with the elimination of the effect of internal service fund activity adjusted to break even.

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

FIDUCIARY FUNDS

The City currently has three agency fiduciary funds. Agency funds are unlike all other types of funds, reporting only assets and liabilities. Therefore agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled and invested. Individual fund integrity is maintained through City records. Interest in the pool is presented as "Equity in City Treasury Cash."

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments

Governmental Accounting Standards Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments" was implemented during 1997. In accordance with this statement, investments held at December 31, 2006 with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

Governmental Accounting Standards Board Statement No. 40, "Deposit and Investment Risk Disclosures" was implemented during 2004. This statement addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. The City of Wooster's policy is to invest public funds in a manner which protects the citizens and the investors from a loss of principal while attaining a competitively high rate of return on investment.

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

The portfolio is continuously analyzed to attain the following objectives:

- A. Preserve capital and protect investment principal in conformance with federal, state and local requirements.
- B. Maintain sufficient liquidity to meet operating requirements.
- C. Diversify the portfolio to avoid incurring unreasonable risks regarding specific security type or individual financial institutions.
- D. Attain a market rate of return throughout budgetary and economic cycles.
- E. Protect the principal of lenders.
- F. Encourage community growth.

Receivables

Hospital Fund accounts receivable is stated at billed charges less the difference between billed charges and the amount payable under third-party payor contractual agreements, and net of allowance for doubtful accounts. The \$4,471,695 allowance for uncollectibles represents estimates of uncollectible patient receivables in the accounts (user charge) classification and third party contractual adjustments for hospital fund receivables.

Other receivables at December 31, 2006 consist of property tax, income taxes withheld by employers, accounts (billings for user charged services, including utility services), special assessments, and accrued interest on investments. Taxes, special assessments, utility charges and accrued interest are deemed collectible in full.

Receivables not expected to be collected within the subsequent year include loans in the HUD Home non-major special revenue fund, deferred special assessments receivable in the Debt Service fund, and long-term receivables in the Water Pollution Control and Economic/Downtown Development Loan funds.

Reimbursements

Hospital Fund net operating revenues include amounts received or receivable from Medicare, Medicaid, and other third party payors under the provisions of reimbursement agreements. Inpatient services rendered to Medicare and Medicaid program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Outpatient services rendered to Medicare program beneficiaries are paid based on a combination of fee schedules, prospectively determined rates and a cost reimbursement methodology. Outpatient services rendered to the Medicaid program beneficiaries are generally paid based on fee schedules and prospectively determined rates.

Other third party payors may provide for payments at amounts different from established rates. Payment arrangements may include prospectively determined rates per discharge, discounted charges and per diem payments.

Wooster Community Hospital accepts all patients, regardless of their ability to pay. Care is provided without charge, or at amounts less than established rates, to patients who meet certain criteria under a charity care policy. Wooster Community Hospital provided \$1,534,697 in charity care in 2006.

Inventory of Supplies

Inventories are stated at cost, on the first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental fund types and expenses in the proprietary fund types when used.

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation bases for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. The minimum capitalization threshold is any individual item with a total cost greater than \$5,000.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Buildings/interior: 5-50 years

Improvements/Infrastructure: streets 10-50 years; land improvements 10-20 years; water, sewer, storm lines 50 years

Equipment: vehicles 2-6 years; other moveable equipment 10-15 years; fire equipment 12 years.

Reservations of Fund Balance

Fund balances are reserved for encumbrances outstanding and carried forward and added to the subsequent year's appropriation. The fund balance in the Debt Service Fund is restricted to retirement of debt principal and interest.

Unpaid Compensated Absences

The City accrues unused portions of vacation pay in the period the liability is incurred. As permitted by Governmental Accounting Standards Board Statement No. 16, the vesting method is used to accrue sick leave liability. The liability is based on the sick leave accumulated at year-end by those employees who are currently eligible to receive termination payments as well as other employees who are expected to become eligible to receive such payments. Even though the City has appropriated, accumulated and earmarked expendable available fund resources for these amounts, the portion not normally expected to be liquidated with expendable available financial resources is not reported as a fund liability in accordance with Interpretation No. 6 of the Governmental Accounting Standards Board – Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements.

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY

Budget Requirements, Accounting, and Reporting

Requirements for all funds:

- A. Annual budgets are adopted for all City funds. Under state law, the Mayor submits an annual budget (a preliminary financial plan often referred to as the 'tax budget') to Council for consideration and approval no later than July 15. Such budget is based on expected expenditures by program within a fund and estimated resources by source for all funds.

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

- B. By Charter the Mayor must submit an annual appropriation ordinance to City Council. This ordinance builds upon the tax budget of the previous July and is updated for any estimate revisions as well as year-end encumbrances and may include any additional information requested by Council. Council may subsequently amend such ordinance. Amendments to the appropriation ordinance during 2006 were approved by City Council as provided by the Charter.
- C. For day-to-day management control, expenditures plus encumbrances may not exceed budget at the expenditure-type (i.e., personal services, operations and maintenance, capital, etc.) level of each cost center (activity within a program within a fund). The Mayor may transfer unencumbered appropriations within programs within funds.
- D. Appropriation control (City Council appropriated budget) is by program (i.e., safety, leisure, health, etc.) within a fund. City Council may, by ordinance, transfer amounts among programs within and between funds. Budgetary comparison schedules are presented in the Supplemental Section as Required Supplemental Information. The budgetary basis is the modified accrual basis of accounting with encumbrances included as actual.

The Beall Avenue Streetscape Fund had a deficit fund balance in the amount of \$65,452 due to a one million dollar note payable. This amount is included on the governmental fund financial statements in the Other Governmental Funds column.

The Milltown Road Construction Fund had a negative fund balance of \$949,278 at December 31 due to a one million dollar note payable. This amount is included on the governmental fund financial statements in the Other Governmental Funds column.

NOTE 3 – INTER-FUND TRANSACTIONS

<u>Purpose</u>	<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Transfers:			
Provide Capital Funding	Capital Improvements	General	\$1,447,341
Transfer Capital Asset	Capital Improvements	Water	\$5,846
Transfer Capital Asset	Capital Improvements	Water Pollution Control	\$5,846
Due to/from:			
Advance in anticipation of grant receipts	CDBG	General	\$69,700

NOTE 4 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 2,675,498
Depreciation	(2,667,064)
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 8,434</u>

NOTE 5 - DEPOSITS AND INVESTMENTS

Policies and Practices

The City's Charter specifies that the Director of Finance is responsible for selecting depositories and investing idle funds. The Director of Finance also has the authority to choose the types of deposits and investments made by the City. Various federal deposit insurance corporations provide protection of City cash and investments as well as qualified pledged or pooled securities by the institutions holding the assets. The various institutions, or their trustees, including the Federal Home Loan Bank and the Federal Reserve Bank hold such collateral. The City does not enter into reverse repurchase agreements.

The City pools all individual fund cash balances. Each fund's portion of this pool is displayed on the statements of net assets or balance sheets as 'Equity in city treasury cash'. Income is distributed to the funds based on contribution to the pool.

Investment securities purchased by the City will be delivered by either book entry or physical delivery. The purchase and sale of all securities may be on a delivery versus payment basis. The primary agent shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity and other pertinent information. Deposit type securities (i.e., certificates of deposit) shall be collateralized as required by O.R.C. for any amount exceeding FDIC or FSLIC coverage. Other investments shall be collateralized by the actual security held in safekeeping by the primary agent.

The City will diversify the portfolio to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. Diversification by instrument and the percentage of portfolio cannot exceed the following:

- A. U.S. Treasury Obligations (bills, notes and bonds), 100%.
- B. U.S. Government Agency Securities and Instrumentality's of Government Sponsored Corporations, 100%.
- C. Certificates of Deposit (collateralized), 100%.
- D. Commercial paper notes, 25%.
 1. Notes must be rated at time of purchase in the highest classification established by at least two standard rating services.
 2. Aggregate value of the note does not exceed 10% of the aggregate value of the outstanding commercial paper of the issuing corporation.
 3. Notes mature no later than 180 days after purchase.
- E. Banker's acceptance of banks that are members of the FDIC, 25%.
 1. The obligations are eligible for purchase by the Federal Reserve System.
 2. The obligations mature no later than 180 days after purchase.
- F. Repurchase Agreements, 25%.
- G. State and Local Government Securities, 25%.
- H. State of Ohio Investment pool, 25%.

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006

Maturity limitations shall depend upon whether the funds being invested are considered short term or long-term funds. All funds shall be considered short term except those reserved for capital projects (i.e., bond sale proceeds), funds to be used in the future for debt service, and special assessment prepayments being held for debt retirement. Except for previously mentioned situations, as directed by the investment officer, investments shall be limited to maturities not exceeding 24 months.

Cash Management

As of December 31, 2006, the City of Wooster had approximately \$93 million in cash and investments. Through a series of contractual agreements, all but a small amount of cash is invested at all times. The allocation of these investment resources is included in the following table.

Allocation of Investment Resources

Agency Notes	65.65%
Municipal Bonds	0.33%
Certificates of Deposit	11.35%
Overnight	22.67%
	<u>100.00%</u>

Interest Rate Risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by shortening the weighted average maturity of its investment portfolio during periods of rising interest rates. At the end of 2005, the weighted average maturity of the City's investment portfolio was approximately 346 days with a weighted yield to maturity of 3.52%. By the middle of 2006, in anticipation of Federal Reserve rate cuts, the City began to purchase longer term securities. At December 31, 2006 the weighted average maturity of the City's investment portfolio was approximately 747 days with a weighted yield to maturity of 4.91%. The following table represents the fair values and weighted average maturity of various investment types as of December 31, 2006. Certificates of Deposit totaling \$10,535,200 with a weighted average maturity of 350 days were not included because they are considered a non-negotiable investment.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>
U.S. Agencies	\$ 60,914,365	595
Star Ohio Money Market Repurchase Agreement	9,906,232	1
	1,272,913	1
Municipal Bonds	308,180	2,901
	<u>\$ 72,401,690</u>	
Portfolio Weighted Average Maturity		798

Credit Risk. State law limits investments in corporate debt to the top two ratings issued by nationally recognized statistical rating organizations. The City does not have a written policy limiting its corporate debt investments to the top rating. However, all investments in commercial paper are rated A-1 and P-1, which are the top ratings by Standard & Poor's and Moody's Investors services, respectively. In addition, all amounts in U.S. Agencies are rated Aaa and AAA by Moody's and Standard & Poor's respectively, which is the top rating available for those investment types. The City's Money Market investments are not rated.

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2006, the carrying amount of the City's deposits was \$19,696,221 and the bank balances totaled \$21,478,274. Of the bank balances, \$562,178 was insured by federal deposit insurance and \$20,916,095 was covered by pooled and/or pledged collateral, as allowed by the Ohio Revised Code, but not necessarily held in the City's name. The City has no written policy limiting the dollar amount of holdings by any single counterparty. Of the bank balances, \$10,535,200 consists of Certificates of Deposit and \$9,852,281 is made up of Money Market accounts, which earn competitive interest rates.

Net increase in the fair value of applicable investments during 2006 per Governmental Accounting Standards Board Statement No. 31:

Fair value at December 31, 2006	\$ 59,940,565
Proceeds of investments sold in 2006	52,000,000
Cost of investments purchased in 2006	(61,918,938)
Fair Value at December 31, 2005	<u>(49,564,763)</u>
Change in fair value of investments during 2006	<u>\$ 456,864</u>

NOTE 6 - CAPITAL ASSETS AND DEPRECIATION

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

<u>Governmental activities:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<i>Assets not being depreciated:</i>				
Land	\$ 2,094,563	\$ 0	\$ 0	\$ 2,094,563
Construction in progress	789,862	1,720,647	(1,602,274)	908,235
Subtotal	<u>2,884,425</u>	<u>1,720,647</u>	<u>(1,602,274)</u>	<u>3,002,798</u>
<i>Assets being depreciated:</i>				
Buildings	7,008,042	77,631	0	7,085,673
Improvements/infrastructure	61,601,695	2,779,106	(2,007,626)	62,373,175
Equipment	8,964,443	930,312	(142,876)	9,751,879
Subtotal	<u>77,574,180</u>	<u>3,787,049</u>	<u>(2,150,502)</u>	<u>79,210,727</u>
<i>Accumulated depreciation:</i>				
Buildings	(3,877,459)	(255,638)	0	(4,133,097)
Improvements/infrastructure	(36,293,129)	(1,778,435)	1,814,838	(36,256,726)
Equipment	(5,873,589)	(632,991)	142,866	(6,363,714)
Subtotal	<u>(46,044,177)</u>	<u>(2,667,064)</u>	<u>1,957,704</u>	<u>(46,753,537)</u>
Net depreciated capital assets	<u>31,530,003</u>	<u>1,119,985</u>	<u>(192,798)</u>	<u>32,457,190</u>
Net capital assets	<u>\$ 34,414,428</u>	<u>\$ 2,840,632</u>	<u>\$ (1,795,072)</u>	<u>\$ 35,459,988</u>

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

Depreciation was charged to functions as follows:

Governmental activities:	
Safety services	\$ 547,612
Leisure services	268,992
Environment and development	9,994
Transportation services	1,598,645
Administrative services	241,821
Total governmental activities depreciation expense	<u>\$2,667,064</u>

Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
<i>Assets not being depreciated:</i>				
Land	\$ 3,042,182	\$ 68,084	\$ 0	\$ 3,110,266
Construction in progress	16,813,452	15,484,857	(16,135,491)	16,162,818
Subtotal	19,855,634	15,552,941	(16,135,491)	19,273,084
<i>Assets being depreciated:</i>				
Buildings	68,168,272	18,628,199	(809,709)	85,986,762
Improvements/infrastructure	47,721,073	4,523,405	(664,472)	51,580,006
Equipment	36,955,513	5,395,755	(1,847,491)	40,503,777
Subtotal	152,844,858	28,547,359	(3,321,672)	178,070,545
<i>Accumulated depreciation:</i>				
Buildings	(28,375,273)	(3,061,529)	751,138	(30,685,664)
Improvements/infrastructure	(21,187,041)	(1,282,300)	664,459	(21,804,882)
Equipment	(23,558,316)	(4,205,444)	1,616,927	(26,146,833)
Subtotal	(73,120,630)	(8,549,273)	3,032,524	(78,637,379)
Net depreciated capital assets	79,724,228	19,998,086	(289,148)	99,433,166
Net capital assets	<u>\$ 99,579,862</u>	<u>\$35,551,027</u>	<u>\$ (16,424,639)</u>	<u>\$ 118,706,250</u>

Depreciation was charged to functions as follows:

Business-type activities:	
Wooster Community Hospital	\$6,264,989
Water	930,064
Water Pollution Control	1,141,129
Storm Drainage	213,091
Total business-type activities depreciation expense	<u>\$8,549,273</u>

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

NOTE 7 - PROPERTY TAX

Property taxes include amounts levied against all real and public utility property and tangible personal property, which are used in businesses located in the City. Real property taxes are levied before the first day of October on the assessed value listed as of the prior January 1st. The due date for the 2006 levy is February 2007 for all or one-half of taxes due. The remaining balance of the 2006 levy is due in July 2007. The lien of the county for taxes levied each year attaches on the first day of January and continues until such taxes and any penalty, interest or other charges accruing thereon are paid.

Assessed values are established by the County Auditor at 35% of appraised market value for real property, 100% for public utilities, and 25% for tangible personal property. A revaluation of all property is required to be completed no less than every six years. A revaluation was completed in 2002. The City's tax rate applicable to 2006 was \$4.20 on each \$1,000 of tax valuation.

NOTE 8 - PENSIONS AND OTHER POST EMPLOYMENT BENEFITS

Employees and Plans

All employees of the City belong to one of two state operated cost-sharing multiple-employer pension plans. Non-uniformed employees (including employees of the Wooster Community Hospital) are members of the Ohio Public Employees Retirement System (OPERS). All police and fire personnel are members of the Ohio Police and Fire Pension Fund (OP&F). Elected officials participate in PERS on a voluntary basis.

Benefit Provisions

OPERS

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans. (1) The Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan. (2) The Member-Directed Plan – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings. (3) The Combined Plan – a cost sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan. OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments as well as post-retirement health care coverage to qualifying members of both the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

Benefits of OPERS members are calculated on the basis of age, final average salary, and service credit. Authority to establish and amend benefits is provided by state statute within Chapter 145 of the Ohio Revised Code. The Ohio Public Employees Retirement System issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614)-222-6701 or 1-800-222-7377.

OP&F

The City of Wooster contributes to the Ohio Police and Fire Pension Fund; a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Contributions to Plans

Employee Contributions

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2006, employees covered under OPERS were required to contribute 9.0% of their gross wages to the plan. Members of the Wooster Employees Association bargaining unit had 5.5% of the 9.0% paid by the City; Management employees had 2% of their pensions paid by the City. Members of OP&F were required to contribute 10% of their gross wages to their plan.

Employer Contributions

The 2006 employer contribution rate for local government employer units was 13.70% of covered payroll, of which 9.20% was allocated to pensions and 4.50% was allocated to healthcare. The OPERS portion of the City's employer contributions used to fund post-employment benefits was \$1,595,246 in 2006. The City is obligated to pay 24.0% of each firefighter's covered payroll and 19.5% of each police officer's covered payroll. The board defined allocation in 2006 for healthcare was 7.75% of covered payroll for both police and fire. The OP&F portion of the City's employer contributions used to fund post-employment benefits in 2006 was \$369,581. The net pension obligation increased by \$319,155, which was the balance at the end of the year.

Both the City and the employees made one hundred percent of the required contributions for years 1997 through 2005. In 2006, the employees and the city made 90.85% of required contributions to OPERS and 75.40% of required contributions to OP&F. The remaining 9.15% of contributions to OPERS and 24.60% of contributions to OP&F were paid in January, 2007 and March, 2007 respectively, when both amounts were due and payable. The City's contributions for the years ending December 31 were as follows:

<u>Year</u>	<u>OPERS</u>	<u>OP&F</u>
1997	\$2,716,873	\$693,067
1998	2,870,405	740,943
1999	2,979,632	798,993
2000	2,989,123	878,110
2001	3,445,256	865,105
2002	3,849,302	914,681
2003	4,062,316	931,003
2004	4,341,125	980,208
2005	4,512,979	971,642
2006	4,856,153	1,047,194

Post Employment Benefits Other Than Pensions

OPERS provides post-retirement health care coverage under the Traditional Pension and Combined Plans to age and service retirees with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

described in Governmental Accounting Standards Board Statement No. 12. The Ohio Revised Code provides statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. (See "Contributions to Plans", above.)

On September 9, 2004 the Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs. Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses. In addition to the HCPP, OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. As an additional component of the HCPP, member and employer contribution rates increased as of January 1, 2006 and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

The assumptions and calculations below were based on the system's latest actuarial review performed as of December 31, 2005. OPERS uses an entry age normal actuarial cost method of valuation in determining the present value of benefits liabilities and normal cost. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12% corridor. The investment assumption rate for 2005 was 6.50%. An annual increase of 4.00% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.00% base increase, were assumed to range from .50% to 6.30%. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .50% to 6% for the next 9 years. In subsequent years (10 and beyond) health care costs were assumed to increase at 4% (the projected wage inflation rate).

OPEBs are advance-funded on an actuarially determined basis. The Traditional Pension and Combined Plans had 369,214 active contribution participants as of December 31, 2006. The number of active contributing participants for both plans used in the December 31, 2005, actuarial valuation was 358,804. The actuarial value of the retirement System's net assets available for OPEB at December 31, 2005, was \$11.1 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$31.3 billion and \$20.2 billion, respectively.

The Ohio Revised Code provides the statutory authority allowing the Fund's Board of Trustees to provide health care coverage to all eligible individuals. OP&F provides access to post-retirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in Governmental Accounting Standards Board Statement No. 12. The Ohio Revised code provides that health care cost paid from the funds of the OP&F shall be included in the employer's contribution rate. (See "Contributions to Plans", above.)

OP&F health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 7.75% of covered payroll in 2005 and 2006. In addition, since July 1, 1992 most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

contributions. The number of participants eligible to receive health care benefits as of December 31, 2005, the date of the last actuarial valuation available, is 13,922 for police and 10,537 for firefighters. OP&F's total health care expense for the year ending December 31, 2005 was \$108,039,449, which was net of member contributions of \$55,271,881.

NOTE 9 - OTHER EMPLOYEE BENEFITS

Compensated Absences

Accumulated Unpaid Vacation and Compensatory Time

Each bargaining unit and the management staff earn vacation at different rates, which are based upon length of service. Vacation accumulation is limited to two and three years, respectively. Any unused excess is eliminated from the employee's leave balance. In the case of death, termination, or retirement an employee (or their estate) is paid for his unused vacation to a maximum of the above limitations. The total obligation for vacation and compensatory time accrual for the City and Hospital amounted to \$2,717,996 at December 31, 2006.

Accumulated Unpaid Sick Leave

Each bargaining unit and the management staff earn sick leave at different rates. Employees with at least 10 years service upon retirement are paid for thirty-three percent (City) and twenty-five percent (Hospital) of their accumulated sick leave, not to exceed various ceilings depending on bargaining unit or management staff status. This obligation amounted to \$2,463,065 for the City and Hospital at December 31, 2006, for those employees who are eligible, or are expected to become eligible, to retire with at least 10 years of service at retirement. Employees are expected to become eligible after 5 years of service in safety forces, and 7 or 10 years for all others.

NOTE 10 - OTHER COMMITMENTS

Justice Center Contract

The City has a continuous agreement with Wayne County to share in the costs of operating the Justice Center. The agreement calls for the City to pay 29% of the operating costs of the Justice Center (subject to annual updates based on actual use) except for staffing of shared areas for which costs are shared equally. The 2006 contract cost for the Justice Center was \$530,995.

Operating Leases

The Wooster Community Hospital leases medical and office equipment under noncancelable operating leases. Total costs for such leases were \$1,499,747 for the year ended December 31, 2006. All leases end in 2011. The future minimum payments for these leases are as follows:

Year Ending December 31	Amount
2007	\$ 510,862
2008	77,949
2009	73,519
2010	73,519
2011	25,088
Total	<u>\$ 760,937</u>

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

City Construction Commitments

The City of Wooster is in the process of renovating its water pollution control facilities. Low interest state loans and existing cash balances are being used to finance this approximately \$20 million project. Engineering for this project was substantially completed in 2005 and construction began in August of that year. With Council's approval, the City has paid \$11.9 million on this project and had committed to \$6.13 million as of year-end. Construction of the plant has an estimated completion date in August 2007.

Beall Avenue Reconstruction and Streetscape is phase three of an ongoing streetscape program. New utilities and roadway will be constructed complete with curb and gutters, turn lanes, storm sewer, water line, sanitary sewer and a boulevard section through the College of Wooster. The City completed engineering plans, acquired right-of-ways and secured funding in the Fall of 2006. The engineer's estimate for construction of this project is \$10 million. Approximately \$816,990 had been committed to engineering and design contracts, of which \$153,853 remained outstanding at the end of the year. This project is being funded through multiple sources, including existing cash balances, federal and state grants, as well as private donation. Ordinance No. 2006-10 authorized the issuance of \$1million notes in anticipation of the issuance of bonds. Notes were issued in April 2006 with an interest rate of 3.89% for paying the cost of construction.

The reconstruction of East Milltown Road has been an on-going project. The project included construction of approximately 5,000 feet of new asphalt roadway, concrete curb and gutters; 38,000 square feet of sidewalk; 5,200 feet of storm sewer; 25,000 cubic yards of excavation and embankment; construction of a pedestrian bridge over the Little Apple Creek; installation all new traffic control signs and pavement markings; along with all associated appurtenances. Utility relocation work started in the fall of 2005 with completion the following summer. The project was completed by late fall of 2006 with the final payment of \$557,654 outstanding at the end of the year.

Included in the Grant, Walnut, Clark and Saybolt Streets/Avenues area storm sewers project is the installation of approximately 2,700 linear feet of storm sewer, 1,500 linear feet of storm laterals, 350 linear feet waterline including nine water services, 440 linear feet of sanitary sewer main and 300 linear feet of sanitary sewer laterals. The engineer's estimated construction cost was \$680,000 which will be funded by an OPWC grant and no interest loan, in addition to existing cash balances. The project was bid in October 2006 for \$566,195. Construction began in December, 2006 with completion scheduled for early spring 2007.

In order to meet current sanitary sewer flows and Ohio Environmental Protection Agency (OEPA) regulations, the City has begun work to replace the existing lift station on Cleveland Road. The upgrade includes new force main, four inch non-clog explosion proof pumps, eight foot diameter wet well, electric work, standby power system, and telemetry and control work. The construction contract was awarded in November 2006 for the amount of \$235,892, all of which was outstanding at the end of the year.

The City of Wooster demolished the previous water treatment plant. In order to close the plant, it was necessary to remove approximately 73,000 cu. yards of lime sludge from the old water treatment plant sludge lagoon. The demolition and sludge removal were contracted \$1,191,000. Actual volume of sludge removed was 45% greater than estimated resulting in a final project cost of \$1,634,336.00. The final pay paperwork had not yet been submitted by December 31, 2006, leaving a balance of \$175,764 outstanding.

The City of Wooster entered in to a commitment to purchase new utility billing software in December 2006. The total cost of the project is budgeted at \$122,800, all of which was outstanding at the end of the year. The software is being purchased through existing balances in the Water, Sanitary Sewer, and Storm Sewer Funds.

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
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Designed by the City's Engineering Division, the replacement of the Christmas Run Boulevard waterline consisted of construction of approximately 8,100 linear feet of waterline including 107 service connections, valves and fire hydrants as well as other appurtenances on Christmas Run from Wayne Avenue to Oldman Road. Construction was completed in 2006 at a cost of \$778,528, with \$34,523 remaining payable at the end of 2006.

As part of the City's master plan for sewer separation, construction began on storm sewers in the North, Walnut, and Grant Streets area. The project consisted of approximately 2,000 linear feet of storm sewer, manholes, sewer services and catch basins. Construction of this project was done in conjunction with the North Street Bridge replacement project. The total cost of the project was \$379,477, with \$31,648 remaining outstanding as of December 31, 2006.

The City installed two new interceptor well, known as I-6 and I-7, in the City's south well field complete with well pumps, waterline and air strippers. Construction of the wells was completed in late December 2006 at a total cost of \$616,374; final payment has yet to be made leaving a balance of \$30,579 at the end of the year.

NOTE 11 - CONTINGENCIES

Enterprise and Special Assessment Bonded Debt

Certain general obligation bonds are being retired by use of revenues generated by the Water, Water Pollution Control, Hospital, and Special Assessment Debt Service Funds. These bonds are general obligation issues backed by the full faith and credit of the City. Management does not foresee any circumstance that would change the current source of funding for these obligations.

Litigation

The City carries a policy of general liability coverage as a member of the Public Entities Pool. There are three cases pending against the City. The maximum exposure to the City is the deductible of \$25,000 for two of the cases. The third does not include a monetary claim.

Wooster Community Hospital carries separate policies for malpractice and general liability coverage. There are four pending malpractice lawsuits and five open malpractice claims involving the hospital, which has a maximum malpractice exposure of \$25,000 deductible per case, with a total limit of \$75,000 per year. In addition, there are two pending lawsuits under the general liability policy, which has a maximum exposure of \$50,000 deductible per claim for each one of the lawsuits.

Contingencies Under Grant Provisions

The City participates in several federally assisted programs and is a recipient of several grants. These programs and grants are subject to financial and compliance audits by the grantors or their representatives. As of December 31, 2006, the audits of these grants and programs were complete through 2003 and the City's compliance with applicable requirements has been established. The City's compliance with applicable requirements for 2006 will be established at a future date. The City does not expect any disallowance of grant expenditures.

Other Contingencies

Donated Property

During 1989, City Council accepted a donation of real property from a downtown merchant. Council then turned over the property to the Wooster Growth Corporation (WGC). The WGC then contracted with a

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

management group to lease the property. A condition of the City's agreement with the WGC guarantees return of proceeds of any sale of the property to the City of Wooster.

Low Income Housing

The City has an ongoing contract with the Wooster Interfaith Housing Corporation (WIHC) for the acquisition, rehabilitation and management of properties to be made available as low income housing under grant provisions approved by the Secretary of Housing and Urban Development (HUD). A total of 14 properties are now owned and managed by the WIHC. Terms of the agreement call for title to the properties to be conveyed to the City upon termination of the agreement.

NOTE 12 - CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued certain limited-obligation revenue bonds on behalf of private sector and nonprofit entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property and revenues of those entities, and are payable solely from the resources of those entities. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2006 there were two series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$8,385,000, and one series of Adjustable Rate Demand Health Care Facilities Bonds with a principal amount payable of \$6,775,000. The aggregate amount of all conduit debt obligations at December 31, 2006 was \$15,160,000.

NOTE 13 - SHORT-TERM DEBT

The City issued a \$1 million bond anticipation note from the Milltown Road Construction Fund for the purpose of paying the property owners' portion, in anticipation of levy and collection of special assessments, and the City's portion of the cost of improving Milltown Road and Melrose Drive.

From the Beall Avenue Streetscape Fund, the City issued a \$1 million bond anticipation note for the purpose of paying a portion of the cost of improving Beall Avenue from Liberty Street to Bloomington Avenue. The City will issue bonds when the project is complete and final costs are known.

NOTE 14 - RISK MANAGEMENT

Risk Pool Membership

The City belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. PEP contracts with American Risk Pooling Consultants, Inc. (ARPCO) to conduct the affairs of the Pool, which include: general administration of PEP and oversight of all operations including claims, financial investments, underwriting, marketing and loss control. PEP is a member of a reinsurance pool known as the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

Casualty and Property Coverage

As a member of PEP, the City automatically receives limits of liability up to \$2,000,000 for claims resulting from general, automobile, police professional or public officials liability. Of this amount, PEP is responsible for the first \$250,000 of claim payment and expense. Amounts exceeding that are paid by APEEP up to \$1,750,000 in any one claim. Individual arrangements can be made with General Reinsurance Corporation, for Members who require limits in excess of \$2,000,000.

Property and automobile physical damage exposures, including risks with specialized-use vehicles such as fire trucks and emergency vehicles, are reinsured by St. Paul Travelers Insurance Company.

Coverage Table

Type	Limit - Occurrence	Limit - Aggregate	Deductible
General Liability	\$ 4,000,000	None	\$ 25,000
Automobile Liability	\$ 4,000,000	None	\$ 25,000
Wrongful Acts	\$ 4,000,000	None	\$ 25,000
Law Enforcement	\$ 4,000,000	None	\$ 25,000
Real and Personal Property	None	\$ 67,328,100	\$ 1,000
Electronic Data Processing	None	\$ 512,755	\$ 500

There were no significant reductions in insurance coverage from the prior year in any category of risk. Insurance coverage for each of the past three years was sufficient to cover any claims settlements.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2005 and 2004:

	2005	2004
Casualty Coverage		
Assets	\$29,719,675	\$27,437,169
Liabilities	(15,994,168)	(13,880,038)
Net Assets - unrestricted	<u>\$13,725,507</u>	<u>\$13,557,131</u>
Property Coverage		
Assets	\$4,443,332	\$3,648,272
Liabilities	(1,068,246)	(540,073)
Net Assets - unrestricted	<u>\$3,375,086</u>	<u>\$3,108,199</u>

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006**

Self-insured Health Care

City employees are provided traditional health care insurance that covers hospitalization and major medical expenses within specified limits. The plan is self-funded by the City and administered by a third-party administrator. The City pays the administrator a monthly fixed fee for various claim administration services on a per enrolled employee basis.

The City pays all claims. The third-party administrator submits weekly preliminary check registers for all processed claims. The City issues payment to the plan administrator who in turn issues individual claim checks. The City carries stop-loss insurance against catastrophic losses. The premiums for these policies are billed monthly by the third-party administrator on a per enrolled employee basis. Third party administrators estimated the claims liability reported in the fund at December 31, 2006. It is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported.

As of December 31, 2006, the outstanding claims liability was \$1,627,607, of which \$1,284,980 is attributed to the Hospital and \$342,627 is attributed to the City.

Changes in the fund's claims liability amounts 2002 to 2006 are:

	2002	2003	2004	2005	2006
Balance at beginning of year	\$ 703,686	\$ 964,510	\$ 991,894	\$1,286,952	\$2,128,433
Current year claims	5,312,349	6,020,066	7,320,904	8,493,624	9,391,185
Claim payments	(5,051,525)	(5,992,682)	(7,025,846)	(7,652,143)	(9,892,011)
Balance at end of year	<u>\$ 964,510</u>	<u>\$ 991,894</u>	<u>\$1,286,952</u>	<u>\$2,128,433</u>	<u>\$1,627,607</u>

NOTE 15 – LONG-TERM LIABILITIES

Governmental Activities

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for compensated absences related to internal services are included in governmental activities. Also, for governmental activities, compensated absences and land debt are generally liquidated by the General Fund. All special assessment debt is paid through the Debt Service Fund. The City is acting only as an agent and is in no way liable for this debt. All of the City's special assessment debt is full commitment with \$308,180 held by the City. There are no legal funding restraints on the remainder of the outstanding special assessment debt, and the amount of delinquent accounts at year-end is \$4,206. The remaining general portion of bonds and notes are liquidated by General, Special Revenue, and Capital Project funds.

Compensated Absences

For all employees, except for those that have separated employment as of 12/31/2006, the estimated sick leave payable upon termination is recorded as a long term liability. Compensated absences are reported as a governmental fund liability only if they have matured. Compensated absences are considered to be mature when an employee retires prior to the end of the fiscal period but has not yet been paid for accumulated leave balances as of year end. Vacation accrual in excess of one year is also considered a long-term liability. The General fund, Permissive Tax fund, and Street Construction Maintenance and Repair fund have been used to liquidate compensated absences of governmental activities in the past.

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006

Debt service requirements to maturity

The City's legal debt margin within the 10 1/2% limitation was approximately \$64.9 million at December 31, 2006. Principal and interest requirements to retire the City's long-term obligations are as follows:

Year	G.O. Bonds		OWDA Loans		OPWC Loan	Totals
	Principal	Interest	Principal	Interest	Principal	
Business-type Activities:						
2007	\$ 1,138,300	\$ 341,633	\$ 254,739	\$ 168,172	\$ 10,584	\$ 1,913,428
2008	1,185,800	292,295	520,861	324,959	6,489	2,330,404
2009	1,233,400	239,369	536,422	309,398	2,395	2,320,984
2010	1,278,400	183,613	552,452	293,368	2,395	2,310,228
2011	1,341,000	124,905	568,966	276,854	2,394	2,314,119
2012-2016	908,600	242,723	3,110,519	1,118,581	11,972	5,392,395
2017-2021	516,500	48,723	3,604,936	624,163	11,972	4,806,294
2022-2026	0	0	2,162,171	177,867	3,592	2,343,630
2027-2031	0	0	210,208	2,806	0	213,014
Subtotal	<u>7,602,000</u>	<u>1,473,261</u>	<u>11,521,274</u>	<u>3,296,168</u>	<u>51,793</u>	<u>23,944,496</u>

Governmental Activities:

Year	G.O. Bonds		Special Assessments		OPWC Loans	Totals
	Principal	Interest	Principal	Interest	Principal	
2007	221,563	156,319	128,285	59,727	10,336	576,230
2008	225,910	70,898	133,427	52,867	10,336	493,438
2009	141,323	62,105	132,522	45,675	10,337	391,962
2010	146,323	57,512	74,756	38,481	10,337	327,409
2011	146,323	52,391	73,481	34,372	10,337	316,904
2012-2016	814,023	175,367	347,627	108,430	30,129	1,475,576
2017-2021	367,223	23,232	203,392	27,962	1,715	623,524
Subtotal	<u>2,062,688</u>	<u>597,824</u>	<u>1,093,490</u>	<u>367,514</u>	<u>83,527</u>	<u>4,205,043</u>
Total	<u>\$ 9,664,688</u>	<u>\$ 2,071,085</u>	<u>\$ 12,614,764</u>	<u>\$ 3,663,682</u>	<u>\$ 135,320</u>	<u>\$ 28,149,539</u>

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006

Changes in balances of long-term liabilities including current portions are as follows:

BUSINESS-TYPE ACTIVITIES:

Wooster Community Hospital Fund:

Compensated Absences	Original Amount	Balance January 1, 2006	Increases	(Decreases)	Balance December 31, 2006	Amount Due in 2007
WCH Fund Total	0	2,573,449	1,877,819	(1,733,178)	2,718,090	1,810,781

Water Fund:

5.4-5.75% 1995 G.O. Bonds	704,045	535,200	0	(23,200)	512,000	23,300
4.9-5% 1996 G.O. Bonds	9,000,000	4,560,000	0	(655,000)	3,905,000	690,000
3.0-3.85% 2001 G.O. Bonds	3,000,000	1,800,000	0	(300,000)	1,500,000	300,000
2003 0% OPWC Loan-Quinby Waterlines(1/1/04-7/1/08)	12,924	7,180	0	(2,872)	4,308	2,872
Compensated Absences	0	265,707	140,883	(134,628)	271,962	144,497
Water Fund Total	<u>12,716,969</u>	<u>7,168,087</u>	<u>140,883</u>	<u>(1,115,700)</u>	<u>6,193,270</u>	<u>1,160,669</u>

Water Pollution Control Fund:

3.25% 2005 O.W.D.A. Loan-Sewer Plant Upgrade (7/1/07-1/1/12)	544,231	544,231	4,408,390	0	4,952,621	129,416
2.67% 2006 O.W.D.A. Loan - Sewer Plant Equipment (7/1/07-1/1/27)	6,487,821	0	6,568,653	0	6,568,653	125,323
Compensated Absences	0	221,256	136,412	(109,720)	247,948	153,217
WPC Fund Total	<u>7,032,052</u>	<u>765,487</u>	<u>11,113,455</u>	<u>(109,720)</u>	<u>11,769,222</u>	<u>407,956</u>

Storm Water Fund:

Variable Rate 2003 G.O. Bonds	2,035,000	1,805,000	0	(120,000)	1,685,000	125,000
2003 0% OPWC Loan-Quinby Storm Drainage(1/1/04-7/1/08)	23,931	13,295	0	(5,318)	7,977	5,318
2003 0% OPWC Loan-Mulberry Ave Storm Drainage(1/1/04-7/1/23)	46,691	41,902	0	(2,394)	39,508	2,394
Compensated Absences	0	66,089	22,870	(24,410)	64,549	32,234
Storm Water Fund Total	<u>2,105,622</u>	<u>1,926,286</u>	<u>22,870</u>	<u>(152,122)</u>	<u>1,797,034</u>	<u>164,946</u>
Business-type Activities Total	\$ 21,854,643	\$ 12,433,309	\$ 13,155,027	\$ (3,110,720)	\$ 22,477,616	\$ 3,544,351

GOVERNMENTAL ACTIVITIES:

Old Mansfield/Portage/Downtown 5.2-5.25% 1992 G.O. Bonds	Original Amount	Balance January 1, 2006	Increases	(Decreases)	Balance December 31, 2006	Amount Due in 2007
General portion	1,300,000	270,667	0	(90,840)	179,827	90,240
Special Assessment portion	596,807	29,333	0	(9,160)	20,173	9,760
Downtown/Oldman/Madisonburg 5.4-5.75% 1995 G.O. Bonds	1,245,955	719,800	0	(71,800)	648,000	76,700
Special Assessment portion	13,234	10,214	0	(541)	9,673	573
Buena Vista 6% S.A. Bonds (12/1/98-12/1/20)	34,304	20,583	0	(1,715)	18,868	1,715
0% OPWC Loan (1/9/98-1/1/14)	129,317	73,280	0	(8,621)	64,659	8,621
0% OPWC Loan (9/15/98-1/1/18)	106,048	74,268	0	(6,463)	67,805	6,851
Oak Hill 6% S.A. Bond (12/31/99-12/31/14)	299,405	209,678	0	(18,247)	191,431	19,341
E Liberty 6% S.A. Bond (12/31/99-12/31/14)	26,167	19,830	0	(1,504)	18,326	1,595
Burbank/Friendsville 6% S.A. Note (12/31/00-12/31/15)	44,486	25,460	0	(4,517)	20,943	4,788
Burbank/Riffel 6% S.A. Note (12/31/00-12/31/10)	1,770,000	1,560,000	0	(100,000)	1,460,000	100,000
2.0-4.2% 2003 Municipal Building Renovation (12/01/2004-12/01/2018)	203,600	181,674	0	(18,529)	169,145	12,529
2.0-4.2% 2003 Milltown City Portion-SCM&R (12/01/2004-12/01/2018)	305,400	272,510	0	(18,794)	253,716	18,794
2.0-4.2% 2003 Milltown City Portion-Farm Tax (12/01/2004-12/01/2008)	141,000	125,816	0	(8,677)	117,139	8,677
2.0-4.2% 2003 Milltown Special Assessment (12/01/2004-12/01/2008)	0	1,784,224	1,346,379	(1,252,092)	1,878,511	875,004
Compensated Absences	6,215,723	5,377,337	1,346,379	(1,605,500)	5,118,216	1,235,188
Governmental Funds Total	\$ 28,070,366	\$ 17,810,646	\$ 14,501,406	\$ (4,716,220)	\$ 27,595,832	\$ 4,779,538

Required Supplementary Information

CITY OF WOOSTER, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL AND MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006

GENERAL FUND

GENERAL FUND – This fund is used to account for all financial resources except those required to be accounted for in another fund.

	General Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Taxes	\$ 10,847,600	\$ 10,872,600	\$ 11,791,790	\$ 919,190
Intergovernmental	1,790,900	1,790,900	1,823,415	32,515
Charges for services	1,084,821	1,084,821	1,032,895	(51,926)
Fines, licenses, permits	591,500	591,500	509,163	(82,337)
Interfund services provided	1,200,000	1,200,000	1,504,907	304,907
Interest income	350,000	350,000	584,101	234,101
Miscellaneous	92,287	92,287	282,150	189,863
Total Revenues	<u>15,957,108</u>	<u>15,982,108</u>	<u>17,528,421</u>	<u>1,546,313</u>
Expenditures :				
Safety services	9,218,570	10,744,929	10,217,434	527,495
Health and social services	138,000	138,000	142,851	(4,851)
Leisure services	1,978,920	2,251,796	2,115,157	136,639
Environment & development	783,986	975,859	915,589	60,270
Transportation services	1,254,637	1,385,253	1,279,666	105,587
Administrative services	3,516,609	3,903,543	3,379,898	523,645
Total Expenditures	<u>16,890,722</u>	<u>19,399,380</u>	<u>18,050,595</u>	<u>1,348,785</u>
Excess revenues over(under) expenditures	(933,614)	(3,417,272)	(522,174)	2,895,098
Transfers out	(1,318,168)	(1,447,341)	(1,447,341)	0
Encumbrances	0	0	2,302,703	2,302,703
Fund balances at beginning of year	<u>12,143,624</u>	<u>12,143,624</u>	<u>12,143,624</u>	<u>0</u>
Fund balances at end of year	<u>\$ 9,891,842</u>	<u>\$ 7,279,011</u>	<u>\$ 12,476,812</u>	<u>\$ 5,197,801</u>

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) legally restricted to expenditure for specified purposes.

STREET CONSTRUCTION MAINTENANCE AND REPAIR – This fund is required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees, which are to be used for maintenance of streets within the City.

STATE HIGHWAY – This fund is required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees which are to be used for maintenance of state highways within the City.

PERMISSIVE TAX – This fund is required by the Ohio Revised Code to account for that portion of motor vehicle registration fees allocated to assist in maintaining those city streets designated as contributing to the effective and efficient flow of traffic through and within the county.

ENFORCEMENT AND EDUCATION – This fund accounts for monies from the Municipal Court used to enforce drunk driving laws and related educational programs.

MANDATORY DRUG FINES - This fund is used to account for monies from the Municipal Court allocated to subsidize each agency's law enforcement efforts that pertain to drug offenses.

LOCAL LAW ENFORCEMENT BLOCK GRANT – This fund is used to account for receipts and expenditures of Local Law Enforcement Block Grants, funded by the U.S. Department of Justice. Grant proceeds are used to fund law enforcement employees.

COMMUNITY DEVELOPMENT BLOCK GRANT– This fund is used to account for monies received from the federal government under the Community Development Block Grant program for providing decent housing and a suitable living environment, and expanded economic opportunities principally for persons of low and moderate income and the allowable administrative costs associated with those projects.

ECONOMIC DEVELOPMENT (Hotel Tax) – This fund is used to account for the portion of the transient occupancy tax to be used for promoting economic development within the City.

HUD HOME – This fund is used to account for monies received from the federal government under the HOME investment Partnerships Program for providing decent housing and a suitable living environment principally for persons of low and moderate income and the allowable administrative costs associated with those projects.

LAW ENFORCEMENT TRUST – This fund is used to account for receipts and expenditures of funds from sale of contraband. These funds can only be expended to pay the costs of protracted or complex investigations or prosecutions, to provide reasonable technical training or expertise, to provide matching funds to obtain federal grants to aid law enforcement, or for such other law enforcement purposes that Council determines to be appropriate.

POLICE PENSION – This fund is used to accumulate property taxes levied for the partial payment of the current and accrued liability for police disability and pension. Amounts collected for the police disability and pension are periodically remitted to the state operated Police and Firemen's Disability and Pension Fund.

FIRE PENSION – This fund is used to accumulate property taxes levied for the partial payment of the current and accrued liability for firemen's disability and pension. Amounts collected for the firemen's disability and pension are periodically remitted to the state operated Police and Firemen's Disability and Pension Fund.

SHADE TREE – This fund is used to account for financial donations to the City for the purpose of providing trees throughout the City in the public right-of-way.

	Street Construction Maintenance & Repair Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Intergovernmental	\$ 1,145,000	\$ 1,145,000	\$ 1,113,408	\$ (31,592)
Interest income	30,000	30,000	45,775	15,775
Miscellaneous	2,000	2,000	58,570	56,570
Total Revenues	<u>1,177,000</u>	<u>1,177,000</u>	<u>1,217,753</u>	<u>40,753</u>
Expenditures :				
Safety services	302,674	325,618	269,690	55,928
Transportation services	1,515,433	1,737,446	786,517	950,929
Total Expenditures	<u>1,818,107</u>	<u>2,063,064</u>	<u>1,056,207</u>	<u>1,006,857</u>
Excess revenues over(under) expenditures	(641,107)	(886,064)	161,546	1,047,610
Encumbrances	0	0	115,741	115,741
Fund balances at beginning of year	<u>1,012,468</u>	<u>1,012,468</u>	<u>1,012,468</u>	<u>0</u>
Fund balances at end of year	<u>\$ 371,361</u>	<u>\$ 126,404</u>	<u>\$ 1,289,755</u>	<u>\$ 1,163,351</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of these statements.

CHRISTMAS RUN PARK RESTORATION – This fund is used to collect donations intended for the restoration of Christmas Run Park necessitated by the damage done from the November 2003 tornado.

FIREWORKS – This fund is used to account for financial donations to the City for the purpose of providing a fireworks display at the City's Independence Day celebration.

FEDERAL EQUITABLE SHARING – This fund is used to account for the City's portion of federally forfeited property resulting from the Wooster Police Department's participation with a federal agency, which resulted in forfeiture of property.

LILLIAN LONG ESTATE – This fund is used to account for a bequest from the estate of Lillian Long for the purpose of acquiring additional land for use as a part of Wooster Memorial Park and/or making improvements to that park.

INVESTMENT – This fund is established by statute to accumulate interest earnings from certain pooled investments and to pay expenses incurred in the handling of fiscal matters with third parties until such time as the net proceeds can be distributed to the other funds.

RECREATION SUPPLEMENT – This fund is used to account for financial donations from individuals and organizations that wish to specify that their gifts and donations support recreational opportunities for underprivileged youth in the community.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary or trust funds.

CAPITAL IMPROVEMENTS – This fund is used to account for various capital projects financed by general fund revenues.

BEALL AVENUE STREETScape FUND– This fund is used to account for the receipt and expenditure of monies associated with the reconstruction of a portion of Beall Avenue. Private donation, and State and Federal grant revenues will finance this project.

MILLTOWN ROAD CONSTRUCTION - This fund is used to account for the receipt and expenditure of monies associated with the reconstruction of a portion of Milltown Road. Special assessments, governmental resources, State grant and loan revenues will finance this project.

ECONOMIC DEVELOPMENT CAPITAL IMPROVEMENT – This fund is used to account for "one-time" revenues (revenues which are generated only one time and usually in connection with an event such as a sale of major assets, the merger or sale of a company, or insurance proceeds where the asset will not be replaced). These resources can be appropriated for capital expenditures intended to promote economic development within the community. Economic development may be defined as the retention of existing jobs or businesses; the creation of new jobs or businesses; the creation of capital investment through construction of new or the renovation of existing buildings; and the purchase of real estate, buildings or machinery.

DEBT SERVICE FUND

Debt service fund are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

DEBT SERVICE FUND – This fund is used to accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of special assessment principal and interest. These debt issues were sold to finance construction of various projects that were deemed to benefit only those residents in the immediate area of the projects and are paid for by those residents through assessments against their property.

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

WOOSTER COMMUNITY HOSPITAL – This fund is used to account for the health care services provided by the City owned and operated hospital.

WATER - This fund is used to account for the provision of water treatment and distribution to the residents and commercial users of the City and some residents of the county.

WATER POLLUTION CONTROL – This fund is used to account for sanitary sewer services provided to the residential and commercial users of the City and some residents of the county.

STORM DRAINAGE – This fund is used to account for the storm drainage runoff service provided to the residential and commercial users of the City.

REFUSE COLLECTION – This fund is used to account for trash collection services provided to the residential and some commercial users of the City.

ECONOMIC/DOWNTOWN DEVELOPMENT LOANS – This fund is used to account for the loans, repayments, and subsequent loans provided for economic development purposes and downtown revitalization. This fund was established as a result of the City's obtaining a federal grant (HUD) with the requirements for establishing the loan program to maintain the contributed capital (grant/loan principal).

INTERNAL SERVICE FUND

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

MUNICIPAL GARAGE – This fund is used to account for the costs of a maintenance facility for automotive equipment used by various City departments. Costs are billed to the departments for labor and materials at actual cost with the elimination of the effect of internal service fund activity to adjust to break even.

AGENCY FUNDS

Agency funds are used to account for assets held by the City in a custodial capacity or as an agent for individuals, private organization, or other governmental units.

WOOSTER GROWTH CORPORATION – This fund is used to account for revenues and expenditures of the City's community improvement corporation, Wooster Growth Corporation. The City serves as fiscal agent for the Corporation. The corporation's purpose is advancing, encouraging and promoting the industrial, economic, commercial and civic development of Wooster, Ohio.

GUARANTEED DEPOSITS – This fund is used to hold funds received from a contractor, developer, or individual to insure compliance with the ordinances of the City in maintaining or establishing certain appurtenances (sidewalks, curbs, and gutters) to be installed by an individual developer or contractor. Upon completion of the appurtenances the deposit is returned to the individual developer or contractor, after deducting any inspection charges.

CLEARING – This fund is used to hold monies received for bid bonds, insurance premiums or proceeds on behalf of certain individuals, and any unclaimed municipal checks. The insurance premiums are to pay for retired employees or spouses still participating in our group health insurance program.

Modified accrual plus encumbrances is the budgetary basis used in the preparation of these statements.

CITY OF WOOSTER, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2006

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in city treasury cash	\$ 1,349,044	\$ 1,408,551	\$ 2,757,595
Taxes receivable	355,534	0	355,534
Accounts receivable	5,090	0	5,090
Due from other governments	82,056	0	82,056
Accrued interest receivable	11,548	5,382	16,930
Inventory	19,336	0	19,336
Long term receivables	1,029,869	0	1,029,869
Total assets	<u>\$ 2,852,477</u>	<u>\$ 1,413,933</u>	<u>\$ 4,266,410</u>
Liabilities:			
Accounts payable	\$ 16,584	\$ 232,972	\$ 249,556
Accrued salaries, wages and benefits	1,095	0	1,095
Due to other funds	69,700	0	69,700
Deferred revenue	1,421,958	0	1,421,958
Notes payable	0	2,000,000	2,000,000
Total liabilities	<u>1,509,337</u>	<u>2,232,972</u>	<u>3,742,309</u>
Fund balances:			
Reserved for encumbrances	375,443	622,069	997,512
Unreserved (deficit)	967,697	(1,441,108)	(473,411)
Total fund balances	<u>1,343,140</u>	<u>(819,039)</u>	<u>524,101</u>
Total liabilities and fund balances	<u>\$ 2,852,477</u>	<u>\$ 1,413,933</u>	<u>\$ 4,266,410</u>

CITY OF WOOSTER, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues :			
Taxes	\$ 552,757	\$ 0	\$ 552,757
Intergovernmental	590,592	65,882	656,474
Fines, licenses, permits	11,179	0	11,179
Interest income	133,431	54,016	187,447
Miscellaneous	3,578	0	3,578
Total Revenues	<u>1,291,537</u>	<u>119,898</u>	<u>1,411,435</u>
Expenditures :			
Current operations :			
Safety services	368,983	0	368,983
Leisure services	4,287	0	4,287
Environment and development	473,548	0	473,548
Transportation services	38,209	0	38,209
Administrative services	62,389	0	62,389
Capital expenditures	413,414	1,074,348	1,487,762
Debt service :			
Principal	51,349	1,000,000	1,051,349
Interest	14,581	36,900	51,481
Total Expenditures	<u>1,426,760</u>	<u>2,111,248</u>	<u>3,538,008</u>
Excess revenues over(under) expenditures	<u>(135,223)</u>	<u>(1,991,350)</u>	<u>(2,126,573)</u>
Net change in fund balances	<u>(135,223)</u>	<u>(1,991,350)</u>	<u>(2,126,573)</u>
Fund balances at beginning of year	<u>1,481,363</u>	<u>1,172,311</u>	<u>2,653,674</u>
Fund balances at end of year	<u>\$ 1,346,140</u>	<u>\$ (819,039)</u>	<u>\$ 527,101</u>

**CITY OF WOOSTER, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2006**

	State Highway Fund	Permissive Tax Fund	Enforcement Education Fund	Mandatory Drug Fines Fund
Assets:				
Equity in city treasury cash	\$ 206,171	\$ 807,404	\$ 31,327	\$ 36,812
Taxes receivable	0	0	0	0
Accounts receivable	5,090	0	0	0
Due from other governments	46,185	29,701	0	0
Accrued interest receivable	1,441	6,654	238	277
Inventory	19,336	0	0	0
Long term receivables	0	0	0	0
Total assets	<u>\$ 278,223</u>	<u>\$ 843,759</u>	<u>\$ 31,565</u>	<u>\$ 37,089</u>
Liabilities:				
Accounts payable	\$ 2,362	\$ 6,472	\$ 0	\$ 0
Accrued salaries, wages and benefits	0	1,095	0	0
Due to other funds	0	0	0	0
Deferred revenue	39,489	0	0	0
Total liabilities	<u>41,851</u>	<u>7,567</u>	<u>0</u>	<u>0</u>
Fund balances:				
Reserved for encumbrances	9,649	10,420	0	0
Unreserved	226,723	825,772	31,565	37,089
Total fund balances	<u>236,372</u>	<u>836,192</u>	<u>31,565</u>	<u>37,089</u>
Total liabilities and fund balances	<u>\$ 278,223</u>	<u>\$ 843,759</u>	<u>\$ 31,565</u>	<u>\$ 37,089</u>

Local Law Enforcement Block Grant Fund	Community Development Block Grant Fund	Economic Development Fund	HUD Home Fund	Law Enforcement Trust Fund
\$ 1,183	\$ 74,377	\$ 2,187	\$ 0	\$ 21,329
0	0	2,934	0	0
0	0	0	0	0
0	6,170	0	0	0
11	0	67	0	179
0	0	0	0	0
0	0	0	1,029,869	0
<u>\$ 1,194</u>	<u>\$ 80,547</u>	<u>\$ 5,188</u>	<u>\$ 1,029,869</u>	<u>\$ 21,508</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0
0	69,700	0	0	0
0	0	0	1,029,869	0
0	69,700	0	1,029,869	0
0	295,383	4,959	0	0
1,194	(284,536)	229	0	21,508
<u>1,194</u>	<u>10,847</u>	<u>5,188</u>	<u>0</u>	<u>21,508</u>
<u>\$ 1,194</u>	<u>\$ 80,547</u>	<u>\$ 5,188</u>	<u>\$ 1,029,869</u>	<u>\$ 21,508</u>

(continued)

CITY OF WOOSTER, OHIO
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2006

	Police Pension Fund	Fire Pension Fund	Shade Tree Fund	Christmas Run Park Restoration Fund
Assets:				
Equity in city treasury cash	\$ 33,681	\$ 26,892	\$ 18,455	\$ 53,089
Taxes receivable	176,300	176,300	0	0
Accounts receivable	0	0	0	0
Due from other governments	0	0	0	0
Accrued interest receivable	1,058	854	159	465
Inventory	0	0	0	0
Long term receivables	0	0	0	0
Total assets	<u>\$ 211,039</u>	<u>\$ 204,046</u>	<u>\$ 18,614</u>	<u>\$ 53,554</u>
Liabilities:				
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued salaries, wages and benefits	0	0	0	0
Due to other funds	0	0	0	0
Deferred revenue	176,300	176,300	0	0
Total liabilities	<u>176,300</u>	<u>176,300</u>	<u>0</u>	<u>0</u>
Fund balances:				
Reserved for encumbrances	0	0	295	46,797
Unreserved	34,739	27,746	18,319	6,757
Total fund balances	<u>34,739</u>	<u>27,746</u>	<u>18,614</u>	<u>53,554</u>
Total liabilities and fund balances	<u>\$ 211,039</u>	<u>\$ 204,046</u>	<u>\$ 18,614</u>	<u>\$ 53,554</u>

Federal Equitable Sharing Fund	Lillian Long Estate Fund	Investment Fund	Recreation Supplement Fund	Total Nonmajor Special Revenue Funds
\$ 11,913	\$ 10,386	\$ 7,750	\$ 6,088	\$ 1,349,044
0	0	0	0	355,534
0	0	0	0	5,090
0	0	0	0	82,056
61	84	0	0	11,548
0	0	0	0	19,336
0	0	0	0	1,029,869
<u>\$ 11,974</u>	<u>\$ 10,470</u>	<u>\$ 7,750</u>	<u>\$ 6,088</u>	<u>\$ 2,852,477</u>
\$ 0	\$ 0	\$ 7,750	\$ 0	\$ 16,584
0	0	0	0	1,095
0	0	0	0	69,700
0	0	0	0	1,421,958
<u>0</u>	<u>0</u>	<u>7,750</u>	<u>0</u>	<u>1,509,337</u>
0	7,940	0	0	375,443
11,974	2,530	0	6,088	967,697
<u>11,974</u>	<u>10,470</u>	<u>0</u>	<u>6,088</u>	<u>1,343,140</u>
<u>\$ 11,974</u>	<u>\$ 10,470</u>	<u>\$ 7,750</u>	<u>\$ 6,088</u>	<u>\$ 2,852,477</u>

CITY OF WOOSTER, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006

	State Highway Fund	Permissive Tax Fund	Enforcement Education Fund	Mandatory Drug Fines Fund
Revenues :				
Taxes	\$ 0	\$ 173,622	\$ 0	\$ 0
Intergovernmental	90,276	110,323	0	0
Fines, licenses, permits	0	0	3,942	7,237
Interest income	8,242	46,216	1,381	1,483
Miscellaneous	0	156	0	0
Total Revenues	98,518	330,317	5,323	8,720
Expenditures :				
Current operations :				
Safety services	25,569	0	0	0
Leisure services	0	0	0	0
Environment and development	0	0	0	0
Transportation services	22,119	16,090	0	0
Administrative services	0	0	0	0
Capital expenditures	0	413,414	0	0
Debt service :				
Principal	1,715	49,634	0	0
Interest	0	14,581	0	0
Total Expenditures	49,403	493,719	0	0
Excess revenues over(under) expenditures	49,115	(163,402)	5,323	8,720
Net change in fund balance	49,115	(163,402)	5,323	8,720
Fund balances at beginning of year	187,257	999,594	26,242	28,369
Fund balances at end of year	\$ 236,372	\$ 836,192	\$ 31,565	\$ 37,089

Local Law Enforcement Block Grant Fund	Community Development Block Grant Fund	Economic Development Fund	HUD Home Fund	Law Enforcement Trust Fund
\$ 0	\$ 0	\$ 45,333	\$ 0	\$ 0
0	363,639	0	0	0
0	0	0	0	0
55	0	220	0	958
0	0	0	0	1,489
55	363,639	45,553	0	2,447
0	0	0	0	0
0	0	0	0	0
0	427,162	46,386	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	427,162	46,386	0	0
55	(63,523)	(833)	0	2,447
55	(63,523)	(833)	0	2,447
1,139	77,370	6,021	0	19,061
\$ 1,194	\$ 13,847	\$ 5,188	\$ 0	\$ 21,508

(continued)

CITY OF WOOSTER, OHIO
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Police Pension Fund	Fire Pension Fund	Shade Tree Fund	Christmas Run Park Restoration Fund
Revenues :				
Taxes	\$ 166,901	\$ 166,901	\$ 0	\$ 0
Intergovernmental	13,177	13,177	0	0
Fines, licenses, permits	0	0	0	0
Interest income	4,120	3,845	860	2,588
Miscellaneous	0	0	295	1,060
Total Revenues	184,198	183,923	1,155	3,648
Expenditures :				
Current operations :				
Safety services	171,707	171,707	0	0
Leisure services	0	0	0	2,007
Environment and development	0	0	0	0
Transportation services	0	0	0	0
Administrative services	0	0	0	0
Capital expenditures	0	0	0	0
Debt service :				
Principal	0	0	0	0
Interest	0	0	0	0
Total Expenditures	171,707	171,707	0	2,007
Excess revenues over(under) expenditures	12,491	12,216	1,155	1,641
Net change in fund balance	12,491	12,216	1,155	1,641
Fund balances at beginning of year	22,248	15,530	17,459	51,913
Fund balances at end of year	\$ 34,739	\$ 27,746	\$ 18,614	\$ 53,554

Federal Equitable Sharing Fund	Lillian Long Estate Fund	Investment Fund	Recreation Supplement Fund	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 552,757
0	0	0	0	590,592
0	0	0	0	11,179
557	523	62,383	0	133,431
0	0	1	577	3,578
557	523	62,384	577	1,291,537
0	0	0	0	368,983
0	2,210	0	70	4,287
0	0	0	0	473,548
0	0	0	0	38,209
0	0	62,389	0	62,389
0	0	0	0	413,414
0	0	0	0	51,349
0	0	0	0	14,581
0	2,210	62,389	70	1,426,760
557	(1,687)	(5)	507	(135,223)
557	(1,687)	(5)	507	(135,223)
11,417	12,157	5	5,581	1,481,363
\$ 11,974	\$ 10,470	\$ 0	\$ 6,088	\$ 1,346,140

**CITY OF WOOSTER, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2006**

	Beall Avenue Streetscape Fund	Milltown Road Construction Fund	Economic Development Capital Improvement Fund	Total Nonmajor Capital Projects Funds
Assets:				
Equity in city treasury cash	\$ 959,564	\$ 253,296	\$ 195,691	\$ 1,408,551
Accrued interest receivable	87	5,295	0	5,382
Total assets	<u>\$ 959,651</u>	<u>\$ 258,591</u>	<u>\$ 195,691</u>	<u>\$ 1,413,933</u>
Liabilities:				
Accounts payable	\$ 25,103	\$ 207,869	\$ 0	\$ 232,972
Notes payable	1,000,000	1,000,000	0	2,000,000
Total liabilities	<u>1,025,103</u>	<u>1,207,869</u>	<u>0</u>	<u>2,232,972</u>
Fund balances:				
Reserved for encumbrances	193,920	428,149	0	622,069
Unreserved (deficit)	(259,372)	(1,377,427)	195,691	(1,441,108)
Total fund balances	<u>(65,452)</u>	<u>(949,278)</u>	<u>195,691</u>	<u>(819,039)</u>
Total liabilities and fund balances	<u>\$ 959,651</u>	<u>\$ 258,591</u>	<u>\$ 195,691</u>	<u>\$ 1,413,933</u>

**CITY OF WOOSTER, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006**

	Beall Avenue Streetscape Fund	Milltown Road Construction Fund	Economic Development Capital Improvement Fund	Total Nonmajor Capital Projects Funds
Revenues :				
Intergovernmental	\$ 0	\$ 65,882	\$ 0	\$ 65,882
Interest income	11,196	35,796	7,024	54,016
Total Revenues	<u>11,196</u>	<u>101,678</u>	<u>7,024</u>	<u>119,898</u>
Expenditures :				
Current operations :				
Debt service:				
Principal	0	1,000,000	0	1,000,000
Interest	0	36,900	0	36,900
Capital expenditures	70,497	1,003,851	0	1,074,348
Total Expenditures	<u>70,497</u>	<u>2,040,751</u>	<u>0</u>	<u>2,111,248</u>
Excess revenues over(under) expenditures	<u>(59,301)</u>	<u>(1,939,073)</u>	<u>7,024</u>	<u>(1,991,350)</u>
Net change in fund balance	(59,301)	(1,939,073)	7,024	(1,991,350)
Fund balances at beginning of year	(6,150)	989,794	188,667	1,172,311
Fund balances at end of year	<u>\$ (65,451)</u>	<u>\$ (949,279)</u>	<u>\$ 195,691</u>	<u>\$ (819,039)</u>

CITY OF WOOSTER, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006

	State Highway Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	81,000	81,000	90,276	9,276
Fines, licenses, permits	0	0	0	0
Interest income	3,000	3,000	8,242	5,242
Miscellaneous	2,000	2,000	0	(2,000)
Total Revenues	86,000	86,000	98,518	12,518
Expenditures :				
Safety services	23,931	26,009	25,744	265
Transportation services	98,483	52,619	33,307	19,312
Total Expenditures	122,414	78,628	59,051	19,577
Excess revenues over (under) expenditures	(36,414)	7,372	39,467	32,095
Encumbrances	0	0	9,649	9,649
Fund balances at beginning of year	187,256	187,256	187,256	0
Fund balances at end of year	<u>\$ 150,842</u>	<u>\$ 194,628</u>	<u>\$ 236,372</u>	<u>\$ 41,744</u>

	Permissive Tax Fund				Enforcement Education Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
	\$ 170,000	\$ 170,000	\$ 173,622	\$ 3,622	\$ 0	\$ 0	\$ 0	\$ 0
	130,000	130,000	110,323	(19,677)	0	0	0	0
	0	0	0	0	1,600	1,600	3,941	2,341
	23,500	23,500	46,216	22,716	850	850	1,382	532
	0	0	156	156	0	0	0	0
	323,500	323,500	330,317	6,817	2,450	2,450	5,323	2,873
	0	0	0	0	25,000	25,000	0	25,000
	673,870	877,386	504,139	373,247	0	0	0	0
	673,870	877,386	504,139	373,247	25,000	25,000	0	25,000
	(350,370)	(553,886)	(173,822)	380,064	(22,550)	(22,550)	5,323	27,873
	0	0	10,420	10,420	0	0	0	0
	999,593	999,593	999,593	0	26,242	26,242	26,242	0
	<u>\$ 649,223</u>	<u>\$ 445,707</u>	<u>\$ 836,191</u>	<u>\$ 390,484</u>	<u>\$ 3,692</u>	<u>\$ 3,692</u>	<u>\$ 31,565</u>	<u>\$ 27,873</u>

	Mandatory Drug Fines Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0
Fines, licences, permits	8,500	8,500	7,237	(1,263)
Interest income	1,000	1,000	1,483	483
Miscellaneous	0	0	0	0
Total Revenues	9,500	9,500	8,720	(780)
Expenditures :				
Safety services	27,000	27,000	0	27,000
Environment & development	0	0	0	0
Total Expenditures	27,000	27,000	0	27,000
Excess revenues over (under) expenditures	(17,500)	(17,500)	8,720	26,220
Encumbrances	0	0	0	0
Fund balances at beginning of year	28,368	28,368	28,368	0
Fund balances at end of year	<u>\$ 10,868</u>	<u>\$ 10,868</u>	<u>\$ 37,088</u>	<u>\$ 26,220</u>

	Local Law Enforcement Block Grant Fund				Community Development Block Grant Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 500,000	\$ 362,139	\$ (137,861)
	0	0	0	0	0	0	0	0
	40	40	55	15	0	0	0	0
	0	0	0	0	0	0	(1,500)	(1,500)
	40	40	55	15	500,000	500,000	360,639	(139,361)
	1,171	1,171	0	1,171	0	0	0	0
	0	0	0	0	495,000	714,140	723,000	(8,860)
	1,171	1,171	0	1,171	495,000	714,140	723,000	(8,860)
	(1,131)	(1,131)	55	1,186	5,000	(214,140)	(362,361)	(148,221)
	0	0	0	0	0	0	295,838	(295,838)
	1,139	1,139	1,139	0	77,370	77,370	77,370	0
	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ 1,194</u>	<u>\$ 1,186</u>	<u>\$ 82,370</u>	<u>\$ (136,770)</u>	<u>\$ 10,847</u>	<u>\$ 147,617</u>

(Continued)

CITY OF WOOSTER, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Economic Development Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Taxes	\$ 44,500	\$ 44,500	\$ 45,333	\$ 833
Interest income	125	125	220	95
Miscellaneous	0	0	0	0
Total Revenues	44,625	44,625	45,553	928
Expenditures :				
Safety services	0	0	0	0
Environment & development	697,375	705,371	51,345	654,026
Total Expenditures	697,375	705,371	51,345	654,026
Other financing sources :				
Transfers in	2,000,000	2,000,000	0	(2,000,000)
Total Other financing sources	2,000,000	2,000,000	0	(2,000,000)
Excess revenues over (under) expenditures	1,347,250	1,339,254	(5,792)	(1,345,046)
Encumbrances	0	0	4,959	4,959
Fund balances at beginning of year	6,021	6,021	6,021	0
Fund balances at end of year	<u>\$ 1,353,271</u>	<u>\$ 1,345,275</u>	<u>\$ 5,188</u>	<u>\$ (1,340,087)</u>

	HUD Home Fund				Law Enforcement Trust Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	0	0	0	0	650	650	958	308
	0	0	0	0	0	0	1,489	1,489
	0	0	0	0	650	650	2,447	1,797
	0	0	0	0	18,000	18,000	0	18,000
	0	0	0	0	0	0	0	0
	0	0	0	0	18,000	18,000	0	18,000
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	(17,350)	(17,350)	2,447	19,797
	0	0	0	0	0	0	0	0
	0	0	0	0	19,061	19,061	19,061	0
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,711</u>	<u>\$ 1,711</u>	<u>\$ 21,508</u>	<u>\$ 19,797</u>

	Police Pension Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Taxes	\$ 166,585	\$ 166,585	\$ 166,901	\$ 316
Intergovernmental	16,000	16,000	13,177	(2,823)
Interest income	900	900	4,120	3,220
Miscellaneous	0	0	0	0
Total Revenues	183,485	183,485	184,198	713
Expenditures :				
Safety services	172,500	172,500	171,707	793
Environment and development	0	0	0	0
Total Expenditures	172,500	172,500	171,707	793
Excess revenues over (under) expenditures	10,985	10,985	12,491	1,506
Encumbrances	0	0	0	0
Fund balances at beginning of year	22,249	22,249	22,249	0
Fund balances at end of year	<u>\$ 33,234</u>	<u>\$ 33,234</u>	<u>\$ 34,740</u>	<u>\$ 1,506</u>

	Fire Pension Fund				Shade Tree Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
	\$ 166,585	\$ 166,585	\$ 166,901	\$ 316	\$ 0	\$ 0	\$ 0	\$ 0
	16,000	16,000	13,177	(2,823)	0	0	0	0
	900	900	3,845	2,945	400	400	860	460
	0	0	0	0	0	0	295	295
	183,485	183,485	183,923	438	400	400	1,155	755
	172,500	172,500	171,707	793	0	0	0	0
	0	0	0	0	0	0	295	295
	172,500	172,500	171,707	793	0	0	295	(295)
	10,985	10,985	12,216	1,231	(15,600)	(15,600)	860	16,460
	0	0	0	0	0	0	295	(295)
	15,529	15,529	15,529	0	17,459	17,459	17,459	0
	<u>\$ 26,514</u>	<u>\$ 26,514</u>	<u>\$ 27,745</u>	<u>\$ 1,231</u>	<u>\$ 1,859</u>	<u>\$ 1,859</u>	<u>\$ 18,614</u>	<u>\$ 16,755</u>

(Continued)

CITY OF WOOSTER, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006

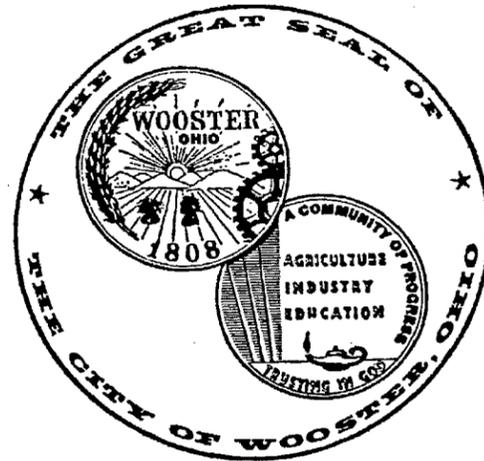
	Christmas Run Park Restoration Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0
Interest income	1,800	1,800	2,588	788
Miscellaneous	0	0	1,060	1,060
Total Revenues	1,800	1,800	3,648	1,848
Expenditures :				
Leisure services	4,000	53,297	48,803	4,494
Safety services	0	0	0	0
Total Expenditures	4,000	53,297	48,803	4,494
Excess revenues over (under) expenditures	(2,200)	(51,497)	(45,155)	6,342
Encumbrances	0	0	46,797	(46,797)
Fund balances at beginning of year	51,912	51,912	51,912	0
Fund balances at end of year	\$ 49,712	\$ 415	\$ 53,554	\$ 53,139

	Investment Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Interest income	\$ 100,000	\$ 100,000	\$ 62,384	\$ (37,616)
Miscellaneous	0	0	0	0
Total Revenues	100,000	100,000	62,384	(37,616)
Expenditures :				
Leisure services	0	0	0	0
Administrative services	100,000	100,460	62,389	38,071
Total Expenditures	100,000	100,460	62,389	38,071
Excess revenues over (under) expenditures	0	(460)	(5)	455
Fund balances at beginning of year	5	5	5	0
Fund balances at end of year	\$ 5	\$ (455)	\$ 0	\$ 455

Federal Equitable Sharing Fund				Lillian Long Estate Fund			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 2500	\$ 2,500	\$ 0	\$ (2,500)	\$ 0	0	0	0
400	400	558	158	315	315	523	208
0	0	0	0	0	0	0	0
2,900	2,900	558	(2,342)	315	315	523	
0	0	0	0	0	10,150	10,150	0
11,000	11,000	0	(11,000)	0	0	0	0
11,000	11,000	0	(11,000)	0	10,150	10,150	
(8,100)	(8,100)	558	8,658	315	(9,835)	(9,627)	208
0	0	0	0	0	0	7,940	(7,940)
11,416	11,416	11,416	0	12,157	12,157	12,157	0
\$ 3,316	\$ 3,316	\$ 11,974	\$ 8,658	\$ 12,472	\$ 2,322	\$ 10,470	\$ 8,148

Recreation Supplement Fund			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 0	\$ 0	\$ 0	\$ 0
500	500	577	77
500	500	577	77
5,500	6,055	70	5,985
0	0	0	0
5,500	6,055	70	5,985
(5,000)	(5,555)	507	6,062
5,581	5,581	5,581	0
\$ 581	\$ 26	\$ 6,088	\$ 6,062

CITY OF WOOSTER, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
 CAPITAL IMPROVEMENTS AND DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006



	Capital Improvements Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Interest income	\$ 90,000	\$ 90,000	\$ 143,125	\$ 53,125
Miscellaneous	0	0	8,367	8,367
Total Revenue	90,000	90,000	151,492	61,492
Expenditures :				
Administrative services	611,705	1,599,674	1,501,164	(98,510)
Total Expenditures	611,705	1,599,674	1,501,164	(98,510)
Excess revenues over(under) expenditures	(521,705)	(1,509,674)	(1,349,672)	160,002
Operating transfers in	1,725,000	1,725,000	1,447,341	(277,659)
Encumbrances	0	0	336,539	336,539
Fund balances at beginning of year	2,645,200	2,645,200	2,645,200	0
Fund balances at end of year	\$ 3,848,495	\$ 2,860,526	\$ 3,079,408	\$ 218,882

	Debt Service Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Special assessments	\$ 183,000	\$ 183,000	\$ 197,603	\$ 14,603
Interest income	20,000	20,000	36,428	16,428
Total Revenue	203,000	203,000	234,031	31,031
Expenditures :				
Transportation services	189,500	189,500	187,282	2,218
Total Expenditures	189,500	189,500	187,282	2,218
Excess revenues over(under) expenditures	13,500	13,500	46,749	33,249
Fund balances at beginning of year	627,779	627,779	627,779	0
Fund balances at end of year	\$ 641,279	\$ 641,279	\$ 674,528	\$ 33,249

CITY OF WOOSTER, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006

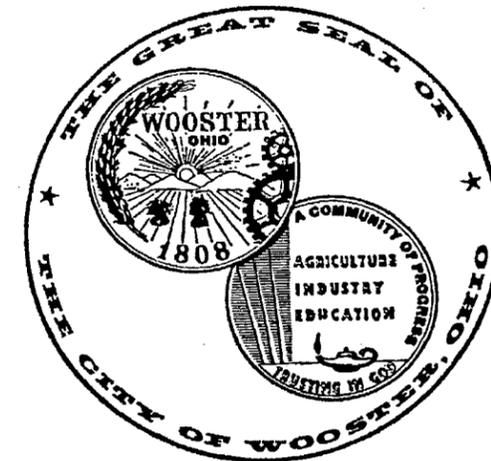
Beall Avenue Streetscape Fund				
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental revenue	\$ 1,981,000	\$ 1,981,000	\$ 0	\$ (1,981,000)
Interest income	0	0	11,196	11,196
Total Revenues	1,981,000	1,981,000	11,196	(1,969,804)
Expenditures:				
Environment and development	0	0	0	0
Transportation services	8,843,610	8,843,610	264,417	8,579,193
Total Expenditures	8,843,610	8,843,610	264,417	8,579,193
Excess revenues over (under) expenditures	(6,862,610)	(6,862,610)	(253,221)	6,609,389
Other financing sources :				
Transfers in	4,000,000	4,000,000	0	(4,000,000)
Issuance of debt	2,862,610	2,862,610	0	(2,862,610)
Total Other financing sources	6,862,610	6,862,610	0	(6,862,610)
Encumbrances	0	0	193,920	0
Fund balances at beginning of year	(6,150)	(6,150)	(6,150)	0
Fund balances at end of year	\$ (6,150)	\$ (6,150)	\$ (65,451)	\$ (253,221)

Milltown Road Reconstruction Fund				
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental revenues	\$ 200,000	\$ 200,000	\$ 65,882	(134,118)
Interest income	10,000	10,000	35,796	25,796
Total Revenues	210,000	210,000	101,678	(108,322)
Expenditures:				
Transportation services	1,055,000	2,484,000	2,468,900	15,100
Total Expenditures	1,055,000	2,484,000	2,468,900	15,100
Excess revenues over (under) expenditures	(845,000)	(2,274,000)	(2,367,222)	(93,222)
Other financing sources (uses):				
Issuance of debt	1,355,000	1,355,000	0	(1,355,000)
Excess revenues and other sources over (under) expenditures and other uses	510,000	(919,000)	(2,367,222)	(1,448,222)
Encumbrances	0	0	428,149	428,149
Fund balances at beginning of year	989,794	989,794	989,794	0
Fund balances at end of year	\$ 1,499,794	\$ 70,794	\$ (949,279)	\$ (1,020,073)

Economic Development Capital Improvement Fund				
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Intergovernmental revenue	\$ 0	\$ 0	\$ 0	\$ 0
Interest income	6,500	6,500	7,024	524
Total Revenues	6,500	6,500	7,024	524
Environment and development	186,000	186,000	0	(186,000)
Transportation services	0	0	0	0
Total Expenditures	186,000	186,000	0	(186,000)
Excess revenues over (under) expenditures	(179,500)	(179,500)	7,024	186,524
Transfers in	0	0	0	0
Issuance of debt	0	0	0	0
Total Other financing sources	0	0	0	0
Encumbrances	0	0	0	0
Fund balances at beginning of year	188,667	188,667	188,667	0
Fund balances at end of year	\$ 9,167	\$ 9,167	\$ 195,691	\$ 186,524

CITY OF WOOSTER, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND EQUITY - BUDGET AND ACTUAL (BUDGETARY BASIS)
 INTERNAL SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Municipal Garage			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interfund services provided	\$ 478,000	\$ 478,000	\$ 341,896	\$ (136,104)
Miscellaneous	0	0	1,598	1,598
Total Revenues	<u>478,000</u>	<u>478,000</u>	<u>343,494</u>	<u>(134,506)</u>
Expenditures:				
Transportation services	465,466	508,655	405,434	103,221
Total Expenditures	<u>465,466</u>	<u>508,655</u>	<u>405,434</u>	<u>103,221</u>
Excess revenues over(under) expenditures	12,534	(30,655)	(61,940)	(31,285)
Encumbrances	0	0	43,225	43,225
Fund balance at beginning of year	40,232	40,232	40,232	0
Fund balance at end of year	<u>\$ 52,766</u>	<u>\$ 9,577</u>	<u>\$ 21,517</u>	<u>\$ 11,940</u>



CITY OF WOOSTER, OHIO
 SCHEDULE OF REVENUES, EXPENSES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
 ALL ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Wooster Community Hospital			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Charges for services	\$ 82,345,846	\$ 82,578,109	\$ 78,783,444	\$ (3,794,665)
Intergovernmental	0	0	0	0
Fines, licenses and permits	0	0	0	0
Interest income	1,990,627	1,990,627	2,776,128	785,501
Operating subsidies	0	0	0	0
Miscellaneous	166,110	166,110	1,200,458	1,034,348
Total Revenues	84,502,583	84,734,846	82,760,030	(1,974,816)
Expenditures :				
Health and social services	89,768,987	104,452,147	88,687,691	15,764,456
Utility services	0	0	0	0
Total Expenditures	89,768,987	104,452,147	88,687,691	15,764,456
Excess revenues over (under) expenditures	(5,266,404)	(19,717,301)	(5,927,661)	13,789,640
Other financing sources (uses):				
Transfers	0	0	0	0
Proceeds from debt issues	0	0	0	0
Excess revenues and other sources over (under) expenditures and other uses	(5,266,404)	(19,717,301)	(5,927,661)	13,789,640
Encumbrances	0	0	9,356,188	9,356,188
Fund balances at beginning of year	56,813,834	56,813,834	56,813,834	0
Fund balances at end of year	\$ 51,547,430	\$ 37,096,533	\$ 60,242,361	\$ 23,145,828

	Refuse Collection			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Charges for services	\$ 900,500	\$ 900,500	\$ 938,003	\$ 37,503
Intergovernmental	35,000	35,000	49,000	0
Fines, licenses and permits	7,500	7,500	10,984	3,484
Operating subsidies	0	0	0	0
Interest income	9,000	9,000	20,315	11,315
Miscellaneous	0	0	0	0
Total Revenue	952,000	952,000	1,018,302	66,302
Expenditures :				
Utility services	929,200	1,122,968	1,095,343	27,625
Environment and Development	0	0	0	0
Total Expenditures	929,200	1,122,968	1,095,343	27,625
Excess revenues over (under) expenditures	22,800	(170,968)	(77,041)	93,927
Proceeds from debt issues	0	0	0	0
Encumbrances	0	0	2,575	2,575
Fund balances at beginning of year	438,393	438,393	438,393	0
Fund balances at end of year	\$ 461,193	\$ 267,425	\$ 363,927	\$ 96,502

	Water				Water Pollution Control			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :								
Charges for services	\$ 3,869,950	\$ 3,870,754	\$ 3,751,863	\$ (118,891)	\$ 3,203,300	\$ 3,203,300	\$ 3,222,654	\$ 19,354
Intergovernmental	-	-	-	-	150,000	150,000	-	-
Fines, licenses and permits	30,600	30,600	46,845	16,245	20,000	20,000	14,056	(5,944)
Interest income	215,000	215,000	273,978	58,978	325,000	325,000	514,141	189,141
Operating subsidies	0	0	0	0	0	0	0	0
Miscellaneous	44,206	44,206	114,193	69,987	500	500	16,573	16,073
Total Revenues	4,159,756	4,160,560	4,186,880	26,320	3,698,800	3,698,800	3,767,423	68,623
Expenditures :								
Health and social services	0	0	0	0	0	0	0	0
Utility services	11,074,231	14,553,749	9,645,450	4,908,299	6,054,907	26,274,159	21,974,772	4,299,387
Total Expenditures	11,074,231	14,553,749	9,645,450	4,908,299	6,054,907	26,274,159	21,974,772	4,299,387
Excess revenues over (under) expenditures	(6,914,475)	(10,393,189)	(5,458,570)	4,934,618	(2,356,107)	(22,575,359)	(18,207,349)	4,368,010
Other financing sources (uses):								
Transfers	0	0	0	0	0	0	0	0
Proceeds from debt issues	6,000,000	6,000,000	0	0	18,284,332	18,284,333	10,557,136	(7,727,197)
Excess revenues and other sources over (under) expenditures and other uses	(914,475)	(4,393,189)	(5,458,570)	4,934,618	15,928,225	(4,291,026)	(7,650,213)	(3,359,187)
Encumbrances	0	0	1,152,211	1,152,211	0	0	6,892,949	6,892,949
Fund balances at beginning of year	6,875,276	6,875,276	6,875,276	0	10,050,905	10,050,905	10,050,905	0
Fund balances at end of year	\$ 5,960,801	\$ 2,482,087	\$ 2,568,917	\$ 86,830	\$ 25,979,130	\$ 5,759,878	\$ 9,293,641	\$ 3,533,763

	Economic and Downtown Development Loans				Storm Drainage			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :								
Charges for services	\$ 10,600	\$ 10,600	\$ 5,136	\$ (5,464)	\$ 820,000	\$ 820,000	\$ 861,520	\$ 41,520
Intergovernmental	0	0	0	0	0	0	0	0
Fines, licenses and permits	0	0	0	0	3,000	3,000	2,175	(825)
Operating subsidies	0	0	0	0	0	0	0	0
Interest income	12,900	12,900	19,979	7,079	40,000	40,000	49,896	9,896
Miscellaneous	0	0	0	0	0	0	3,061	3,061
Total Revenue	23,500	23,500	25,115	1,615	863,000	863,000	916,652	53,652
Expenditures :								
Utility services	0	0	0	0	1,737,771	2,938,464	1,957,037	981,427
Environment and Development	280,000	363,005	0	363,005	0	0	0	0
Total Expenditures	280,000	363,005	0	363,005	1,737,771	2,938,464	1,957,037	981,427
Excess revenues over (under) expenditures	(256,500)	(339,505)	25,115	364,620	(874,771)	(2,075,464)	(1,040,385)	1,035,079
Proceeds from debt issues	44,824	44,824	53,744	8,920	500,000	500,000	0	(500,000)
Encumbrances	0	0	0	0	0	0	336,040	336,040
Fund balances at beginning of year	374,590	374,590	374,590	0	1,311,809	1,311,809	1,311,809	0
Fund balances at end of year	\$ 162,914	\$ 79,909	\$ 453,449	\$ 373,540	\$ 937,038	\$ (263,655)	\$ 607,464	\$ 871,119

**CITY OF WOOSTER, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Balance January 1, 2006	Additions	Deductions	Balance December 31, 2006
Guaranteed Deposits				
Assets				
Equity in city treasury cash	\$ 169,584	\$ 53,685	\$ 14,600	\$ 208,669
Liabilities				
Accounts payable	1,000	\$ 15,600	\$ 16,600	0
Due to agency recipient	168,584	53,685	13,600	208,669
<i>Total Liabilities</i>	<u>\$ 169,584</u>	<u>\$ 69,285</u>	<u>\$ 30,200</u>	<u>\$ 208,669</u>
Clearing Fund				
Assets				
Equity in city treasury cash	\$ 53,192	\$ 49,156	\$ 94,722	\$ 7,626
Liabilities				
Accounts payable	\$ 2,565	\$ 93,442	\$ 96,007	\$ 0
Due to agency recipient	50,627	47,876	90,877	7,626
<i>Total Liabilities</i>	<u>\$ 53,192</u>	<u>\$ 141,318</u>	<u>\$ 186,884</u>	<u>\$ 7,626</u>
Wooster Growth Corporation				
Assets				
Equity in city treasury cash	\$ 240,915	\$ 2,523,044	\$ 2,532,149	\$ 231,810
Accrued interest receivable	1,222	19,353	19,846	729
<i>Total Assets</i>	<u>\$ 242,137</u>	<u>\$ 2,542,397</u>	<u>\$ 2,551,995</u>	<u>\$ 232,539</u>
Liabilities				
Accounts payable	\$ 60	\$ 27,705	\$ 27,715	\$ 50
Due to agency recipient	242,077	2,522,096	2,531,684	232,489
<i>Total Liabilities</i>	<u>\$ 242,137</u>	<u>\$ 2,549,801</u>	<u>\$ 2,559,399</u>	<u>\$ 232,539</u>
TOTAL - ALL AGENCY FUNDS				
Assets				
Equity in city treasury cash	\$ 463,691	\$ 2,625,885	\$ 2,641,471	\$ 448,105
Accrued interest receivable	1,222	19,353	19,846	729
<i>Total Assets</i>	<u>\$ 464,913</u>	<u>\$ 2,645,238</u>	<u>\$ 2,661,317</u>	<u>\$ 448,834</u>
Liabilities				
Accounts payable	\$ 3,625	\$ 139,312	\$ 137,757	\$ 50
Due to agency recipient	461,288	2,623,657	2,636,161	448,784
<i>Total Liabilities</i>	<u>\$ 464,913</u>	<u>\$ 2,762,969</u>	<u>\$ 2,773,918</u>	<u>\$ 448,834</u>

Statistical Section

STATISTICAL SECTION

This section of the City of Wooster's comprehensive annual financial report presents detailed information over a number of years as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall, as well as its various service segment's, financial health.

Category/Schedule # **Page #**

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To help the user understand how the City and its service segments' financial performance and well-being have changed over time.

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Sources: Sources of the information presented in this section are provided at the bottom of each schedule. The City implemented the new reporting model prescribed by GASB Statement 34 for the year ended December 31, 1999.

**CITY OF WOOSTER, OHIO
NET ASSETS
LAST EIGHT YEARS**

**Schedule 1.1
Primary Government
(accrual basis of accounting)**

	1999	2000	2001	2002	2003	2004	2005	2006
Governmental Activities								
Invested in capital assets , net of related debt	\$ 29,137,098	\$ 28,004,086	\$ 27,108,161	\$ 28,520,352	\$ 29,068,496	\$ 29,713,841	\$ 29,806,386	\$ 30,220,283
Restricted	10,339,551	12,122,831	12,020,307	10,257,437	8,803,295	7,647,630	8,705,221	7,722,529
Unrestricted	8,833,385	7,637,126	9,573,938	9,968,299	11,199,157	11,460,025	12,466,686	14,013,250
Total net assets	48,310,034	47,764,043	48,702,406	48,746,088	49,070,948	48,821,496	50,978,293	51,956,062
Business-type Activities								
Invested in capital assets , net of related debt	50,342,098	51,921,248	53,575,973	60,199,984	67,989,332	73,427,798	90,273,053	99,531,180
Restricted	2,428,904	2,440,342	2,430,688	2,266,516	2,155,623	1,852,093	1,534,799	1,918,084
Unrestricted	56,167,442	64,645,049	72,848,438	77,957,136	80,825,950	82,534,107	76,246,430	75,207,295
Total net assets	108,938,444	119,006,639	128,855,099	140,423,636	150,970,905	157,813,998	168,054,282	176,656,559
Total Primary Government								
Invested in capital assets , net of related debt	79,479,196	79,925,334	80,684,134	88,720,336	97,057,828	103,141,639	120,079,439	129,751,463
Restricted	12,768,455	14,563,173	14,450,995	12,523,953	10,958,918	9,499,723	10,240,020	9,640,613
Unrestricted	65,000,827	72,282,175	82,422,376	87,925,435	92,025,107	93,994,132	88,713,116	89,220,545
Total net assets	\$ 157,248,478	\$ 166,770,682	\$ 177,557,505	\$ 189,169,724	\$ 200,041,853	\$ 206,635,494	\$ 219,032,575	\$ 228,612,621

Source: Respective comprehensive annual financial reports (Statements of Net Assets).

**CITY OF WOOSTER, OHIO
CHANGES IN NET ASSETS
LAST EIGHT YEARS**

**Schedule 1.2
Primary Government
(accrual basis of accounting)**

	1999	2000	2001	2002	2003	2004	2005	2006
Expenses:								
Governmental activities:								
Safety Services	\$7,751,978	\$8,440,509	\$8,469,643	\$9,015,584	\$9,531,074	\$9,691,229	\$9,911,867	\$10,431,285
Health Services	133,327	136,155	141,727	142,208	140,855	132,275	137,883	142,851
Leisure Services	1,885,709	2,185,642	2,228,225	2,349,698	2,401,832	2,227,294	2,320,320	2,380,359
Environment & Development Services	613,008	768,441	787,996	1,185,929	1,185,814	1,160,157	1,061,733	1,348,219
Transportation Services	3,130,052	3,828,900	3,430,243	3,569,832	3,338,351	3,176,605	3,356,904	3,128,141
Administrative Services	409,573	733,429	459,559	353,098	504,941	725,641	128,170	437,698
Total governmental activities expenses	13,923,647	16,093,076	15,517,393	16,616,349	17,102,867	17,113,201	16,916,877	17,868,553
Business-type activities:								
Wooster Community Hospital	39,621,353	43,682,256	49,644,499	56,940,332	62,194,868	68,619,110	72,244,498	77,586,035
Water (Production & Distribution)	3,469,316	3,674,606	3,862,483	3,837,588	4,028,021	3,976,361	4,328,413	4,663,212
Water Pollution Control	3,084,665	3,321,412	3,621,884	3,666,917	3,778,422	4,404,278	4,404,336	4,504,781
Storm Drainage Utility	344,764	376,714	403,499	378,138	665,417	777,449	751,184	656,672
Refuse Collection	841,260	967,376	1,123,991	779,384	907,757	829,210	903,700	1,092,767
CDBG Economic Developmnt Loans	0	0	0	0	356	3,061	6,939	0
Total business-type activities expenses	47,361,358	52,022,364	58,656,356	65,602,359	71,574,841	78,609,469	82,639,070	88,503,467
Total primary government expenses	\$61,285,005	\$68,115,440	\$74,173,749	\$82,218,708	\$88,677,708	\$95,722,670	\$99,555,947	\$106,372,020
Program Revenues								
Governmental activities:								
Charges for services:								
Safety Services	\$278,880	\$253,456	\$293,345	\$338,050	\$377,120	\$327,130	\$584,566	\$501,466
Leisure Services	444,774	427,778	429,655	442,596	385,431	376,070	439,542	428,796
Environment & Development Services	204,136	222,827	274,302	343,462	316,626	282,123	286,704	228,043
Transportation Services	73,890	86,556	62,280	92,629	97,739	104,146	88,124	108,048
Administrative Services	100,031	123,912	132,182	146,155	207,712	181,851	169,724	191,408
Operating grants & contributions	1,452,243	1,475,451	1,499,846	1,957,009	1,758,918	2,016,684	2,165,180	2,147,337
Capital grants & contributions	2,014,322	131,589	317,511	79,566	371,839	906	1,361,436	314,427
Total governmental activities program revenues	4,568,276	2,721,569	3,009,121	3,399,467	3,515,385	3,288,910	5,095,276	3,919,525
Charges for services								
Wooster Community Hospital	43,825,283	49,196,286	55,137,266	64,826,538	68,493,186	74,855,608	78,810,733	83,692,444
Water (Production & Distribution)	3,842,668	3,749,300	3,910,079	4,139,112	3,864,670	3,864,067	3,941,569	3,742,199
Water Pollution Control	3,349,179	3,272,429	3,656,400	3,714,017	3,261,084	3,169,073	3,443,436	3,224,387
Storm Drainage Utility	434,446	432,416	525,137	746,750	759,431	798,263	809,835	863,905
Refuse Collection	849,042	985,872	1,053,226	970,084	849,331	879,116	913,915	938,003
CDBG Economic Developmnt Loans	15,181	12,729	9,703	9,775	8,299	6,194	6,577	5,135
Operating grants & contributions	516,325	84,449	141,721	319,519	332,857	336,905	495,329	1,007,384
Capital grants & contributions	27,490	0	0	0	581,598	158,498	0	0
Total business-type program revenues	52,859,614	57,733,481	64,433,532	74,725,795	78,150,456	84,067,724	88,421,394	93,473,457
Total primary government program revenues	\$57,427,890	\$60,455,050	\$67,442,653	\$78,125,262	\$81,665,841	\$87,356,634	\$93,516,670	\$97,392,982
Net (Expense)/Revenue								
Governmental activities	(\$9,355,371)	(\$13,371,507)	(\$12,508,272)	(\$13,216,882)	(\$13,587,482)	(\$13,824,291)	(\$11,821,601)	(\$13,949,028)
Business-type activities	5,498,256	5,711,117	5,777,176	9,123,436	6,575,615	5,458,255	5,782,324	4,969,990
Total primary government net expense	(\$3,857,115)	(\$7,660,390)	(\$6,731,096)	(\$4,093,446)	(\$7,011,867)	(\$8,366,036)	(\$6,039,277)	(\$8,979,038)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Taxes:								
City income tax	\$8,705,356	\$7,768,366	\$7,731,245	\$7,868,386	\$7,819,106	\$8,395,905	\$8,922,262	\$8,558,902
Property taxes	1,962,352	2,066,251	2,066,681	2,050,620	2,170,403	2,086,589	2,278,101	2,453,710
Estate taxes	973,344	823,816	564,448	1,158,307	873,090	592,046	556,440	814,161
Other taxes	112,598	106,280	106,986	115,202	112,158	111,250	100,392	104,711
Unrestricted grants and contributions	1,780,716	1,725,510	1,759,816	1,906,638	1,731,790	1,832,650	1,602,449	1,659,626
Investment earnings	858,612	1,296,950	1,112,213	744,456	445,165	319,307	531,694	996,876
Miscellaneous	300,511	279,087	191,324	313,302	256,092	226,942	328,328	327,119
Transfers	0	0	401,034	2,070	3,496	10,150	(341,268)	11,692
Loss on sale of land	0	(1,240,743)	0	0	0	0	0	0
Total governmental activities	14,693,489	12,825,517	13,933,747	14,158,981	13,411,300	13,574,839	13,978,398	14,926,797
Business-type activities:								
Investment earnings	2,713,991	4,341,922	4,053,449	2,742,342	1,588,243	1,187,190	2,179,390	3,427,836
Miscellaneous	0	15,155	15,489	100,151	172,623	197,648	133,727	216,142
Transfers	0	0	2,345	52,202	(3,496)	0	341,268	(11,692)
Special item - change in est plant closure cost	0	0	0	0	0	0	1,803,575	0
Total business-type activities	2,713,991	4,357,077	4,071,283	2,894,695	1,757,370	1,384,838	4,457,960	3,632,286
Total primary government	\$17,407,480	\$17,182,594	\$18,005,030	\$17,053,676	\$15,168,670	\$14,959,677	\$18,436,358	18,559,083
Changes in Net Assets								
Governmental activities	\$5,338,117	(\$545,991)	\$1,425,474	\$942,099	(\$176,183)	(249,452)	\$2,156,797	\$977,769
Business-type activities	8,212,248	10,068,195	9,848,460	12,018,131	8,332,986	6,843,093	10,240,284	8,602,276
Total primary government changes in Net Assets	\$13,550,365	\$9,522,204	\$11,273,934	\$12,960,230	\$8,156,803	\$6,593,641	\$12,397,081	\$9,580,045

Source: Respective comprehensive annual financial reports (Statements of Activities).

CITY OF WOOSTER, OHIO
FUND BALANCES
LAST EIGHT YEARS

Schedule 1.3
Governmental Activities
(modified accrual basis of accounting)

GENERAL FUND	1999	2000	2001	2002	2003	2004	2005	2006
Fund balances:								
Reserved for encumbrances	\$ 2,291,746	\$ 2,144,874	\$ 720,160	\$ 2,324,261	\$ 3,010,790	\$ 2,569,468	\$ 2,057,008	\$ 2,302,703
Unreserved	7,626,716	7,536,364	10,072,966	9,176,236	8,874,600	9,556,665	10,086,616	10,174,109
Total General Fund	9,918,462	9,681,238	10,793,126	11,500,497	11,885,390	12,126,133	12,143,624	12,476,812
OTHER GOVERNMENTAL FUNDS								
Fund balances:								
Reserved for encumbrances	328,001	1,228,807	2,092,946	1,164,251	1,633,323	1,046,174	2,502,300	1,449,792
Unreserved, reported in:								
Special revenue funds	3,469,135	2,451,536	2,810,185	2,024,455	1,901,392	1,993,488	2,141,344	2,141,711
Capital projects funds	4,005,806	4,995,497	4,467,254	4,209,665	2,750,575	1,733,902	1,667,698	1,301,761
Debt service funds	106,660	196,566	479,503	516,972	505,652	549,770	627,779	674,528
Total Other Governmental Funds	7,909,602	8,872,406	9,849,888	7,915,343	6,790,942	5,323,334	6,939,121	5,567,792
ALL GOVERNMENTAL FUNDS								
Fund balances:								
Reserved for encumbrances	2,619,747	3,373,681	2,813,106	3,488,512	4,644,113	3,615,642	4,559,308	3,752,495
Unreserved, reported in:								
General fund	7,626,716	7,536,364	10,072,966	9,176,236	8,874,600	9,556,665	10,086,616	10,174,109
Special revenue funds	3,469,135	2,451,536	2,810,185	2,024,455	1,901,392	1,993,488	2,141,344	2,141,711
Capital projects funds	4,005,806	4,995,497	4,467,254	4,209,665	2,750,575	1,733,902	1,667,698	1,301,761
Debt service funds	106,660	196,566	479,503	516,972	505,652	549,770	627,779	674,528
Total All Governmental Funds	\$ 17,828,064	\$ 18,553,644	\$ 20,643,014	\$ 19,415,840	\$ 18,676,332	\$ 17,449,467	\$ 19,082,745	\$ 18,044,604

Source: Respective comprehensive annual financial reports .

CITY OF WOOSTER, OHIO
CHANGES IN FUND BALANCES
LAST EIGHT YEARS

Schedule 1.4
Governmental Activities
(modified accrual basis of accounting)

	1999	2000	2001	2002	2003	2004	2005	2006
Revenues :								
Taxes	\$ 11,926,830	\$ 10,940,531	\$ 10,646,623	\$ 11,373,906	\$ 11,127,812	\$ 11,009,219	\$ 11,297,923	\$ 12,344,546
Intergovernmental	3,061,599	2,837,319	2,976,607	3,430,565	3,337,563	3,401,497	4,922,439	3,593,297
Charges for services	797,113	770,286	773,320	866,883	857,203	789,399	1,072,499	1,032,895
Special assessments	241,217	232,806	201,988	194,157	250,145	220,491	241,604	197,603
Fines, licenses, permits	451,555	477,195	532,200	618,004	629,018	586,873	588,341	520,367
Interfund services provided	828,504	920,623	1,006,130	1,013,651	1,248,397	1,257,604	1,657,452	1,504,907
Interest income	858,612	1,296,952	1,112,213	744,455	445,165	319,307	531,693	996,877
Contributions and donations	-	-	-	200,000	-	-	-	-
Miscellaneous	236,328	333,978	190,859	239,464	264,050	216,557	302,091	352,674
Total Revenues	18,401,758	17,809,690	17,439,940	18,681,085	18,159,353	17,800,947	20,614,042	20,543,166
Expenditures :								
Current operations :								
Safety services	6,786,010	7,094,767	7,286,204	7,887,889	8,202,817	8,723,587	8,625,843	9,406,095
Health and social services	133,327	136,155	141,727	142,208	140,855	132,275	137,883	142,851
Leisure services	1,416,319	1,630,780	1,650,906	1,732,620	1,783,469	1,661,124	1,702,485	1,839,067
Environment and development	559,360	688,943	691,724	1,097,016	1,091,022	1,137,281	1,047,612	1,288,681
Utility services	65,194	-	-	-	-	-	-	-
Transportation services	1,335,479	1,941,391	1,510,544	1,829,615	1,805,628	1,852,717	1,741,005	1,635,981
Administrative services	2,313,934	3,000,750	2,936,951	3,109,193	3,096,290	2,830,533	3,074,504	3,058,369
Capital expenditures	2,668,549	3,395,582	1,890,745	2,559,250	3,356,967	1,895,424	3,145,019	2,663,806
Debt service :								
Principal	547,235	229,597	517,804	2,186,199	1,690,840	624,667	344,337	1,353,408
Interest	184,821	164,798	156,499	177,400	160,972	180,355	167,152	190,049
Total Expenditures	16,010,228	18,282,763	16,783,104	20,721,390	21,328,860	19,037,963	19,985,840	21,578,307
Excess revenues over (under) expenditures	2,391,530	(473,073)	656,836	(2,040,305)	(3,169,507)	(1,237,016)	628,202	(1,035,141)
Other financing sources (uses) :								
Debt Issuance	405,453	1,198,653	1,161,993	1,169,951	2,420,000	-	1,000,000	-
Transfers in	3,112,090	-	1,049,740	807,143	901,772	490,150	1,884,959	1,447,341
Transfers (out)	(3,112,090)	-	(648,707)	(752,870)	(891,772)	(480,000)	(1,884,959)	(1,447,341)
Total other financing sources (uses)	405,453	1,198,653	1,563,026	1,224,224	2,430,000	10,150	1,000,000	-
Net changes in fund balances	\$ 2,796,983	\$ 725,580	\$ 2,219,862	\$ (816,081)	\$ (739,507)	\$ (1,226,866)	\$ 1,628,202	\$ (1,035,141)
Debt service as a percentage of noncapital expenditures	5.5%	2.6%	4.5%	13.0%	10.3%	4.7%	3.0%	8.2%

Source: Respective comprehensive annual financial reports

CITY OF WOOSTER, OHIO
WATER PRODUCTION AND DISTRIBUTION
SIGNIFICANT FINANCIAL INFORMATION
LAST TEN YEARS

Schedule 1.5.1
Business-type Services
(accrual basis of accounting)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Current Assets										
Cash & Investments	\$10,880,739	\$9,965,607	\$9,856,963	\$9,383,730	\$9,943,449	\$10,087,609	\$8,398,130	\$7,608,033	\$6,317,307	\$2,246,462
Other Current Assets	1,041,824	697,701	744,339	796,621	688,401	701,732	669,336	722,865	751,626	638,136
Total Current Assets	\$11,922,563	\$10,663,308	\$10,601,302	\$10,180,351	\$10,631,850	\$10,789,341	\$9,067,466	\$8,330,898	\$7,068,933	\$2,884,598
Noncurrent Assets										
Net Capital Assets	\$19,836,060	\$21,848,655	\$22,298,878	\$22,498,094	\$22,546,230	\$22,086,271	\$22,538,119	\$22,894,460	\$22,939,945	\$24,215,582
Total Assets	\$31,758,623	\$32,511,963	\$32,900,180	\$32,678,445	\$33,178,080	\$32,875,612	\$31,605,585	\$31,225,358	\$30,008,878	\$27,100,180
Current Liabilities - Note 1,2	\$4,327,970	\$7,567,498	\$7,779,403	\$7,530,559	\$5,474,216	\$5,532,705	\$4,868,185	\$5,109,343	\$2,984,551	\$1,586,083
Noncurrent Liabilities	9,906,147	9,241,032	8,532,434	7,756,905	9,651,737	8,775,983	7,911,090	6,992,885	6,060,652	5,032,601
Total Liabilities	\$14,234,117	\$16,808,530	\$16,311,837	\$15,287,464	\$15,125,953	\$14,308,688	\$12,779,275	\$12,102,228	\$9,045,203	\$6,618,684
Total Net Assets	\$17,524,506	\$15,703,433	\$16,588,343	\$17,390,981	\$18,052,127	\$18,566,924	\$18,826,310	\$19,123,130	\$20,963,675	\$20,481,496
Working Capital	\$ 7,594,593	\$ 3,095,810	\$ 2,821,899	\$ 2,649,792	\$ 5,157,634	\$ 5,256,636	\$ 4,199,281	\$ 3,221,555	\$ 4,084,382	\$ 1,298,515
Current Ratio	2.75	1.41	1.36	1.35	1.94	1.95	1.86	1.63	2.37	1.82
Capital Expenditures	\$8,050,264	\$2,728,646	\$1,366,312	\$1,179,190	\$1,090,786	\$734,527	\$1,496,317	\$1,428,742	\$972,072	\$2,206,764
Depreciation Expense	\$395,852	\$438,233	\$881,994	\$988,407	\$1,042,347	\$1,006,936	\$1,071,357	\$1,061,535	\$1,049,475	\$930,064
Long Term Debt	\$9,812,745	\$9,147,244	\$8,441,745	\$7,693,845	\$9,600,945	\$8,731,200	\$7,840,752	\$6,902,380	\$5,921,308	\$4,905,136
Principal Payments - Note 2	\$3,587,900	\$3,630,500	\$3,665,500	\$3,705,500	\$3,747,900	\$1,719,118	\$1,497,399	\$903,372	\$938,372	\$981,072
Interest Expense	\$678,216	\$637,212	\$581,332	\$579,629	\$558,414	\$598,074	\$435,077	\$393,713	\$364,600	\$323,451
Liabilities to Assets	44.82%	51.70%	49.58%	46.78%	45.59%	43.52%	40.43%	38.76%	30.14%	24.42%
Operating Results										
Total operating revenues	\$4,249,566	\$4,301,834	\$4,133,467	\$3,749,387	\$3,924,239	\$4,184,422	\$4,025,264	\$4,146,936	\$4,039,028	\$3,884,499
Total operating expenses	2,324,385	2,625,885	3,178,782	3,094,977	3,304,070	3,239,513	3,592,943	3,582,648	4,028,009	4,343,417
Operating income	1,925,181	1,675,949	954,685	654,410	620,169	944,909	432,321	564,288	11,019	(458,918)
Net non-operating revenues (expenses)-Note 1	216,803	(3,497,022)	(69,500)	135,757	38,632	(240,242)	(169,438)	(267,467)	(91,101)	(17,414)
Transfer and special item - Note 4	0	0	0	0	0	0	0	0	1,920,570	(5,846)
Change in Net Assets	\$2,141,984	(\$1,821,073)	\$885,185	\$790,167	\$658,801	\$704,667	\$262,883	\$296,820	\$1,840,488	(\$482,178)
Return on Assets from Operations	11.0%	10.7%	5.8%	3.8%	3.4%	5.1%	2.3%	3.0%	0.1%	-2.2%
CPI changes - Note 3	1.7%	1.6%	2.7%	3.4%	1.6%	2.4%	1.9%	3.3%	3.3%	3.2%
Personal services expenses	\$1,012,108	\$1,063,977	\$1,122,665	\$1,091,771	\$1,109,519	\$1,139,917	\$1,326,728	\$1,336,854	\$1,400,638	\$1,592,430
Personal services expenses as a % of total operating expenses	43.5%	40.5%	35.3%	35.3%	33.6%	35.2%	36.9%	37.3%	34.8%	36.7%

Source: Respective comprehensive annual financial reports

Note 1 - Includes \$3,430,475 estimated old water plant closure costs, 1998

Note 2 - Cash basis: Include bond anticipation notes of \$3,000,000 (1996-2000); \$626,218 (2001); \$628,005 (2002)

Note 3 - Bureau of Labor Statistics

Note 4 - Special Item is change in estimated plant closure costs of \$1,840,488

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CITY OF WOOSTER, OHIO
WATER POLLUTION CONTROL - COLLECTION AND TREATMENT
SIGNIFICANT FINANCIAL INFORMATION
LAST TEN YEARS

Schedule 1.5.2
Business-type Activities
(accrual basis of accounting)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Current Assets										
Cash & Investments	\$ 9,941,208	\$ 11,150,554	\$ 11,700,608	\$ 11,318,777	\$ 11,776,630	\$ 12,569,170	\$ 11,894,904	\$ 11,754,145	\$ 10,698,774	\$ 9,611,906
Other Current Assets	518,142	500,096	539,929	642,599	783,029	614,325	526,837	608,007	637,836	828,484
Total Current Assets	10,459,350	11,650,650	12,240,537	11,961,376	12,559,659	13,183,495	12,421,741	12,362,152	11,336,610	10,440,390
Noncurrent Assets										
Long Term Receivables	586,568	570,821	592,131	571,424	545,883	498,926	458,358	431,694	396,545	373,404
Net Capital Assets	13,234,525	12,526,730	12,840,538	13,508,448	13,250,037	12,807,772	13,362,129	12,438,501	14,654,805	25,942,126
Total Noncurrent Assets	13,821,093	13,097,551	13,432,669	14,079,872	13,795,920	13,306,698	13,820,487	12,870,195	15,051,350	26,315,530
Total Assets	\$ 24,280,443	\$ 24,748,201	\$ 25,673,206	\$ 26,041,248	\$ 26,355,579	\$ 26,490,193	\$ 26,242,228	\$ 25,232,347	\$ 26,387,960	\$ 36,755,920
Current Liabilities	\$ 475,246	\$ 487,573	\$ 810,224	\$ 659,011	\$ 509,420	\$ 384,730	\$ 310,253	\$ 305,366	\$ 1,464,240	\$ 1,854,040
Noncurrent Liabilities	1,188,029	915,748	679,933	382,881	112,135	93,692	76,020	75,774	641,599	11,361,268
Total Liabilities	1,663,275	1,403,321	1,490,157	1,041,892	621,555	478,422	386,273	381,140	2,105,839	13,215,308
Total Net Assets	\$ 22,617,168	\$ 23,344,880	\$ 24,183,049	\$ 24,999,356	\$ 25,734,024	\$ 26,011,771	\$ 25,855,955	\$ 24,851,207	\$ 24,282,121	\$ 23,540,612
Working Capital	\$9,984,104	\$11,163,077	\$11,430,313	\$11,302,365	\$12,050,239	\$12,798,765	\$12,111,488	\$12,056,786	\$9,872,370	\$8,586,350
Current Ratio	22.01	23.90	15.11	18.15	24.65	34.27	40.04	40.48	7.74	5.63
Capital Expenditures	\$676,928	\$212,548	\$1,146,403	\$1,666,474	\$886,620	\$749,425	\$1,511,253	\$527,515	\$3,225,518	\$11,739,199
Depreciation Expense	\$842,160	\$841,524	\$856,153	\$999,500	\$1,029,082	\$987,361	\$997,446	\$1,437,773	\$1,123,039	\$1,141,129
Long Term Debt	\$1,098,428	\$824,964	\$562,056	\$297,851	\$32,272	\$0	\$0	\$0	\$544,231	\$11,266,536
Principal Payments	\$0	\$0	\$261,102	\$262,908	\$263,915	\$275,255	\$42,095	\$0	\$0	\$0
Interest Expense	\$92,716	\$78,160	\$61,631	\$47,342	\$31,512	\$16,582	\$1,221	\$0	\$0	\$0
Liabilities to Assets	6.85%	5.67%	5.80%	4.00%	2.36%	1.81%	1.47%	1.51%	7.98%	35.95%
Operating Results										
Total operating revenues	\$3,900,802	\$3,115,681	\$3,349,179	\$3,272,430	\$3,657,451	\$3,738,552	\$3,381,481	\$3,221,098	\$3,465,790	\$3,254,976
Total operating expenses	3,205,678	2,948,276	3,023,034	3,274,070	3,590,372	3,650,335	3,777,200	4,404,277	4,404,335	4,504,781
Operating income	695,124	167,405	326,145	(1,640)	67,079	88,217	(395,719)	(1,183,179)	(938,545)	(1,249,805)
Net non-operating revenues (expenses)	524,996	555,161	517,569	817,947	667,589	411,614	239,903	178,431	369,515	508,296
Change in Net Assets	\$1,220,120	\$722,566	\$843,714	\$816,307	\$734,668	\$499,831	(\$155,816)	(\$1,004,748)	(\$569,030)	(\$741,509)
Return on Assets from Operations	3.07%	0.72%	1.35%	-0.01%	0.26%	0.34%	-1.53%	-4.76%	-3.87%	-5.31%
CPI changes	1.7%	1.6%	2.7%	3.4%	1.6%	2.4%	1.9%	3.3%	3.3%	3.2%
Personal services expenses as a % of total operating expenses	29.1%	31.1%	35.0%	29.7%	30.0%	29.6%	28.8%	27.4%	30.4%	32.4%

Source: Respective Comprehensive Annual Financial Reports

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CITY OF WOOSTER, OHIO
 STORM DRAINAGE UTILITY
 SIGNIFICANT FINANCIAL INFORMATION
 LAST TEN YEARS

Schedule 1.5.3
 Business-type Activities
 (accrual basis of accounting)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Current Assets										
Cash & Investments	\$ 1,573,246	\$ 1,637,682	\$ 1,582,112	\$ 1,598,462	\$ 4,115,413	\$ 4,321,205	\$ 2,716,143	\$ 1,873,930	\$ 1,611,189	\$ 513,901
Other Current Assets	68,188	75,107	79,307	99,933	120,349	139,953	125,568	144,265	140,094	157,108
Total Current Assets	1,641,434	1,712,789	1,661,419	1,698,395	4,235,762	4,461,158	2,841,711	2,018,195	1,751,283	671,009
Noncurrent Assets										
Net Capital Assets	2,718,171	2,836,108	3,057,388	3,210,737	3,564,866	3,903,684	5,595,014	6,250,833	7,179,293	7,999,559
Total Assets	\$ 4,359,605	\$ 4,548,897	\$ 4,718,807	\$ 4,909,132	\$ 7,800,628	\$ 8,364,842	\$ 8,436,725	\$ 8,269,027	\$ 8,930,576	\$ 8,670,568
Current Liabilities										
Current Liabilities	\$ 15,928	\$ 19,819	\$ 28,834	\$ 43,190	\$ 758,335	\$ 773,630	\$ 309,589	\$ 257,424	\$ 622,829	\$ 233,237
Noncurrent Liabilities	148,390	135,800	125,061	125,061	2,078,455	2,069,380	2,068,591	1,879,331	1,764,868	1,632,087
Total Liabilities	164,318	155,619	153,895	168,251	2,836,790	2,843,010	2,378,180	2,136,755	2,387,697	1,865,324
Total Net Assets	\$ 4,195,287	\$ 4,393,278	\$ 4,564,912	\$ 4,740,881	\$ 4,963,838	\$ 5,521,832	\$ 6,058,545	\$ 6,132,272	\$ 6,542,879	\$ 6,805,244
Working Capital										
Working Capital	\$ 1,625,506	\$ 1,692,970	\$ 1,632,585	\$ 1,655,205	\$ 3,477,427	\$ 3,687,528	\$ 2,532,122	\$ 1,760,770	\$ 1,128,454	\$ 437,772
Current Ratio	103.05	86.42	57.62	39.32	5.59	5.77	9.18	7.84	2.81	2.88
Capital Expenditures										
Capital Expenditures	\$ 273,024	\$ 211,012	\$ 326,735	\$ 282,297	\$ 451,374	\$ 408,175	\$ 1,795,884	\$ 862,723	\$ 821,634	\$ 977,064
Depreciation Expense	\$ 99,064	\$ 96,214	\$ 112,133	\$ 128,948	\$ 134,428	\$ 134,586	\$ 166,923	\$ 239,970	\$ 224,050	\$ 213,091
Long Term Debt										
Long Term Debt	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,982,910	\$ 1,860,197	\$ 1,732,485	\$ 1,599,772
Principal Payments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,701,967	\$ 2,790,163	\$ 122,712	\$ 122,712	\$ 127,712
Interest Expense	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,649	\$ 64,424	\$ 56,583	\$ 16,983	\$ 67,933	\$ 65,058
Liabilities to Net Assets	3.92%	3.54%	3.37%	3.55%	57.15%	51.49%	39.25%	34.84%	36.49%	27.41%
Operating Results										
Total operating revenues	\$416,195	\$433,099	\$434,446	\$432,416	\$525,220	\$748,661	\$813,934	\$816,866	\$814,463	\$869,141
Total operating expenses	313,230	325,392	344,764	376,714	396,850	313,714	608,834	707,792	694,813	591,865
Operating income	102,965	107,707	89,682	55,702	128,370	434,947	205,100	109,074	119,650	277,276
Net non-operating revenues (expense)	97,428	90,284	81,952	120,267	94,587	100,975	331,613	(35,347)	290,957	(14,912)
Change in Net Assets	\$200,393	\$197,991	\$171,634	\$175,969	\$222,957	\$535,922	\$536,713	\$73,727	\$410,607	\$262,364
Return on Assets from Operations	2.45%	2.45%	1.96%	1.17%	2.59%	7.88%	3.39%	1.78%	1.83%	4.07%
CPI changes	1.7%	1.6%	2.7%	3.4%	1.6%	2.4%	1.9%	3.3%	3.3%	3.2%
Personal services expenses as a % of total operating expenses	24.96%	25.11%	25.28%	26.85%	33.02%	10.25%	36.96%	38.44%	40.97%	39.61%

Source: Respective Comprehensive Annual Financial Reports

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City of Wooster, Ohio
 Wooster Community Hospital
 Significant Statistical & Financial Information
 Last Ten Years

Schedule 1.5.4
 Business-type Services
 (accrual basis of accounting)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Change in Net Assets										
Statement Summary										
Total Gross Revenue	\$52,672,238	\$55,284,338	\$54,951,348	\$62,875,341	\$69,808,361	\$84,391,398	\$91,762,398	\$102,188,549	\$111,372,640	\$121,402,518
Less: Deductions	(9,260,304)	(11,571,107)	(11,142,764)	(13,689,887)	(14,740,112)	(19,640,490)	(23,297,774)	(27,444,467)	(32,582,138)	(37,768,749)
Net Revenue	43,411,934	43,713,231	43,808,584	49,185,454	55,068,249	64,750,908	68,464,624	74,744,082	78,790,502	83,633,769
Total Operating Costs	36,336,717	37,859,217	38,825,966	42,843,550	48,108,513	55,706,370	61,094,025	67,125,463	71,621,862	77,314,826
Operating Income	7,075,217	5,854,014	4,982,618	6,341,904	6,959,736	9,044,538	7,370,599	7,618,619	7,168,640	6,318,943
Non-operating Income (Expense)	1,418,916	1,456,922	845,535	1,610,843	1,195,610	649,629	87,308	(515,414)	1,398,810	2,159,987
Change in Net Assets	\$8,494,133	\$7,310,936	\$5,828,153	\$7,952,747	\$8,155,346	\$9,694,167	\$7,457,907	\$7,103,205	\$8,567,450	\$8,478,930
Balance Sheet Information										
Cash Balances:										
Days Operating Cash on Hand	107.09	74.04	70.23	78.13	92.83	72.42	68.19	44.17	52.40	46.00
Operating Fund	\$9,997,108	\$7,161,220	\$6,910,440	\$8,475,979	\$11,412,086	\$10,341,454	\$10,649,707	\$7,521,837	\$9,476,957	\$8,945,304
Plant Fund	\$22,973,951	\$24,292,116	\$26,919,336	\$34,209,501	\$37,553,694	\$42,021,271	\$44,567,931	\$49,157,316	\$45,717,851	\$48,233,897
Restricted Cash Funds	\$1,038,017	\$1,382,319	\$1,700,546	\$1,672,343	\$1,706,021	\$1,560,495	\$1,486,054	\$1,177,342	\$1,203,605	\$1,302,686
Total Cash & Investments	\$34,009,076	\$32,835,655	\$35,530,322	\$44,357,823	\$50,671,801	\$53,923,220	\$56,703,692	\$57,856,495	\$56,398,413	\$58,481,887
Accounts Receivable	\$10,645,518	\$10,673,232	\$10,631,427	\$12,891,580	\$13,307,255	\$15,331,275	\$16,038,823	\$16,520,196	\$16,144,548	\$17,184,188
Days Outstanding	74.46	73.37	73.92	76.03	68.50	66.27	63.73	62.35	54.90	56.30

Source: Wooster Community Hospital Monthly Board Reports

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City of Wooster, Ohio
Income Tax Gross Receipts (Note 1)
Last Ten Years

Schedule 2.1
General Fund

Income Tax Base	1997	1998	1999	2000
Estimated Personal Income	\$463,942,918	\$476,438,849	\$493,970,559	\$533,560,555

Income Tax Receipts	1997	1998	1999	2000
Income Tax Receipts:				
Withholding	\$5,919,767	\$6,223,398	\$7,326,656	\$6,440,639
Corporate	938,821	1,003,701	1,018,641	940,283
Individuals	601,814	665,842	700,884	679,240
Total Income Tax Receipts	\$7,460,402	\$7,892,941	\$9,046,182	\$8,060,162

Income Tax Principal Payers	1997	1998	1999	2000
Industrial	44.4%	41.4%	45.9%	39.1%
Education/Government	10.0%	11.7%	11.1%	13.3%
Services	9.6%	10.4%	9.2%	10.1%
Retail	9.7%	10.0%	8.8%	9.0%
Medical	6.9%	7.5%	7.0%	8.4%
Construction	4.2%	4.2%	3.9%	4.4%
Financial	3.7%	5.2%	4.3%	4.3%
Oil	1.9%	1.6%	1.6%	1.9%
Restaurants	1.6%	1.9%	1.8%	2.1%
Miscellaneous	8.0%	6.1%	6.4%	7.4%
	100.0%	100.0%	100.0%	100.0%

Source: City Finance Department records.

Note 1 - Tax rate is 1.0% of taxable income as defined by city ordinance.

2001	2002	2003	2004	2005	2006	'97-'06
\$551,646,602	\$563,443,816	\$580,662,193	\$598,205,752	\$630,938,440	\$655,927,860	141.4%

2001	2002	2003	2004	2005	2006	% Change '97-'06
\$6,633,878	\$6,735,400	\$6,723,310	\$6,835,582	\$6,772,165	\$7,010,331	118.4%
866,185	703,086	639,578	630,991	895,922	1,177,943	125.5%
610,980	665,755	645,084	606,120	842,616	859,858	142.9%
\$8,111,043	\$8,104,240	\$8,007,972	\$8,072,693	\$8,510,703	\$9,048,132	121.3%

2001	2002	2003	2004	2005	2006	% Change '97-'06
36.9%	34.2%	33.0%	31.6%	28.2%	28.4%	(35.9%)
14.6%	17.4%	17.8%	18.5%	18.0%	18.0%	79.7%
10.6%	11.1%	12.0%	11.7%	12.3%	11.9%	23.6%
9.3%	8.6%	9.0%	8.6%	9.1%	8.1%	(16.9%)
9.0%	7.1%	7.1%	7.1%	8.2%	6.9%	(.1%)
4.8%	4.9%	4.7%	4.1%	4.1%	5.1%	21.2%
4.3%	3.9%	4.3%	4.6%	5.0%	4.9%	32.4%
2.0%	2.2%	2.3%	2.4%	2.8%	2.7%	42.1%
2.2%	2.3%	2.3%	2.0%	2.2%	1.9%	16.3%
6.3%	8.3%	7.5%	9.4%	10.1%	12.2%	52.9%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

**CITY OF WOOSTER, OHIO
SCHEDULE OF ASSESSED VALUATION
ESTIMATED TRUE VALUE
LAST TEN YEARS**

**Schedule 2.2.1
(\$ 000 omitted)**

Property Tax Base

Tax Year/Collection Year	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007
Assessed Value										
Real Property	\$336,429	\$352,489	\$376,452	\$383,712	\$392,592	\$419,524	\$437,860	\$452,095	\$506,446	\$512,297
Public Utility Property	15,712	16,077	14,373	15,113	10,291	10,602	10,432	12,800	12,828	12,853
Tangible Personal Property	105,015	114,342	123,488	128,468	123,315	117,373	111,693	110,886	106,247	106,247
Total	\$457,156	\$482,908	\$514,313	\$527,293	\$526,198	\$547,499	\$559,985	\$575,781	\$625,521	\$631,397
Estimated Actual Value										
Real Property	\$961,225	\$1,007,111	\$1,075,577	\$1,096,320	\$1,121,690	\$1,198,640	\$1,251,029	\$1,291,700	\$1,446,989	\$1,463,706

Sources: Wayne County Auditor

Building Permit Activity

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Commercial permits	112	114	77	107	103	94	113	105	106	125
Value of commercial permits	\$26,583	\$19,752	\$14,580	\$25,936	\$52,796	\$32,871	\$30,789	\$36,196	\$62,722	\$38,842
Residential permits	192	199	185	151	169	197	228	219	188	131
Value of residential permits	\$9,880	\$9,945	\$8,471	\$8,048	\$8,643	\$15,917	\$18,586	\$19,840	\$26,017	\$10,990
Total permits	304	313	262	258	272	291	341	324	294	256
Total value of permits issued	\$36,463	\$29,697	\$23,051	\$33,984	\$61,439	\$48,788	\$49,375	\$56,036	\$88,739	\$49,832

Source: City Building Standards Division.

**CITY OF WOOSTER, OHIO
PROPERTY TAX RATES DIRECT
AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS**

**Schedule 2.2.2
(Mills per \$1.00 valuation)**

Property Tax Rates

Tax Year/Collection Year	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007
County levy	8.35	8.35	8.75	8.75	8.75	8.75	8.75	9.65	9.65	9.65
School levy	62.15	59.15	65.20	65.20	65.20	65.20	65.20	71.70	72.10	72.10
Vocational school	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
Mental Health	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City levy	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20
Library	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.25	1.25
Total levy	80.80	77.80	84.25	84.25	84.25	84.25	84.25	91.65	92.30	92.30
Debt service:										
Included in city levy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Included in total levy	6.80	3.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Source: Wayne County Auditor

**CITY OF WOOSTER, OHIO
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

Schedule 2.2.3

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Principal Payers	2006			1997		
	RANK	ASSESSED VALUATION (\$000 omitted)	PERCENTAGE OF TOTAL ASSESSED VALUATION	RANK	ASSESSED VALUATION (\$000 omitted)	PERCENTAGE OF TOTAL ASSESSED VALUATION
Wooster Brush	1	\$12,784	2.09%	4	9,784	2.14%
Gerstenlager Co.	2	10,385	1.70%	5	8,196	1.79%
Ohio Power	3	8,589	1.40%	6	8,169	1.79%
Luk Clutch Systems LLC	4	7,514	1.23%	-	-	-
Luk	5	6,019	0.98%	2	10,505	2.30%
Bosch Rexroth Corp	6	5,568	0.91%	3	10,376	2.27%
Insite Wooster LLC	7	5,558	0.91%	-	-	-
Frito Lay Inc	8	4,542	0.74%	10	4,101	0.90%
Lowe's	9	3,402	0.56%	-	-	-
Premier Farnell Corp	10	3,380	0.55%	-	-	-
Newell/Rubbermaid	-	-	-	1	29,755	6.51%
United Telephone	-	-	-	7	5,304	1.16%
Wayne Steel	-	-	-	8	4,658	1.02%
Wooster Associates	-	-	-	9	4,416	0.97%
Total of Above		<u>\$67,741</u>	11.07%		<u>\$95,264</u>	20.84%
Total Assessed Valuation of City		\$611,807			\$457,156	

Source: Wayne County Auditor

**CITY OF WOOSTER, OHIO
SCHEDULE OF PROPERTY TAX, TANGIBLE TAX, SPECIAL ASSESSMENTS
LEVIED/BILLED AND COLLECTED
LAST TEN YEARS**

Schedule 2.2.4

(\$ 000 omitted)

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	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
PROPERTY TAX										
Real and public property:										
Net tax levy	1,419	1,548	1,659	1,641	1,741	1,769	1,925	1,995	2,107	2,392
Current collections	1,398	1,448	1,501	1,594	1,625	1,620	1,733	1,774	1,857	1,972
Percentage of current collection to net levy	99%	94%	90%	97%	93%	92%	90%	89%	88%	82%
Delinquent collections	18	23	30	24	26	35	38	53	37	32
Total Collections	1,416	1,471	1,531	1,618	1,651	1,655	1,771	1,827	1,894	2,004
Percentage of total collections to net levy	100%	95%	92%	99%	95%	94%	92%	92%	90%	84%
TANGIBLE TAX										
Billed	474	480	520	541	516	504	481	477	508	372
Collected	458	471	506	533	507	481	470	429	498	365
Percentage collected	97%	98%	97%	99%	98%	95%	98%	90%	98%	98%
Delinquent	16	9	14	8	9	23	12	49	13	8
SPECIAL ASSESSMENTS										
Billed	200	165	274	380	361	423	515	315	466	400
Collected	197	156	253	329	304	342	448	248	443	359
Percentage collected	99%	95%	92%	87%	84%	81%	87%	79%	95%	90%
Delinquent	3	9	21	51	57	81	70	63	23	41

Source: Wayne County Auditor

CITY OF WOOSTER, OHIO
WATER PRODUCTION & DISTRIBUTION
REVENUE RELATED INFORMATION, LAST EIGHT YEARS

Schedule 2.3.1
Business-type Activities
(accrual basis of accounting)

	1999	2000	2001	2002	2003	2004	2005	2006
WATER RATES PER THOUSAND GALLONS*								
Minimum Charge**	\$9.38	\$9.38	\$9.38	\$9.38	\$9.38	\$9.38	\$9.38	\$9.38
Next 17 Thousand Gallons	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63
Next 1,980 Thousand Gallons	\$3.21	\$3.21	\$3.21	\$3.21	\$3.21	\$3.21	\$3.21	\$3.21
Each Additional Thousand Gallons	\$0.95	\$0.95	\$0.95	\$0.95	\$0.95	\$0.95	\$0.95	\$0.95
CUSTOMER COUNTS:								
Residential	7,764	7,880	8,023	8,166	8,309	8,453	8,599	8,681
Industrial	54	55	55	56	57	58	58	58
Commercial	627	635	644	653	662	671	678	684
Institutional	160	166	168	171	174	177	177	175
Totals	8,605	8,736	8,890	9,046	9,202	9,359	9,512	9,598
BILLINGS BY CUSTOMER TYPE:								
Residential	2,272,984	2,051,212	2,226,696	2,259,992	2,218,644	2,237,141	2,267,715	2,208,462
Industrial	413,463	361,883	461,004	553,223	419,171	361,229	320,098	284,815
Commercial	550,571	481,995	650,837	677,403	654,798	692,631	732,838	661,607
Institutional	558,178	534,582	551,523	577,744	503,129	521,498	557,428	518,767
Totals	3,795,196	3,429,672	3,890,060	4,068,362	3,795,742	3,812,499	3,878,079	3,673,652
USAGE (in thousands of gallons) BY CUSTOMER TYPE:								
Residential	516,766	482,504	523,059	529,777	514,314	516,625	522,126	504,216
Industrial	107,873	97,536	166,698	250,841	125,973	99,351	87,410	69,594
Commercial	125,622	111,818	155,688	160,319	143,819	152,719	162,434	151,081
Institutional	132,271	126,234	123,216	123,025	109,601	114,879	127,889	112,152
Totals	882,532	818,092	968,661	1,063,962	893,707	883,574	899,859	837,043

Source: City Finance Department - Utility Billing

* Rates are those in effect at year end.

** Residential minimum charge includes 2,000 gallons of usage

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CITY OF WOOSTER, OHIO
WATER POLLUTION CONTROL (SANITARY SEWER)
REVENUE RELATED INFORMATION, LAST EIGHT YEARS

Schedule 2.3.2
Business-type Activities
(accrual basis of accounting)

	1999	2000	2001	2002	2003	2004	2005	2006
SANITARY SEWER RATES:								
Minimum Charge	\$5.01	\$5.01	\$5.01	\$5.01	\$5.01	\$5.01	\$5.01	\$5.01
Per Thousand Gallons**	\$1.97	\$1.97	\$1.97	\$1.97	\$1.97	\$1.97	\$1.97	\$1.97
COD (chemical oxygen demand)	\$0.09530	\$0.09530	\$0.09530	\$0.09530	\$0.09530	\$0.09530	\$0.09530	\$0.09530
SS (suspended solids)	\$0.25015	\$0.25015	\$0.25015	\$0.25015	\$0.25015	\$0.25015	\$0.25015	\$0.25015
CUSTOMER COUNTS:								
Residential	8,805	8,912	9,006	9,048	9,094	9,468	9,617	9,700
Industrial	57	57	57	57	57	57	57	57
Commercial	659	667	677	687	697	706	714	721
Institutional	193	207	206	203	200	199	199	199
Totals	9,714	9,843	9,946	9,995	10,048	10,430	10,587	10,677
BILLINGS BY CUSTOMER TYPE:								
Residential	1,745,449	1,636,390	1,769,966	1,790,646	1,777,704	1,792,446	1,810,075	1,782,993
Industrial	579,542	574,859	478,555	461,451	341,077	337,438	503,844	422,315
Commercial	325,698	296,589	386,548	407,847	370,254	390,076	409,678	396,889
Institutional	279,058	261,558	282,350	294,472	287,547	296,524	326,650	292,468
Totals	2,929,747	2,769,396	2,917,419	2,954,416	2,776,582	2,816,484	3,050,247	2,894,665
USAGE (in thousands of gallons) BY CUSTOMER TYPE:								
Residential	503,920	474,633	515,815	522,547	510,072	513,173	517,396	499,669
Industrial	279,443	278,980	213,487	219,393	157,827	156,136	241,024	199,236
Commercial	125,221	112,495	150,780	161,186	139,061	147,248	158,363	148,181
Institutional	110,220	103,747	112,020	115,613	110,656	114,435	128,936	112,872
Totals	1,018,804	969,855	992,102	1,018,739	917,616	930,992	1,045,719	959,958

Source: City Finance Department - Utility Billing

* Rates are those in effect at year end

** Based on metered water usage

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CITY OF WOOSTER, OHIO
 STORM DRAINAGE UTILITY
 REVENUE RELATED INFORMATION
 LAST EIGHT YEARS

Schedule 2.3.3
 Business-type Activities
 (accrual basis of accounting)

	1999	2000	2001	2002	2003	2004	2005	2006
STORM DRAINAGE RATES*								
Per ESU**	\$2.90	\$2.90	\$4.80	\$4.80	\$4.80	\$4.80	\$4.80	\$4.80
CUSTOMER COUNTS*:								
Residential	7,242	7,371	7,512	7,653	7,794	7,935	8,092	8,184
Industrial	38	40	42	45	47	49	49	49
Commercial	461	468	475	482	490	498	508	510
Institutional	87	90	90	89	88	88	136	131
Totals	7,828	7,969	8,119	8,269	8,419	8,570	8,785	8,874
BILLINGS BY CUSTOMER TYPE:								
Residential	222,358	206,128	265,321	383,816	390,685	400,439	404,757	411,527
Industrial	64,728	59,369	76,307	108,342	108,331	122,197	128,356	129,197
Commercial	94,022	85,899	110,274	161,215	165,903	175,813	182,705	238,524
Institutional	37,216	36,530	52,346	71,834	68,005	36,494	67,936	93,267
Totals	418,324	387,925	504,248	725,207	732,924	734,943	783,754	872,515
ESU's BY CUSTOMER TYPE								
Residential	6,390	5,923	7,624	11,029	11,227	11,507	7,027	7,151
Industrial	1,860	1,706	2,193	3,113	3,113	3,511	2,228	2,243
Commercial	2,702	2,468	3,169	4,633	4,767	5,052	3,172	4,229
Institutional	1,069	1,050	1,504	2,064	1,954	1,049	1,179	1,608
Totals	12,021	11,147	14,490	20,839	21,061	21,119	13,606	15,231

Source: City Finance Department - Utility Billing
 * Rates are those in effect at year end.
 ** ESU's (Equivalent Service Units)

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CITY OF WOOSTER, OHIO
 REFUSE COLLECTION
 REVENUE RELATED INFORMATION
 LAST EIGHT YEARS

Schedule 2.3.4
 Business-type Activities
 (accrual basis of accounting)

	1999	2000	2001	2002	2003	2004	2005	2006
REFUSE COLLECTION RATES*								
Regular	9.99	12.40	12.40	9.50	9.50	10.05	10.05	10.05
Senior	8.14	10.26	10.26	8.25	8.25	8.70	8.70	8.70
CUSTOMER COUNTS:								
Residential:								
Regular	5,951	5,828	5,874	6,036	6,092	6,137	6,210	6,471
Senior	1,443	1,595	1,655	1,586	1,601	1,613	1,600	1,565
Totals	7,394	7,423	7,529	7,622	7,693	7,750	7,810	8,036
REVENUE BY CUSTOMER TYPE:								
Residential:								
Regular	745,787	732,760	861,200	786,054	695,890	724,639	752,605	781,348
Senior	109,353	160,348	195,893	178,419	152,607	154,414	158,309	161,730
Totals	855,139	893,108	1,057,093	964,473	848,497	879,053	910,915	943,078

Source: City Finance Department - Utility Billing
 * Rates are those in effect at year end.

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**CITY OF WOOSTER, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS**

Schedule 3.1

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Governmental Activities:										
General Obligation Bonds	\$ 1,315,327	\$ 1,184,011	\$ 1,026,587	\$ 882,797	\$ 739,407	\$ 596,467	\$ 2,733,017	\$ 2,508,669	\$ 2,284,851	\$ 2,062,688
General Obligation Notes	989,610	872,699	655,881	645,545	1,560,852	1,053,157	0	0	0	2,000,000
Special Assessment Bonds	1,251,228	1,199,678	1,561,455	1,485,984	1,408,406	1,385,629	1,376,239	1,273,614	1,169,109	1,054,222
Special Assessment Notes	0	0	0	70,653	302,502	237,023	56,329	50,970	45,290	39,269
Land Debt	0	0	0	1,128,000	846,000	564,000	282,000	0	0	0
OPWC Loans	0	0	0	0	0	0	114,535	104,199	93,863	83,526
Business-Type Activities:										
General Obligation Bonds	14,895,424	13,709,197	12,468,117	11,162,181	12,828,991	11,060,945	11,756,200	10,255,700	8,700,200	7,602,000
General Obligation Notes	3,000,000	3,000,000	3,000,000	3,000,000	3,338,008	3,347,535	0	0	0	0
OPWC Loans	0	0	0	0	0	0	83,546	78,254	62,378	51,793
OWDA Loans	169,994	145,194	119,092	91,620	62,705	32,272	0	0	544,231	11,521,274
Total Primary Government:	\$ 21,621,583	\$ 20,110,779	\$ 18,831,132	\$ 18,466,780	\$ 21,086,871	\$ 18,277,028	\$ 16,401,866	\$ 14,271,406	\$ 12,899,922	\$ 24,414,772
Percentage of Personal Income	4.99%	4.51%	4.06%	3.46%	3.82%	3.24%	2.82%	2.39%	2.04%	3.72%
Per Capita	\$ 905	\$ 831	\$ 769	\$ 744	\$ 843	\$ 726	\$ 645	\$ 553	\$ 493	\$ 924

Source: City Finance Department

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**CITY OF WOOSTER, OHIO
DIRECT AND OVERLAPPING DEBT
AS OF DECEMBER 31, 2006
(\$000 omitted)**

Schedule 3.2

	Assessed Valuation (1)	Net General Tax Supported Debt (2)	Percent Overlapping (A)	Total Applicable to City of Wooster
City of Wooster	\$ 611,807	\$ 2,063	100.00%	\$ 2,063
Wooster City Schools	\$ 701,501	\$ 25,171	87.21%	\$ 21,953
Wayne County	\$ 2,198,442	\$ 10,654	27.83%	\$ 2,965
Total		\$ 37,887		\$ 26,980

Explanation:

(A) Calculations are based on the relative percentages of assessed valuations.

Sources:

- (1) Wayne County, Ohio; County Auditor
- (2) Fiscal Offices of Subdivision

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	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General bonded debt outstanding:										
General Obligation Bonds	\$ 16,210,751	\$ 14,879,974	\$ 13,494,704	\$ 12,044,978	\$ 13,568,398	\$ 11,657,412	\$ 14,489,217	\$ 12,764,369	\$ 10,985,051	\$ 11,664,688
Percent of estimated actual property value	3.546%	3.081%	2.794%	2.284%	2.579%	2.129%	2.587%	2.217%	1.756%	1.847%
Per capita	\$ 678.50	\$ 615.00	\$ 560.78	\$ 485.47	\$ 542.69	\$ 462.89	\$ 569.99	\$ 494.72	\$ 419.82	\$ 441.66
Special Assessment Bonds	\$ 1,251,228	\$ 1,212,912	\$ 1,561,455	\$ 1,485,984	\$ 1,408,406	\$ 1,324,245	\$ 1,376,239	\$ 1,273,614	\$ 1,169,109	\$ 1,054,222
Promissory Notes	\$ 4,159,604	\$ 4,147,210	\$ 3,774,973	\$ 4,935,818	\$ 6,110,067	\$ 5,295,371	\$ 5,364,410	\$ 228,131	\$ 201,531	\$ 174,588
Total Gross Indebtedness	\$ 21,621,583	\$ 20,240,096	\$ 18,831,132	\$ 18,466,780	\$ 21,086,871	\$ 18,277,028	\$ 16,401,866	\$ 14,266,114	\$ 12,355,691	\$ 12,893,498
Percentage of personal income	5.401%	4.914%	4.397%	3.602%	3.978%	3.376%	2.939%	2.721%	2.234%	2.243%
Per capita	\$ 904.97	\$ 836.54	\$ 768.59	\$ 744.30	\$ 843.41	\$ 725.74	\$ 645.23	\$ 552.93	\$ 472.20	\$ 488.19
Less debt outside limitations:										
General Obligation Bonds	\$ 14,895,424	\$ 13,709,197	\$ 12,468,117	\$ 11,162,181	\$ 12,828,991	\$ 11,060,845	\$ 11,756,200	\$ 10,255,700	\$ 8,700,200	\$ 9,602,003
Special Assessment Debt	\$ 1,251,228	\$ 1,212,912	\$ 1,561,455	\$ 1,566,637	\$ 1,710,908	\$ 1,622,652	\$ 1,432,568	\$ 1,324,584	\$ 1,214,399	\$ 1,093,492
Promissory Notes	\$ 3,169,994	\$ 3,307,100	\$ 3,274,973	\$ 4,338,988	\$ 4,391,921	\$ 4,068,678	\$ 480,081	\$ 177,161	\$ 156,241	\$ 135,318
Less debt service fund balance	\$ 73,944	\$ 90,368	\$ 106,660	\$ 196,566	\$ 479,503	\$ 516,972	\$ 505,652	\$ 549,770	\$ 627,779	\$ 674,528
Net debt within limitations for both Voted and Unvoted debt	\$ 2,230,993	\$ 1,920,519	\$ 1,419,927	\$ 1,212,398	\$ 1,695,548	\$ 1,007,781	\$ 2,227,365	\$ 1,958,899	\$ 1,657,072	\$ 1,388,157
Debt Limitation for Voted and Unvoted debt 10.5% of assessed valuation	\$ 48,001,000	\$ 50,705,000	\$ 54,003,000	\$ 55,366,000	\$ 56,251,000	\$ 57,487,000	\$ 58,798,000	\$ 60,457,005	\$ 65,679,705	\$ 66,296,685
Legal debt margin for Voted and Unvoted debt	\$ 45,770,007	\$ 48,784,481	\$ 52,583,073	\$ 54,153,602	\$ 53,555,452	\$ 56,479,219	\$ 56,570,635	\$ 58,498,106	\$ 64,022,633	\$ 64,908,528
Net debt within limitations for both voted and unvoted debt as a percentage of debt limit	4.648%	3.788%	2.629%	2.190%	3.051%	1.753%	3.788%	3.240%	2.523%	2.094%
Net debt within limitations for both Voted and Unvoted debt	\$ 2,230,993	\$ 1,920,519	\$ 1,419,927	\$ 1,212,398	\$ 1,695,548	\$ 1,007,781	\$ 2,227,365	\$ 1,958,899	\$ 1,657,072	\$ 1,388,157
Less voted debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net debt within limitations for Unvoted debt	\$ 2,230,993	\$ 1,920,519	\$ 1,419,927	\$ 1,212,398	\$ 1,695,548	\$ 1,007,781	\$ 2,227,365	\$ 1,958,899	\$ 1,657,072	\$ 1,388,157
Debt limitation for Unvoted debt 5.5% of assessed valuation	\$ 25,144,000	\$ 26,560,000	\$ 28,287,000	\$ 29,001,000	\$ 28,941,000	\$ 30,112,000	\$ 30,799,000	\$ 31,667,955	\$ 34,403,655	\$ 34,726,835

CITY OF WOOSTER, OHIO
DEMOGRAPHICS
LAST TEN YEARS

Schedule 4.1

	Population(1)	Total Personal Income(2)	Median Family Income(1)	Per Capita Income(2)	Unemployment Rate(3)		
					Wayne County	State of Ohio	City Square Miles (4)
1997	23,892	433,009,207	39,709	18,123	4.2	4.6	14.410
1998	24,195	445,480,298	40,342	18,412	3.3	4.3	14.473
1999	24,501	463,296,893	41,431	18,909	3.5	4.3	15.428
2000	24,811	533,560,555	47,118	21,505	3.3	4.1	15.767
2001	25,002	551,646,602	48,343	22,064	3.9	4.3	15.772
2002	25,184	563,443,816	49,020	22,373	4.7	5.7	15.872
2003	25,420	580,662,193	50,049	22,843	4.8	6.1	15.910
2004	25,801	598,205,752	50,800	23,185	4.5	5.9	16.264
2005	26,166	630,938,440	52,832	24,113	5.0	6.0	16.282
2006	26,411	655,927,860	54,415	24,835	4.6	5.5	17.121

Sources:

- (1) Wooster Planning Division estimates 1997-1999, 2001-2006; U.S. Census Bureau 2000
- (2) Wooster Finance Department estimates 1997-1999, 2001-2006; U.S. Census Bureau 2000.
- (3) For years 1997-2002 City of Wooster Official Statements issued 2001 & 2003; for years 2003-2006 Ohio Dept. of Job and Family Services
- (4) City Engineer's annual report

**CITY OF WOOSTER, OHIO
ECONOMIC INDICATORS
FULL-TIME EQUIVALENTS - TOP TEN EMPLOYERS
1997 COMPARED TO 2006**

Schedule 4.2

Employer	Nature of Activity	Number of Full-time Equivalent Employees		
		1997	2006	% of Total Employment
Luk, Inc	Auto Parts Fabricator	500	1,003	7.4%
The City of Wooster	Government/Hospital	600	876	6.5%
The County of Wayne	Government	800	843	6.3%
College of Wooster	Education	650	623	4.6%
Wooster Brush Company	Manuf. Paint Applicators	500	556	4.1%
Wal-Mart Associates, Inc	Retail	0	520	3.9%
Worthington Industries	Auto Parts Fabricator	1,000	515	3.8%
Wooster City Schools	Education	500	500	3.7%
Cleveland Clinic Foundation	Medical Care	0	374	2.8%
Akron Brass	Manuf. Fire Fighting Equip	0	266	2.0%
Totals		4,550	5,810	43.1%

Source: Individual employers' responses to City Finance Department surveys.

**CITY OF WOOSTER, OHIO
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES (NOTE1)
LAST TEN YEARS**

**Schedule 5.1
Primary Government**

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Governmental Services:										
Safety services:										
Police Division	38.0	39.0	44.0	44.0	44.0	49.0	48.0	46.0	44.0	43.0
Fire Division	43.0	43.0	44.0	43.0	45.0	44.0	43.0	44.0	43.0	43.0
Traffic Control	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	4.0	4.0
Total Safety Services	85.0	86.0	92.0	91.0	93.0	97.0	95.0	93.0	91.0	90.0
Leisure services	15.0	15.0	16.9	15.9	14.9	14.9	13.9	13.8	14.5	15.0
Environment and development	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Transportation services	21.2	21.2	19.2	18.4	19.4	19.4	19.6	18.8	18.8	15.8
Administrative services	17.0	19.0	16.5	16.0	19.9	19.9	19.9	21.9	20.6	22.3
Total Governmental Services	145.2	148.2	151.6	148.3	154.2	158.2	155.4	154.5	151.9	150.1
Business-type services (Note 2):										
Wooster Community Hospital	524.4	526.9	485.6	536.4	556.4	593.1	643.8	656.2	670.9	681.3
Water - Treatment & Distribution	17.8	16.8	18.8	22.1	21.1	18.1	18.9	19.2	19.2	20.0
Water Pollution Control - Collection & Treatment	16.5	16.5	19.0	21.8	20.8	17.8	18.5	19.5	19.8	19.8
Storm Drainage - Collection	4.5	4.5	4.5	4.8	4.8	4.8	5.0	5.3	5.3	5.3
Total Business-type Services	563.2	564.7	527.9	585.1	603.1	633.8	686.2	700.2	715.2	726.3
TOTAL PRIMARY GOVERNMENT	708.4	712.9	679.5	733.4	757.3	792.0	841.6	854.7	867.1	876.3

Source: City Human Resources Division and Finance Department payroll office.

Note 1 - Maintenance and Engineering employees are allocated to transportation services, water, water pollution control and storm drainage based on estimated time worked in that activity.

Note 2 - The City contracts with a private waste hauler for refuse collection and disposal and therefore there are no city employees for that service.

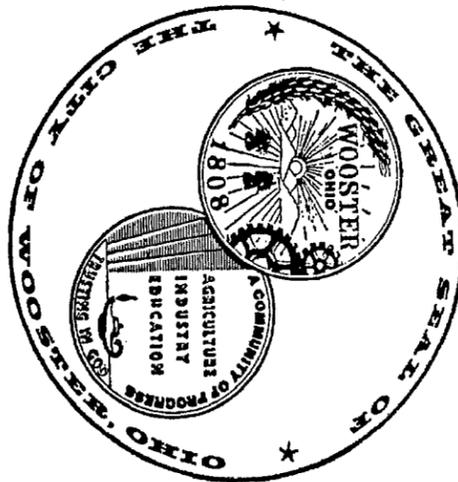
**CITY OF WOOSTER, OHIO
PERSONAL SERVICES EXPENSES
LAST TEN YEARS**

**Schedule 5.2
Primary Government
(accrual basis of accounting)**

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Governmental Services:										
Safety services:										
Police Division	2,056,285	2,173,528	2,495,935	2,738,072	2,837,054	2,971,895	3,152,264	3,216,919	3,242,892	3,581,881
Fire Division	2,697,673	2,677,754	2,974,367	3,047,563	3,038,478	3,276,714	3,420,511	3,670,901	3,531,366	4,046,295
Traffic Control	202,267	203,885	185,780	198,501	85,224	205,931	199,500	116,095	107,035	124,536
Total Safety Services	4,956,225	5,055,167	5,656,082	5,984,136	5,960,757	6,454,540	6,772,275	7,003,915	6,881,293	7,752,712
Leisure services	825,000	863,000	943,614	1,035,399	1,018,960	1,091,899	1,075,973	953,089	1,033,837	1,149,171
Environment and development	334,000	334,000	359,938	396,359	475,857	576,877	530,283	548,348	477,700	517,431
Transportation services	510,000	526,000	608,204	829,262	719,571	818,999	824,402	771,288	1,073,655	1,031,270
Administrative services	1,496,000	1,490,000	1,542,037	1,688,135	2,062,946	2,109,833	1,868,767	1,765,478	1,650,716	1,759,297
Total Governmental Services	8,121,225	8,268,167	9,109,875	9,933,291	10,238,090	11,052,148	11,071,700	11,042,118	11,117,201	12,209,881
Business-type services:										
Wooster Community Hospital	21,193,657	22,179,002	22,408,052	24,332,315	26,717,747	31,335,571	34,758,499	43,842,989	45,148,128	40,782,144
Water - Treatment & Distribution	1,012,108	1,063,977	1,122,665	1,091,771	1,109,519	1,139,917	1,326,728	1,336,854	1,294,463	1,468,145
Water Pollution Control - Collection & Treatment	958,944	940,127	1,063,284	985,117	1,112,262	1,052,366	1,087,147	1,205,239	1,391,668	1,522,896
Storm Drainage - Collection	78,193	81,722	87,154	101,146	133,255	38,759	245,951	278,634	365,573	322,366
Total Business-type Services	23,242,902	24,264,828	24,681,155	26,510,349	29,072,783	33,566,613	37,418,325	46,663,716	48,199,832	44,095,551
TOTAL PRIMARY GOVERNMENT	31,364,127	32,532,995	33,791,030	36,443,640	39,310,873	44,618,761	48,490,025	57,705,834	59,317,033	56,305,432
Health Care Costs		2,913,784	2,620,065	3,298,181	3,829,226	4,339,302	5,506,476	6,283,395	5,708,933	7,313,301
Health Care Costs as percentage of personal services costs	0.0%	9.0%	7.8%	9.1%	9.7%	9.7%	11.4%	10.9%	9.6%	13.0%
City without Wooster Community Hospital	10,170,470	10,353,993	11,382,978	12,111,325	12,593,126	13,283,190	13,731,526	13,862,845	14,168,905	15,523,289
Annual Change		1.8%	9.9%	6.4%	4.0%	5.5%	3.4%	1.0%	2.2%	9.6%

Source: City Finance Department

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**CITY OF WOOSTER, OHIO
SERVICE INDICATORS
LAST TEN YEARS**

**Schedule 5.3
Governmental Activities**

Service Indicators	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<i>Safety Services:</i>										
Police (000's)	\$3,058	\$3,098	\$3,318	\$4,035	\$4,159	\$4,369	\$4,573	\$4,830	\$4,719	\$5,002
Calls for Service	17,107	16,582	15,528	18,479	18,256	18,512	18,382	18,144	17,579	22,568
Traffic	2,364	2,416	3,005	3,022	2,790	3,935	3,233	2,823	2,342	3,249
Total Units of Service	19,471	18,998	18,533	21,501	21,046	22,447	21,615	20,967	19,921	25,817
Cost per Unit	\$157.05	\$163.07	\$179.03	\$187.67	\$197.61	\$194.64	\$211.56	\$230.36	\$236.89	\$193.76
Incidents per Citizen	0.8150	0.7852	0.7564	0.8666	0.8418	0.8913	0.8503	0.8126	0.7613	0.9775
Cost per Citizen	\$127.99	\$128.04	\$135.42	\$162.63	\$166.35	\$173.48	\$179.89	\$187.20	\$180.35	\$189.40
<i>Fire (000's)</i>										
Fire Responses	976	989	846	858	897	999	984	900	897	820
Squad Responses	2,439	2,440	2,533	2,440	2,623	2,910	2,936	2,846	3,070	3,111
Total Responses	3,415	3,429	3,379	3,298	3,520	3,909	3,920	3,746	3,967	3,931
Cost per Response	\$924	\$947	\$1,005	\$1,109	\$1,056	\$1,032	\$1,050	\$1,164	\$1,145	\$1,242
Response per Citizen	0.1429	0.1417	0.1379	0.1329	0.1408	0.1552	0.1542	0.1452	0.1516	0.1488
Cost per Citizen	\$132.09	\$134.24	\$138.61	\$147.39	\$148.63	\$160.20	\$161.85	\$169.06	\$173.56	\$184.81
<i>Street Lights (000's)</i>										
Street Lights (000's)	\$201	\$203	\$205	\$196	\$213	\$225	\$231	\$214	\$217	\$221
Cost per Acre	\$21.79	\$21.92	\$20.76	\$19.42	\$20.98	\$22.15	\$22.69	\$20.52	\$20.81	\$20.18
<i>Traffic Control (000's)</i>										
Traffic Control (000's)	\$389	\$423	\$420	\$552	\$384	\$387	\$615	\$286	\$434	\$327
Cost Per Citizen	\$16.28	\$17.48	\$17.14	\$22.25	\$15.36	\$15.37	\$24.19	\$11.08	\$16.60	\$12.38

<i>Health Services:</i>										
Health Dept (000's)	\$111	\$129	\$133	\$136	\$141	\$142	\$141	\$132	\$138	\$143
Health Dept Cost per Citizen	\$4.65	\$5.33	\$5.43	\$5.48	\$5.64	\$5.64	\$5.55	\$5.13	\$5.27	\$5.41

<i>Leisure Services:</i>										
Public Properties & Parks (000's)	\$511	\$492	\$614	\$715	\$600	\$727	\$825	\$746	\$870	\$865
Acres of Parks	450	450	450	450	450	450	450	450	530	530
Square Feet per Citizen	820	810	800	790	784	778	771	760	882	874
Cost per Square Foot	\$0.03	\$0.03	\$0.03	\$0.04	\$0.03	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Cost per Citizen	\$21.39	\$20.33	\$25.06	\$28.82	\$24.00	\$28.87	\$32.45	\$28.92	\$33.23	\$32.75

Field House/Ice Rink (000's)	\$56	\$78	\$71	\$81	\$70	\$82	\$58	\$68	\$74	\$93
Natatorium (000's)	\$9	\$8	\$11	\$5	\$8	\$10	\$7	\$5	\$5	\$5
Community Center (000's)	\$319	\$317	\$364	\$387	\$368	\$382	\$404	\$356	\$343	\$363
Pools (000's)	\$279	\$315	\$387	\$421	\$514	\$532	\$503	\$389	\$411	\$424
Recreation Programs (000's)	\$442	\$471	\$521	\$577	\$763	\$754	\$665	\$575	\$595	\$626
Total Recreation (000's)	\$1,105	\$1,189	\$1,354	\$1,471	\$1,723	\$1,760	\$1,637	\$1,392	\$1,429	\$1,511
Total Recreation Revenue (000's)	\$301	\$398	\$472	\$456	\$454	\$523	\$535	\$474	\$436	\$428
Participations (000's)	237	227	240	185	201	197	176	162	243	257
Participations per Citizen	9.92	9.37	9.81	7.46	8.04	7.82	6.91	6.30	9.29	9.72
Cost per Participation	\$4.66	\$5.25	\$5.63	\$7.94	\$8.72	\$8.93	\$9.32	\$8.57	\$5.88	\$5.89
Revenue per Participation	\$1.27	\$1.76	\$1.96	\$2.46	\$2.26	\$2.65	\$3.05	\$2.92	\$1.79	\$1.67
Cost per Citizen	\$46.25	\$49.14	\$55.26	\$59.30	\$68.92	\$69.87	\$64.39	\$53.96	\$54.61	\$57.21

continued

CITY OF WOOSTER, OHIO
 SERVICE INDICATORS
 LAST TEN YEARS

Schedule 5.3
 continued

Service Indicators	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<i>Environment and Development</i>										
Zoning (000's)	\$100	\$115	\$156	\$415	\$307	\$165	\$180	\$195	\$154	\$163
Housing & Bldg Insp. (000's)	\$286	\$273	\$298	\$591	\$380	\$465	\$438	\$437	\$436	\$457
Total Zoning & Inspection										
Costs (000's)	\$386	\$388	\$454	\$1,006	\$687	\$630	\$618	\$632	\$590	\$620
Cost \ Dwelling Unit	\$36.83	\$36.65	\$42.88	\$94.25	\$63.85	\$57.54	\$56.03	\$56.60	\$52.27	\$54.41
Shade Trees (000's)	\$57	\$97	\$77	\$115	\$137	\$115	\$241	\$124	\$139	\$255
Shade Tree Cost per Acre	\$6.18	\$10.47	\$7.80	\$11.40	\$13.50	\$11.32	\$23.67	\$11.95	\$13.37	\$23.26
<i>Transportation Services:</i>										
Parking (000's)	\$43	\$32	\$32	\$33	\$36	\$38	\$32	\$23	\$28	\$24
Public Transit-Taxi Program(000's)	\$63	\$195	\$57	\$63	\$66	\$76	\$106	\$113	\$104	\$134
Street Maintenance (000's)	\$1,905	\$2,290	\$2,695	\$3,436	\$3,298	\$3,136	\$2,839	\$2,692	\$3,177	\$2,661
Street Cleaning (000's)	\$161	\$129	\$159	\$156	\$173	\$185	\$161	\$161	\$175	\$153
Snow & Ice Removal (000's)	\$136	\$53	\$122	\$141	\$117	\$137	\$200	\$187	\$215	\$156
Total Transportation (000's)	\$2,308	\$2,699	\$3,065	\$3,829	\$3,690	\$3,572	\$3,338	\$3,176	\$3,699	\$3,128
Cost per mile of street	\$19,368	\$21,512	\$25,197	\$31,276	\$30,097	\$28,712	\$26,544	\$25,160	\$28,262	\$23,072
Feet of street per citizen	25.51	25.33	25.69	25.62	25.43	25.53	25.29	24.92	24.57	24.34

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<i>Administrative Services:</i>										
Engineering (000's)	\$358	\$328	\$439	\$369	\$469	\$390	\$224	\$219	\$145	\$162
Cost per dollar general capital assets (w/o hospital)	\$0.0055	\$0.0049	\$0.0062	\$0.0052	\$0.0066	\$0.0052	\$0.0030	\$0.0029	\$0.0019	\$0.0018
Law (000's)	\$195	\$212	\$210	\$226	\$229	\$265	\$306	\$298	\$292	\$286
Cost per budget dollar	\$0.0035	\$0.0035	\$0.0033	\$0.0034	\$0.0032	\$0.0032	\$0.0034	\$0.0032	\$0.0027	\$0.0027
Finance (000's)	\$747	\$613	\$698	\$775	\$998	\$804	\$1,030	\$968	\$914	\$1,685
Cost per dollar of assets	\$0.0045	\$0.0033	\$0.0036	\$0.0038	\$0.0046	\$0.0037	\$0.0044	\$0.0040	\$0.0036	\$0.0062
Information Technology (000's)	\$301	\$242	\$342	\$437	\$425	\$510	\$440	\$434	\$555	\$789
Cost per Employee	\$1,297.41	\$1,085.20	\$1,583.33	\$2,032.56	\$2,043.27	\$2,566.68	\$2,224.47	\$2,185.91	\$2,828.68	\$4,046.07
Personnel (000's)	\$202	\$214	\$262	\$287	\$294	\$315	\$289	\$261	\$330	\$291
Cost per Employee	\$870.69	\$959.64	\$1,212.96	\$1,334.88	\$1,423.08	\$1,585.30	\$1,461.07	\$1,312.93	\$1,680.67	\$1,489.82
Director of Administration (000's)	\$285	\$277	\$227	\$283	\$287	\$296	\$340	\$254	\$317	\$325
Cost per Employee	\$1,228.45	\$1,242.15	\$1,050.93	\$1,316.28	\$1,379.81	\$1,489.68	\$1,718.91	\$1,281.68	\$1,619.05	\$1,664.83
Facilities Maintenance (000's)	\$217	\$334	\$309	\$247	\$401	\$346	\$371	\$346	\$764	\$351
Cost per Citizen	\$9.08	\$13.80	\$12.61	\$9.96	\$16.04	\$13.74	\$14.59	\$13.41	\$29.20	\$13.29
Mayor (000's)	\$140	\$127	\$132	\$136	\$141	\$108	\$141	\$157	\$152	\$178
Council (000's)	\$40	\$50	\$49	\$73	\$67	\$61	\$61	\$63	\$88	\$100

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Sources: Respective year's departmental annual reports, full-accrual cost center reports, various demographic sources (see Schedule 4.1, this report)

CITY OF WOOSTER, OHIO
GOVERNMENTAL CAPITAL ASSETS
BY FUNCTION/PROGRAM
LAST TEN YEARS

Schedule 5.4
Governmental Activities

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Function/Program:	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	39	39	39	39	39	39	39	39	39	39
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Squad Units	3	3	3	3	3	3	3	3	3	3
Parks and recreation										
Acreage	450	450	450	450	450	450	450	450	530	530
Playgrounds	9	9	9	9	9	9	9	9	9	9
Pools	3	3	3	3	3	3	3	3	3	3
Baseball/softball diamonds	4	4	4	4	4	4	4	4	4	5
Soccer/football fields	10	10	10	10	10	10	10	10	10	11
Community centers	2	2	2	2	2	2	2	2	2	2
Water										
Water mains (miles)	127.2	127.6	128.5	128.8	129.8	129.9	130.4	130.7	132.0	134.3
Fire hydrants	1,274	1,284	1,291	1,302	1,318	1,330	1,342	1,354	1,365	1,376
Storage capacity (thousands of gallons)	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700
Wastewater										
Sanitary sewers (miles)	112.7	113.0	113.5	113.9	114.5	115.0	115.0	115.4	117.7	119.5
Storm sewers (miles)	112.4	112.4	112.7	112.9	114.1	114.7	114.7	114.9	116.0	118.2
Treatment capacity (thousands of gallons)	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Other public works										
Streets (miles)	116.8	118.1	119.4	120.4	120.8	121.6	122.9	125.4	127.2	129.8
Highways (miles)	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Streetlights	60	60	60	60	60	60	60	60	60	60
Traffic signals	380	388	394	404	412	419	428	435	450	460

Source: Various City Departments

Note: No capital asset indicators are available for the general government

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CITY OF WOOSTER, OHIO
WATER PRODUCTION AND DISTRIBUTION
CAPITAL ASSET INFORMATION
LAST TEN YEARS

Schedule 5.5.1
Business-type Activities
(accrual basis of accounting)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Land	\$151,023	\$151,023	\$151,023	\$151,023	\$162,992	\$201,830	\$201,830	\$201,830	\$201,830	\$220,006
Construction in progress	11,329,143	13,468,873	290,108	31,036	262,297	472,966	830,004	688,432	990,118	2,676,797
Total assets not being depreciated	11,480,166	13,619,896	441,131	182,059	425,289	674,796	1,031,834	890,262	1,191,948	2,896,803
<i>Assets being depreciated:</i>										
Buildings	1,852,609	1,852,592	12,019,180	12,088,908	12,097,409	12,072,238	12,059,089	12,133,214	12,140,123	11,501,423
Accumulated depreciation	(1,134,691)	(1,167,077)	(1,420,906)	(1,676,096)	(1,926,791)	(2,157,414)	(2,396,286)	(2,643,273)	(2,893,361)	(2,545,668)
Infrastructure	11,658,079	11,787,034	14,485,137	15,188,984	15,837,722	16,126,652	17,164,881	18,069,981	18,669,722	18,360,621
Accumulated depreciation	(4,450,922)	(4,751,034)	(5,176,567)	(5,578,492)	(6,038,915)	(6,408,732)	(6,939,549)	(6,945,622)	(7,412,908)	(7,357,605)
Equipment	1,090,591	1,184,811	2,828,161	3,501,280	3,678,176	3,231,950	3,360,850	3,370,850	3,448,329	3,434,769
Accumulated depreciation	(659,772)	(677,566)	(877,258)	(1,208,550)	(1,526,660)	(1,453,218)	(1,742,701)	(1,980,952)	(2,203,910)	(2,285,937)
Net depreciated capital assets	8,355,894	8,228,760	21,857,747	22,316,034	22,120,941	21,411,476	21,506,284	22,004,198	21,747,995	21,107,604
TOTAL CAPITAL ASSETS	26,081,445	28,444,333	29,773,608	30,961,231	32,038,596	32,105,636	33,616,654	34,464,307	35,450,122	36,193,616
TOTAL ACCUMULATED DEPRECIATION	(6,245,385)	(6,595,677)	(7,474,730)	(8,463,138)	(9,492,366)	(10,019,365)	(11,078,536)	(11,569,847)	(12,510,179)	(12,189,209)
NET CAPITAL ASSETS	19,836,060	21,848,656	22,298,878	22,498,094	22,546,230	22,086,271	22,538,118	22,894,460	22,939,943	24,004,407
CAPITAL EXPENDITURES (cash basis)	\$8,050,264	\$2,728,646	\$1,164,708	\$1,187,623	\$1,090,804	\$736,847	\$1,526,701	\$1,428,742	\$1,089,068	\$2,213,052
DEPRECIATION	\$395,852	\$438,233	\$881,994	\$988,407	\$1,042,347	\$1,006,936	\$1,071,357	\$1,061,534	\$1,049,475	\$930,064

Source: Respective comprehensive annual financial reports

CITY OF WOOSTER, OHIO
WATER POLLUTION CONTROL
CAPITAL ASSET INFORMATION
LAST TEN YEARS

Schedule 5.5.2
Business-type Activities
(accrual basis of accounting)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Land	\$150,460	\$151,160	\$151,160	\$151,160	\$151,160	\$151,160	\$151,160	\$151,160	\$151,160	\$201,067
Construction in progress	242,741	2,329	105,008	692,738	484,322	992,941	1,119,846	1,049,753	3,583,735	14,193,766
Total assets not being depreciated	393,201	153,489	256,168	843,898	635,482	1,144,101	1,271,006	1,200,913	3,734,895	14,394,833
<i>Assets being depreciated:</i>										
Buildings	4,950,439	4,971,419	4,987,608	5,029,164	5,124,945	5,076,693	5,076,693	5,142,088	5,148,997	5,151,497
Accumulated depreciation	(2,052,599)	(2,204,239)	(2,361,412)	(2,519,291)	(2,682,525)	(2,813,555)	(2,981,287)	(3,146,467)	(3,314,063)	(3,480,667)
Infrastructure	14,324,445	14,646,313	14,903,927	15,175,245	15,692,652	15,735,451	16,796,373	16,879,526	17,554,351	17,755,316
Accumulated depreciation	(6,362,333)	(6,793,916)	(7,227,097)	(7,671,298)	(7,968,720)	(8,390,264)	(8,849,610)	(9,343,556)	(9,866,553)	(10,326,123)
Equipment	4,293,822	4,216,716	5,009,094	5,775,900	5,789,895	5,244,363	5,581,617	5,640,110	5,688,385	5,846,001
Accumulated depreciation	(2,312,451)	(2,463,052)	(2,727,750)	(3,125,170)	(3,341,692)	(3,189,017)	(3,532,663)	(3,934,112)	(4,291,206)	(4,675,290)
Net depreciated capital assets	12,841,324	12,373,241	12,584,370	12,664,550	12,614,555	11,663,671	12,091,123	11,237,589	10,919,911	10,270,735
TOTAL CAPITAL ASSETS	23,961,907	23,987,937	25,156,796	26,824,207	27,242,974	27,200,608	28,725,689	28,862,637	32,126,627	43,147,648
TOTAL ACCUMULATED DEPRECIATION	(10,727,382)	(11,461,207)	(12,316,258)	(13,315,759)	(13,992,937)	(14,392,836)	(15,363,560)	(16,424,135)	(17,471,822)	(18,482,080)
NET CAPITAL ASSETS	13,234,525	12,526,730	12,840,538	13,508,448	13,250,037	12,807,772	13,362,129	12,438,502	14,654,805	24,665,568
CAPITAL EXPENDITURES (cash basis)	\$696,928	\$212,548	\$ 829,168	\$ 1,667,411	\$ 925,264	\$ 767,394	\$ 1,546,639	\$ 527,517	\$ 3,284,726	\$ 11,727,086
DEPRECIATION	\$842,160	\$841,524	\$ 856,153	\$ 999,500	\$ 1,029,082	\$ 987,361	\$ 997,446	\$ 1,437,773	\$ 1,123,040	\$ 1,141,129

Source: Respective comprehensive annual financial reports

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CITY OF WOOSTER, OHIO
STORM DRAINAGE UTILITY
CAPITAL ASSET INFORMATION
LAST TEN YEARS

Schedule 5.5.3
Business-type Activities
(accrual basis of accounting)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Construction in progress	219,943	11,683	31,571	241,664	285,838	117,451	307,890	150,955	281,858	1,000,450
Total assets not being depreciated	219,943	11,683	31,571	241,664	285,838	117,451	307,890	150,955	281,858	1,000,450
<i>Assets being depreciated:</i>										
Infrastructure	4,312,325	4,723,443	4,929,278	4,978,235	5,392,627	6,009,677	7,676,592	8,623,646	9,550,976	9,703,340
Accumulated depreciation	(1,923,004)	(2,002,423)	(2,092,955)	(2,187,012)	(2,282,018)	(2,375,098)	(2,505,704)	(2,616,154)	(2,764,127)	(2,892,298)
Equipment	161,846	171,718	279,407	302,655	332,646	341,789	342,688	345,188	388,657	401,776
Accumulated depreciation	(52,940)	(68,313)	(89,914)	(124,805)	(164,228)	(190,135)	(226,453)	(252,802)	(278,071)	(305,941)
Net depreciated capital assets	2,498,227	2,824,425	3,025,816	2,969,073	3,279,027	3,786,233	5,287,123	6,099,878	6,897,435	6,906,877
TOTAL CAPITAL ASSETS	4,694,114	4,906,844	5,240,257	5,522,554	6,011,111	6,468,918	8,327,170	9,119,789	10,221,491	11,105,566
TOTAL ACCUMULATED DEPRECIATION	(1,975,943)	(2,070,736)	(2,182,869)	(2,311,817)	(2,446,245)	(2,565,233)	(2,732,156)	(2,868,956)	(3,042,198)	(3,198,239)
NET CAPITAL ASSETS	2,718,171	2,836,108	3,057,388	3,210,737	3,564,866	3,903,684	5,595,014	6,250,833	7,179,293	7,907,327
CAPITAL EXPENDITURES (cash basis)	\$273,024	\$211,012	\$ 326,735	\$ 282,297	\$ 451,374	\$ 408,175	\$ 1,795,884	\$ 862,723	\$ 1,137,978	\$ 1,031,616
DEPRECIATION	\$99,064	\$96,214	\$ 112,133	\$ 128,948	\$ 134,428	\$ 134,586	\$ 166,923	\$ 239,970	\$ 224,050	\$ 213,091

Source: Respective comprehensive annual financial reports

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**CITY OF WOOSTER, OHIO
 WOOSTER COMMUNITY HOSPITAL
 SIGNIFICANT FINANCIAL AND STATISTICAL INFORMATION**

**Schedule 5.5.4
 Business-type Services
 (accrual basis of accounting)**

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
ADMISSIONS	4,513	4,508	4,867	4,431	4,798	4,837	5,506	5,389	5,574	5,318
PATIENT DAYS:										
Adult & Peds	17,443	17,802	18,635	15,679	16,801	16,777	18,689	18,181	19,320	18,777
Newborn Days	1,680	1,569	1,923	1,900	2,202	2,060	2,290	2,179	2,169	2,174
Adjusted Patient Days	33,390	34,032	36,140	35,014	39,104	42,035	44,671	46,224	47,490	48,062
AVERAGE LENGTH OF STAY:										
Total	3.87	3.93	3.81	3.52	3.50	3.4	3.4	3.4	3.5	3.5
Avg LOS-Medicare	4.97	4.87	4.70	4.37	4.30	4.2	4.3	4.1	4.2	4.4
Avg LOS-Other	2.93	3.07	3.05	2.86	2.90	2.8	2.8	2.8	2.8	2.8
BIRTHS	811	713	870	882	988	940	1,028	977	1,004	984
EMERGENCY DEPARTMENT										
ED Visits	19,276	19,932	21,268	21,998	22,128	22,702	23,323	24,341	23,906	25,484
ED Admits	2,691	2,693	3,073	3,079	3,076	3,137	3,443	3,321	3,492	3,349
RADIOLOGY OUTPATIENT VISITS	25,771	28,694	30,887	30,150	33,762	36,236	39,325	39,672	40,364	40,666
LAB OUTPATIENT PROCEDURES	-	-	-	136,315	192,546	230,729	245,738	256,574	283,395	278,567
SURGERY:										
Inpatient	1,083	1,063	993	941	1,011	1,024	1,075	1,092	1,259	1,155
Outpatient	2,799	2,867	2,949	3,391	3,569	4,073	3,901	3,852	4,308	4,310
OUTPATIENT REGISTRATION	41,186	42,100	49,394	54,783	69,807	79,434	86,366	84,385	86,373	92,380
HOME HEALTH ADMISSIONS	-	-	-	-	-	639	734	729	783	860
COST PER ADJUSTED DISCHARGE	\$3,977	\$4,036	\$3,830	\$3,830	\$3,780	\$3,907	\$4,180	\$4,414	\$4,816	\$5,178
TOTAL FTE'S (Hospital including Home Health and Contract)	509.7	524.4	526.9	485.6	536.4	556.4	593.1	643.8	656.4	668.4

Source: Wooster Community Hospital Monthly Board Reports