



Rea & associates a *brighter* way

City of Wooster Wayne County, Ohio

*Reports Issued Pursuant to Government Auditing
Standards and OMB Circular A-133*

December 31, 2012



Dave Yost • Auditor of State

City Council
City of Wooster
538 N. Market Street
Wooster, Ohio 44691

We have reviewed the *Independent Auditor's Report* of the City of Wooster, Wayne County, prepared by Rea & Associates, Inc., for the audit period January 1, 2012 through December 31, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Wooster is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost". The signature is stylized with a large, looping "D" and a long, sweeping "Y".

Dave Yost
Auditor of State

August 7, 2013

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CITY OF WOOSTER, OHIO

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June 25, 2013

To Members of Council and Management
City of Wooster
Wayne County, Ohio
538 N. Market St.
Wooster, OH 44691

**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

We have audited, in accordance with the 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, the 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 (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 25, 2013, in which we noted the City restated governmental net position and general and debt service fund balances to correct a misstatement.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rea & Associates, Inc.

June 25, 2013

To Members of Council and Management
City of Wooster
Wayne County, Ohio
538 N. Market St.
Wooster, OH 44691

**Independent Auditor's Report on Compliance for Each Major Federal Program;
Report on Internal Control over Compliance; and Report on the Schedule of
Expenditures of Federal Awards Required by OMB Circular A-133**

Report on Compliance for Each Major Federal Program

We have audited the City of Wooster's, Wayne County, County, Ohio (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2012. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2012.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

City of Wooster

Report on Compliance for Each Major Federal Program;

Report on Internal Control over Compliance; and Report on the

Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

Page 3 of 3

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise City's basic financial statements. We issued our report thereon dated June 25, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Rea & Associates, Inc.

CITY OF WOOSTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

Grant Agency/Project Title	Grant Identification Number	CFDA Number	Expenditures
FEDERAL ASSISTANCE:			
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through the State of Ohio Department of Development:			
Community Development Block Grants			
Community Development Program	AF-10-2EQ-1	14.228	\$ 76,753
Community Development Program	AF-11-2EQ-1	14.228	83,700
Community Housing Improvement Program	AC-11-2EQ-1	14.228	90,215
Community Development Program - ED/RLF		14.228	31,823
Community Development Program - Downtown Façade/RLF		14.228	11,586
Total Community Development Block Grants			<u>294,077</u>
Home Investment Partnership Grants			
Home Investment Partnership Program	AC-11-2EQ-2	14.239	190,530
Total U.S. Department of Housing and Urban Development			<u>484,607</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through the Ohio Department of Transportation			
Federal Highway Administration			
Highway Planning and Construction - SR 585	N059(11)	20.205	556,405
Highway Planning and Construction - SR 302	E101(129)	20.205	82,331
Highway Planning and Construction - Microsurfacing	E120(207)	20.205	124,532
Total U.S. Department of Transportation			<u>763,268</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through the Ohio Department of Health:			
National Bioterrorism Hospital Preparedness Program	07760042RP0310	93.889	36,790
Total U.S. Department of Health and Human Services			<u>36,790</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
Direct Award:			
Assistance to the Firefighters Grant	EMW-2010-FO-05140	97.044	18,394
Assistance to the Firefighters Grant	EMW-2011-FO-05827	97.044	66,567
Total U.S. Department of Homeland Security			<u>84,961</u>
Total Federal Expenditures			<u>\$ 1,369,626</u>

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Wooster, Wayne County, Ohio, and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**CITY OF WOOSTER
SCHEDULE OF FINDINGS
OMB CIRCULAR A-133, SECTION .505
DECEMBER 31, 2012**

1. SUMMARY OF AUDITOR'S RESULTS

(d) (1) (i)	Type of Financial Statement Opinion	Unmodified
(d) (1) (ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (ii)	Were there any other significant deficiency conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (iii)	Were there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d) (1) (iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d) (1) (iv)	Were there any other significant deficiencies reported for major federal programs?	No
(d) (1) (v)	Type of Major Programs' Compliance Opinion	Unmodified
(d) (1) (vi)	Are there any reportable findings under Section .510?	No
(d) (1) (vii)	Major Program (list):	#20.205 Highway Planning & Construction
(d) (1) (viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: All others
(d) (1) (ix)	Low Risk Auditee?	Yes

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None noted.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None noted.

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City of Wooster, Ohio

Fiscal year ended December 31, 2012
Comprehensive Annual Financial Report

**City of Wooster
Wayne County, Ohio**

* * * *

*Comprehensive Annual Financial Report
Year ended December 31, 2012*

**Issued By: Department of Finance
Andrei A. Dordea, CPA
Director of Finance**

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INTRODUCTORY SECTION



Robert F. Breneman
Mayor

Andrei A. Dordea, CPA
Director of Finance

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

CITY OF WOOSTER

June 25, 2013

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. The City has fulfilled this requirement for the year ended December 31, 2012.

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. has issued an unmodified ("clean") opinion for the City of Wooster's financial statements for the year ended December 31, 2012. The independent auditor's report is located in the front of the financial section of this report on page one.

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 five, 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 17.334 square mile area is home to a population of 26,119. 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 four 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 2007 through 2012:

Income Tax Principal Payers	2007	2008	2009	2010	2011	2012	% of Change 02-'11
Industrial	28.00%	27.40%	25.10%	26.80%	29.20%	35.40%	7.20%
Education/Government	18.70%	20.10%	21.80%	20.90%	19.80%	17.60%	-1.10%
Services	12.50%	13.00%	13.00%	12.50%	13.00%	11.40%	-5.00%
Retail	7.40%	7.80%	8.10%	8.40%	7.50%	7.00%	-22.20%
Medical	7.00%	7.90%	8.50%	9.10%	8.80%	8.20%	15.50%
Construction	4.00%	3.50%	3.50%	3.60%	3.50%	2.80%	-40.40%
Financial	4.60%	4.50%	4.50%	4.70%	4.60%	3.90%	-9.30%
Oil	2.80%	3.20%	3.00%	2.50%	3.10%	2.80%	21.70%
Restaurants	2.30%	2.20%	2.30%	2.50%	2.50%	1.90%	-17.40%
Miscellaneous	12.70%	10.40%	10.20%	9.00%	8.00%	9.00%	20.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	

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 2012 were: Hospice and Palliative Care of Wayne county \$10 million new hospice facility, Bailey Veterinary Properties \$1.705 million veterinary clinic and animal hospital, Wooster Community Hospital \$1.150 million renovation of skilled nursing unit.

For comparison purposes, it should be noted that the City of Wooster implemented mandatory income tax filing for the year ending December 31, 2006. Percentage changes in total taxes collected have been affected by this change in ordinance and the accompanying amnesty period.

Financial Management Initiatives

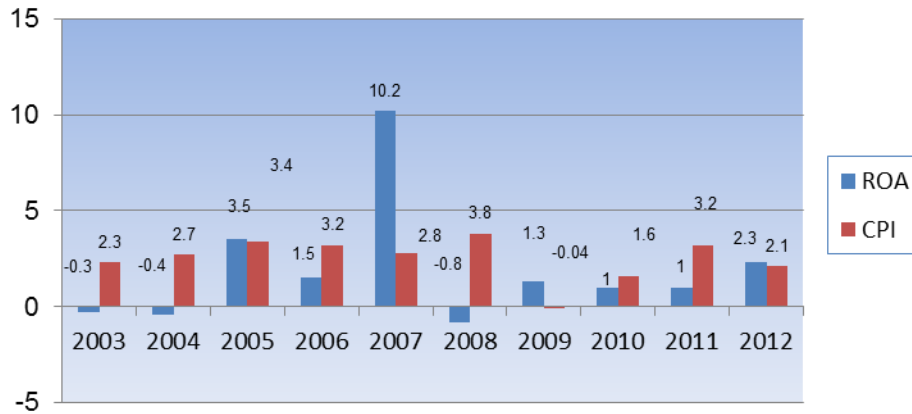
On January 17, 1995, and amended in 1999, Council passed and the Mayor approved new financial policies for the governmental funds of the City. In part, the ordinance states:

- (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;

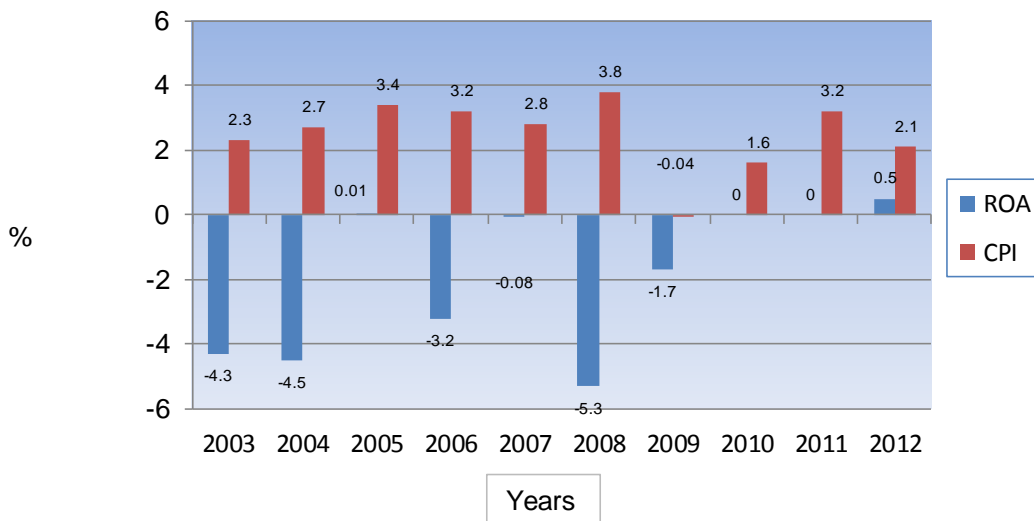
- (3) By 1999, the General Fund shall have an unencumbered cash balance of at least 60 days of expenditures, but no more than 240 days;
- (4) By 2001, the Capital Improvements Fund shall have a cash balance at least equal to the value of the annual depreciation of the governmental fund assets; and,
- (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.

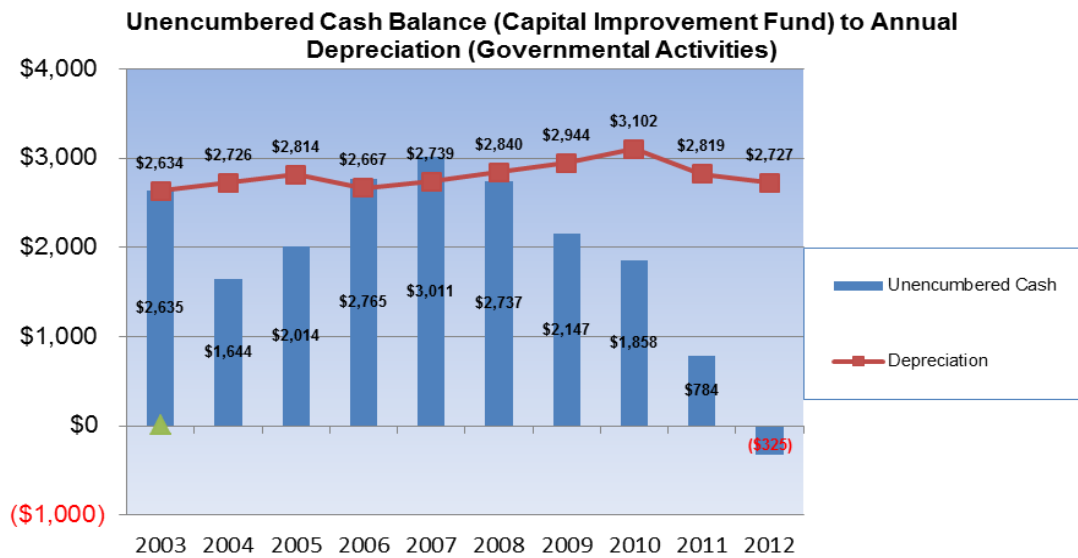
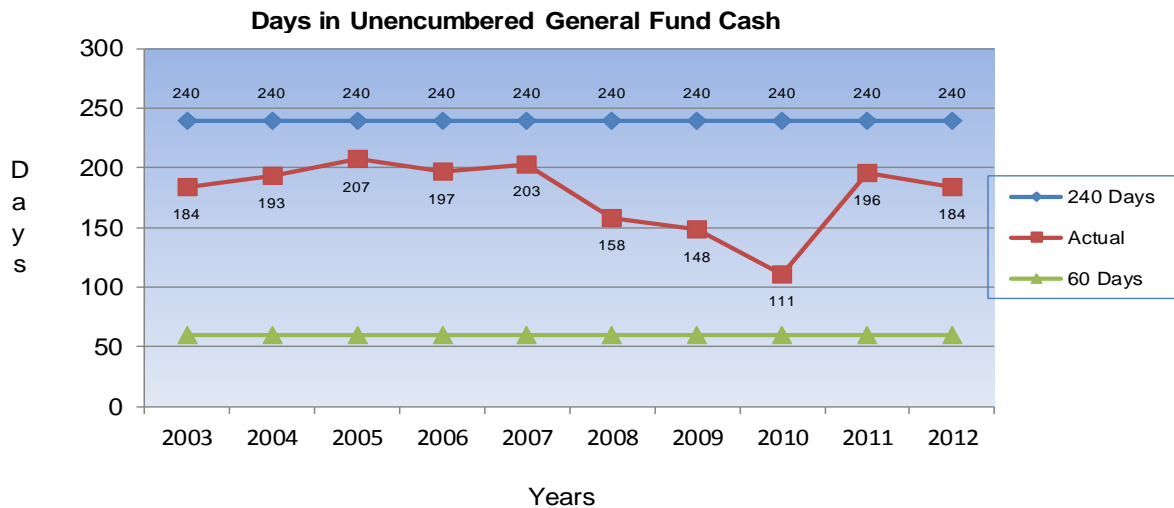
GASB Statement No. 34 financial reporting requirements facilitate monitoring actual results with these City policies. Our positions on each measurable point as of December 31 are presented in the following graphs:

Total Return on Assets (Governmental Operations) vs CPI



Return on Assets From Operations (Governmental Operations) vs CPI





The City's financial management team makes an authorized annual transfer each fiscal year from the General Fund to the Capital Improvements Fund. This transaction ensures that the cash balance in the Capital Improvements Fund remains at least equal to the amount of annual depreciation of governmental fund assets. In 2010, 2011 and 2012, the transfer from the General Fund to the Capital Improvements Fund was intentionally not made in order to preserve General Fund Cash.

Major Initiatives

Because of the major decreases in funding from the State of Ohio Local Government Fund, the reduction of the tangible personal property tax and the elimination of the estate tax, the City felt obligated to request an increase in its income tax rate to provide the citizens the same level of service they have come to expect in Wooster, Ohio. The Community Action Committee, Moving Wooster Forward, and the City's administration made several community outreach efforts, heard the concerns of the citizens and placed the decision in the hands of the people to determine what kind of Wooster they want to see. On May 7, 2013 the citizens of Wooster voted to increase the earned income tax rate from its current 1.0% to 1.5%.

The City installed an automated meter reading system for billing water and sewer customers in 2001. In 2011 we began planning a complete system replacement due to an estimated ten year battery life on the ten thousand plus meter transmitting units. Also included in this project is the replacement of approximately 3,500 water meters, the installation of six additional data collection units and the replacement of ten existing data collecting units. The total cost of the project is expected to be about \$1.5 million dollars including labor, equipment and parts. The project, which was about 20% complete at the end of 2012, is expected to be completed in 2015.

During 2012, replacement of key staff positions became a major initiative. Key positions that were filled or in the process of being filled include Director of Administration, Human Resource Manager, Public Properties Maintenance Manager, Recreation Manager, Economic Development Coordinator, Planning Manager, and Staff Engineer. Filling these positions with the best candidates will greatly contribute to the city's success in the years to come.

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, 2011. This was the thirty-second 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 report is dedicated in memory of Nancy Smith. Nancy was the Secretary to the Director of Finance from March, 1980 to August, 1995. Nancy typed the very first Comprehensive Annual Financial Report produced by the City of Wooster, for the year ended December 31, 1980. She retired from the City with 22 years of service. Nancy passed away in November of 2012. We are reminded of her each and every time we see her son, John Quicci, who is a Lieutenant with the Wooster Police force. She is fondly remembered in the City's Finance Department for her sense of humor, professionalism and her legendary orange cupcakes.

Respectfully submitted,



Robert F. Breneman
Mayor



Andrei A. Dordea, CPA
Director of Finance

CITY OF WOOSTER, OHIO
Comprehensive Annual Financial Report
For the year ended December 31, 2012

Prepared by Finance Department

CITY OFFICIALS
As of January 1, 2012

MAYOR
Robert F. Breneman
Term Expires 12-31-15

CITY COUNCIL

Mike Buytendyk
President
First Term Expires 12-31-15

Craig Sanders
Term Expires 12-31-15
First Term – At Large

David Silvestri
Term Expires 12-31-15
First Term – Ward 3

Mark Cavin
Term Expires 12-31-15
Second Term – Ward 1

Barbara Knapic
Term Expires 12-31-13
First Term – Ward 2

Jon Ulbright
Term Expires 12-31-13
Third Term – At Large

Jon Ansel
Term Expires 12-31-13
Second Term – At Large

Jeff Steiner
Term Expires 12-31-13
Second Term – Ward 4

DIRECTOR OF FINANCE
Andrei A. Dordea, CPA – 10 years of service

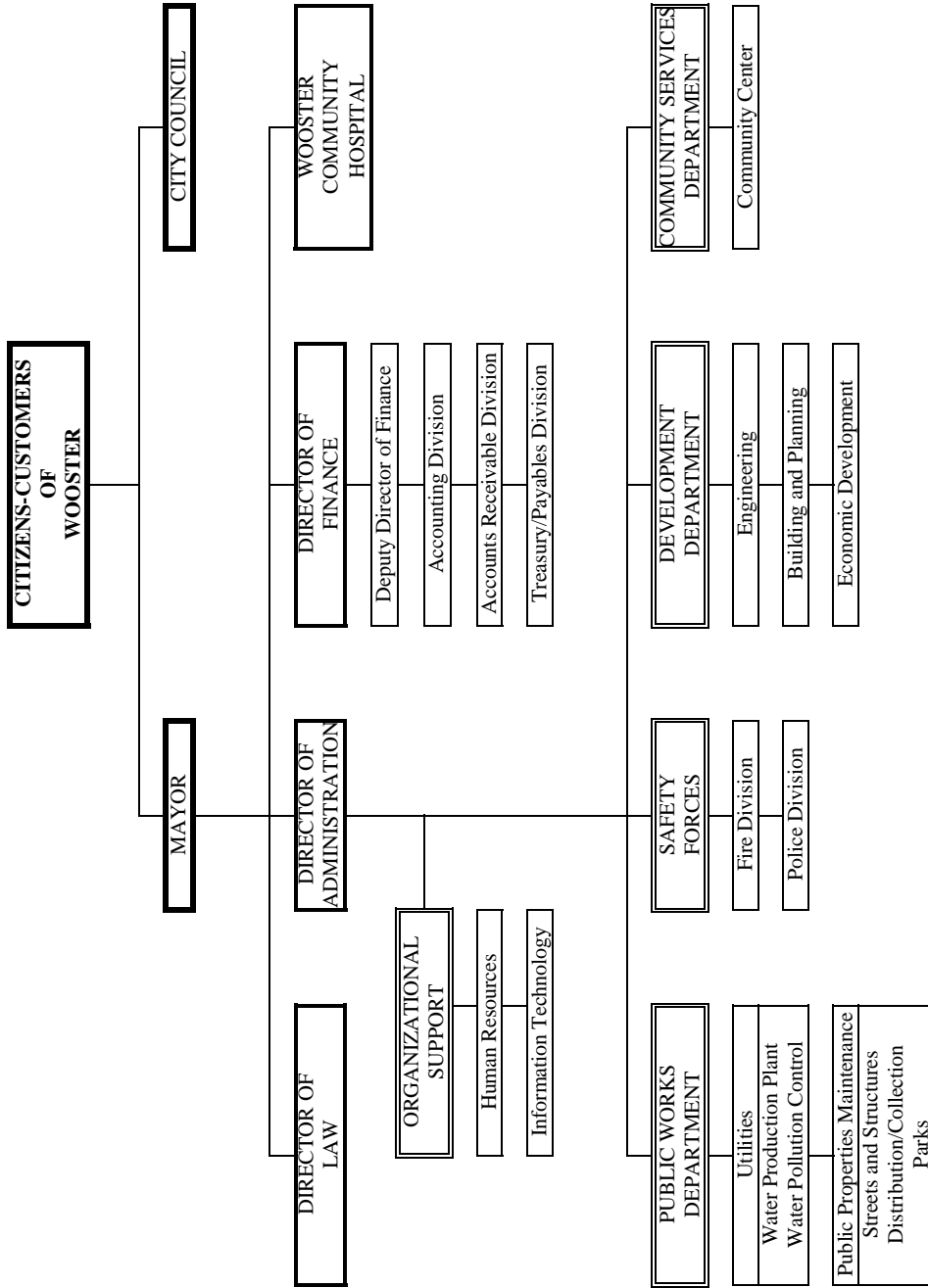
DIRECTOR OF LAW
Richard Benson – 22 years of service

DIRECTOR OF ADMINISTRATION
Joel Montgomery – 12 years of service

WOOSTER COMMUNITY HOSPITAL ADMINISTRATOR
William Sheron – 18 years of service

CITY OF WOOSTER, OHIO ORGANIZATION CHART

As of December 31, 2012



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, 2011

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



Christopher P. Moirrell

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION



June 25, 2013

To Members of Council and Management
City of Wooster
Wayne County, Ohio
538 N. Market St.
Wooster, OH 44691

Independent Auditor's Report

Report on the Financial Statements

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, (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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 from material misstatement.

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

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

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, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 17, the City restated governmental fund balances and net position to correct a misstatement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5-18 and 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Rea & Associates, Inc.

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**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the City of Wooster's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2012. Descriptions and definitions follow the highlights below. Please read the MD&A in conjunction with our letter of transmittal, which begins on page v, and the City's basic financial statements, which begin immediately following the MD&A.

FINANCIAL HIGHLIGHTS

- The City's net position (total assets minus total liabilities) increased \$9,357,196 or 3.6%.
- Total expenses of all City services were \$142,844,056 in 2012 compared to \$134,670,227 in 2011.
- Net position of business-type activities increased by \$7,645,692. Of these amounts, Wooster Community Hospital's net position increased by \$5,953,225 while the City's utility service fund's net position increased by \$1,692,467.
- The return on total assets for the business-type activities was 3.1% with the Hospital returning 3.4% on its total assets and the City's utility services returning 2.3%.
- Net position of the governmental activities increased by \$1,711,504. The return on total assets for the governmental activities was 2.7%.
- Net capital assets increased by \$1,223,421 in 2012.
- Income tax revenue increased by \$707,803 or 7.3%.

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 Position and the Statement of Activities (on pages 19 and 20 & 21) provide information about the services provided by the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 22. For governmental funds, 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.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Reporting the City as a Whole

The Statement of Net Position 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 Position 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.

These two statements report the City's *net position* and changes in them. We can think of the City's net position, 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 position 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 Position 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: hospital, water, sanitary sewer, storm drainage, and trash collection 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 funds begins on page 13. The fund financial statements begin on page 22 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., 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.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

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 Position and the Statement of Activities) and governmental funds in reconciliations within the basic 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 Position 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.

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 position increased from \$262,838,451 to \$272,195,647. The primary reason for this increase can be attributed to the strong financial performance of the Wooster Community Hospital, and positive financial results from the City's other main business type fund. The combination of governmental fund cost reductions and increased income taxes also contributed to the increased net position. Our analysis below focuses on the assets, liabilities and net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011 (Restated)	2012	2011	2012	2011 (Restated)
Current assets	\$ 25,764,410	\$ 24,862,463	\$ 118,152,830	\$ 108,050,681	\$ 143,917,240	\$ 132,913,144
Noncurrent receivables	1,575,927	1,988,340	198,373	228,356	1,774,300	2,216,696
Net capital assets	48,854,340	47,667,836	131,397,171	131,460,254	180,251,511	179,128,090
Total assets	76,194,677	74,518,639	249,748,374	239,739,291	325,943,051	314,257,930
Current liabilities	6,221,661	5,620,366	18,127,820	14,541,213	24,349,481	20,161,579
Noncurrent liabilities	4,794,504	5,431,264	24,603,419	25,826,635	29,397,923	31,257,899
Total liabilities	11,016,165	11,051,630	42,731,239	40,367,848	53,747,404	51,419,478
Net Position						
Net Investment in Capital Assets	45,012,043	43,436,450	106,817,119	105,728,233	151,829,162	149,164,683
Restricted	8,769,095	8,979,348	1,891,059	1,852,084	10,660,154	10,831,432
Unrestricted (deficit)	11,397,374	11,051,210	98,308,957	91,791,126	109,706,331	102,842,336
Total net position	\$ 65,178,512	\$ 63,467,008	\$ 207,017,135	\$ 199,371,443	\$ 272,195,647	\$ 262,838,451

Unrestricted net position 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 3.1% from \$11,051,210 at December 31, 2011 to \$11,397,374 at December 31, 2012. Restricted net position, those restricted mainly for capital projects and special purposes such as street cleaning or maintenance, decreased \$210,253 (2.3%). Net investment in governmental capital assets increased \$1,575,593 mostly due to the addition of the Melrose Drive street improvement project. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay debt must be provided from other resources.

The net position of business-type activities increased by \$7,645,692 or 3.8% (\$199,371,443 to \$207,017,135) in 2012. The majority of this increase was in the hospital fund which increased by \$5,953,225. The City is required to use the business-type net position for sustaining services of the hospital, water, water pollution control, storm drainage and refuse funds.

Overall, the City's financial position improved as evidenced by the 3.6% increase in total net position.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Financial Ratios

(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 Position” 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)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Entity Wide Summary	\$ 98,878	\$ 99,549	\$ 95,154	\$ 94,031	\$113,539	\$116,295	\$101,693	\$103,286	\$112,751	\$119,568
Governmental	\$ 17,089	\$ 16,413	\$ 18,136	\$ 17,709	\$ 25,569	\$ 23,342	\$ 15,697	\$ 17,211	\$ 19,242	\$ 19,543
Business-type	\$ 81,789	\$ 83,136	\$ 77,018	\$ 76,322	\$ 87,970	\$ 92,953	\$ 85,996	\$ 86,075	\$ 93,509	\$100,025

Current Ratio	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Entity Wide Summary	5.77	6.30	5.39	5.55	7.52	6.11	5.00	5.65	6.59	5.91
Governmental	3.31	3.78	3.56	3.15	5.17	3.41	2.69	3.99	4.42	4.14
Business-type	7.14	7.45	6.28	7.14	8.81	8.11	6.32	6.73	7.43	6.52

"Liabilities to Net Position" indicates the extent of borrowing

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Entity Wide Summary	18%	16%	16%	19%	18%	20%	21%	21%	21%	20%
Governmental	24%	21%	22%	23%	18%	24%	22%	21%	17%	17%
Business-type	16%	14%	14%	18%	19%	19%	20%	21%	20%	21%

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Entity Wide Summary	2%	1%	3%	1%	1%	-1%	0%	0%	2%	3%
Governmental	-4%	-4%	0%	-3%	-1%	-5%	-2%	-3%	1%	2%
Business-type	4%	3%	4%	2%	2%	0%	1%	1%	2%	3%

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Entity Wide Summary	3%	3%	5%	4%	5%	1%	1%	1%	3%	3%
Governmental	0%	0%	3%	2%	10%	-1%	1%	1%	4%	2%
Business-type	5%	4%	5%	4%	4%	2%	1%	1%	2%	3%

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Entity Wide Summary	65%	30%	14%	15%	1%	1%	11%	2%	-1%	1%
Governmental	4%	5%	2%	3%	2%	7%	24%	-3%	2%	2%
Business-type	7%	4%	19%	19%	1%	0%	7%	4%	-2%	0%

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Entity Wide Summary	59%	60%	60%	60%	59%	60%	61%	61%	62%	61%
Governmental	60%	61%	59%	62%	61%	60%	63%	65%	69%	59%
Business-type	58%	60%	60%	60%	59%	60%	61%	61%	61%	61%

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Program revenues:						
Charges for Services	\$ 1,894,048	\$ 2,120,790	\$ 130,936,377	\$119,563,626	\$132,830,425	\$121,684,416
Operating Grants and Contributions	2,186,851	1,920,574	198,445	264,166	2,385,296	2,184,740
Capital Grants and Contributions	1,608,837	2,224,896	48,234	39,058	1,657,071	2,263,954
General revenues:						
Income Taxes (net of refunds)	10,378,470	9,670,667	0	0	10,378,470	9,670,667
Property Taxes	1,876,328	2,181,978	0	0	1,876,328	2,181,978
Other Taxes	1,238,630	1,468,492	0	0	1,238,630	1,468,492
Grants and Contributions, not restricted	871,159	1,519,463	0	0	871,159	1,519,463
Interest and Investment Earnings -						
Not Restricted	121,487	286,128	374,942	906,751	496,429	1,192,879
Other revenues	295,833	189,107	171,611	229,142	467,444	418,249
Total Revenues:	20,471,643	21,582,095	131,729,609	121,002,743	152,201,252	142,584,838
Governmental program expenses including indirect expenses:						
Safety Services	11,640,179	11,659,215	0	0	11,640,179	11,659,215
Health and Social Services	135,615	136,364	0	0	135,615	136,364
Leisure Services	1,735,559	1,790,148	0	0	1,735,559	1,790,148
Environment and Development	1,221,872	1,206,524	0	0	1,221,872	1,206,524
Transportation Services	3,607,181	3,091,345	0	0	3,607,181	3,091,345
Administrative and Central Services	283,177	298,142	0	0	283,177	298,142
Interest on Long Term Debt	136,556	158,936	0	0	136,556	158,936
Business-type services:						
Wooster Community Hospital	0	0	111,300,767	104,047,276	111,300,767	104,047,276
Water	0	0	4,804,768	4,407,687	4,804,768	4,407,687
Water Pollution Control	0	0	5,787,590	5,766,091	5,787,590	5,766,091
Storm Drainage	0	0	766,495	700,893	766,495	700,893
Refuse Collection	0	0	1,424,297	1,407,606	1,424,297	1,407,606
Total expenses	18,760,139	18,340,674	124,083,917	116,329,553	142,844,056	134,670,227
Excess (deficiency) before transfers	1,711,504	3,241,421	7,645,692	4,673,190	9,357,196	7,914,611
Transfers	0	(200,000)	0	200,000	0	0
Change in Net Position	\$ 1,711,504	\$ 3,041,421	\$ 7,645,692	\$ 4,873,190	\$ 9,357,196	\$ 7,914,611

Explanations for larger fluctuations between years are as follows:

- Capital grants and contributions in governmental activities decreased approximately 27.7% as a result of the completion of one non-recurring grant funded street projects.
- Other taxes decreased as a result of estate tax revenues.
- Grants and contributions, not restricted decreased 42.7% due to the reduction of local government funding from the county.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

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.

Table 3
Statement of Activities (accrual)
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2012	2011	2012	2011
Safety Services	\$ 11,640,179	\$ 11,659,215	\$ 10,695,268	\$ 10,657,437
Transportation Services	3,607,181	3,091,345	251,580	(745,435)
Leisure Services	1,735,559	1,790,148	1,306,964	1,314,320
Environment and Development Services	1,221,872	1,206,524	510,597	719,294

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

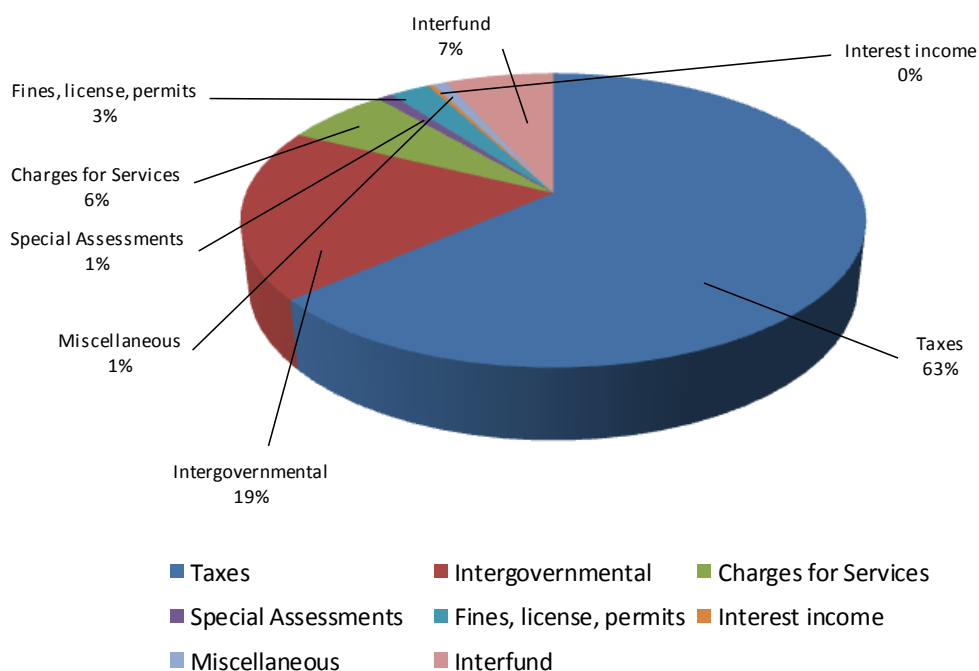
**Statement of Revenues, Expenditures and Changes in Fund Balances (modified accrual)
Governmental Funds**

Information below compares revenues and expenditures for all governmental fund types for 2012 and 2011.

Revenue by Source:

	2012	2011	% Change
Taxes	\$ 13,994,519	\$ 12,924,136	8.28%
Intergovernmental	4,143,999	4,741,165	-12.60%
Charges for Services	1,416,665	1,494,105	-5.18%
Special Assessments	203,991	223,910	-8.90%
Fines, license, permits	548,225	625,145	-12.30%
Interest income	72,346	212,585	-65.97%
Miscellaneous	184,943	198,149	-6.66%
Interfund	1,478,817	1,508,293	-1.95%
Total Revenues	<u>\$ 22,043,505</u>	<u>\$ 21,927,488</u>	0.53%

2012 Revenue by Source

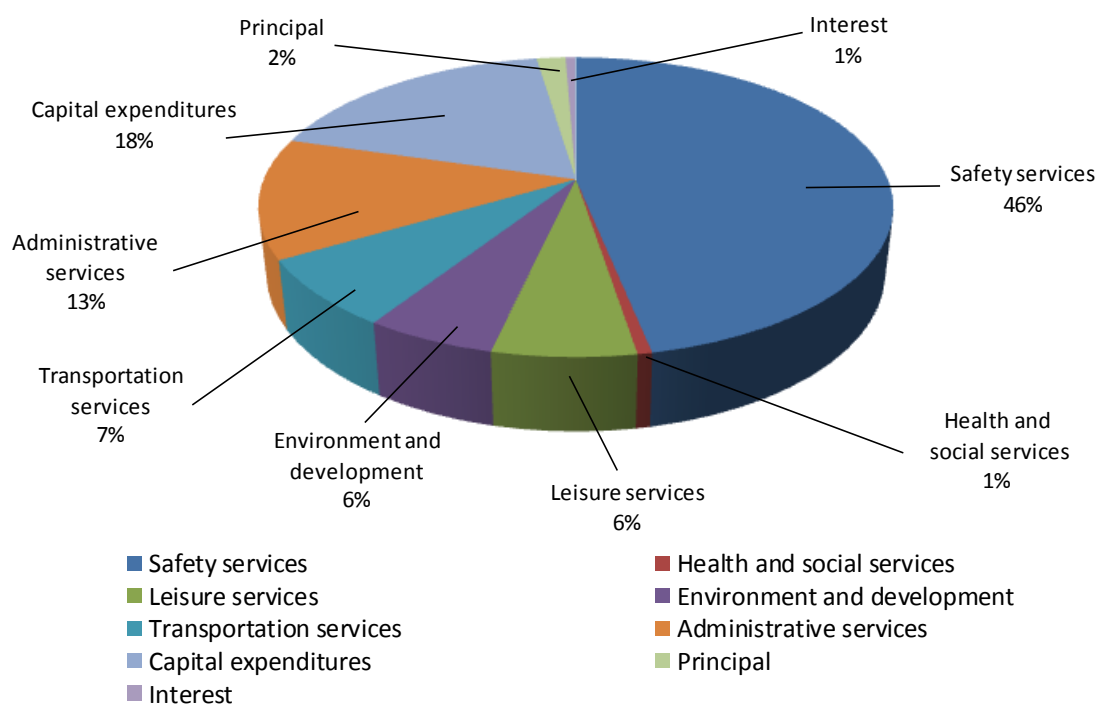


**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Expenditure by Function:

	2012	2011	% Change
Safety services	\$ 10,340,689	\$ 10,315,976	0.24%
Health and social services	137,140	139,670	-1.81%
Leisure services	1,364,780	1,365,853	-0.08%
Environment and development	1,243,963	1,149,541	8.21%
Transportation services	1,617,545	1,512,215	6.97%
Administrative services	2,873,611	2,889,589	-0.55%
Capital expenditures	3,997,176	3,248,013	23.07%
Debt service:			
Principal	389,092	366,343	6.21%
Interest	137,321	158,938	-13.60%
Total Expenditures	<u>\$ 22,101,317</u>	<u>\$ 21,146,138</u>	4.52%

2012 Expenditure by Function



**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Fund Balance in the General Fund increased by \$644,207 in 2012. This can be attributed to significant cost cutting measures and increased income.

No major change in fund balance in the Debt Service Fund.

Business-type Funds

The City's major Enterprise Funds consist of the Wooster Community Hospital Fund, the Water Fund, the Water Pollution Control Fund, the Storm Drainage Fund, and the Refuse 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.

In November 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.

Water and storm drainage rates did not increase during 2012; however, water pollution rates increased effective June 2012. There are no plans for increasing utility rates during 2013.

Table 4
Proprietary Funds Statements

	Hospital	Water	Water Pollution Control	Storm Drainage	Refuse
Total Assets	\$ 177,148,575	\$ 29,087,271	\$ 31,550,564	\$ 11,047,932	\$ 914,032
Net Position	160,775,418	21,370,826	14,469,995	9,709,738	691,158
Change in Net Position	5,953,225	648,176	371,108	562,872	110,311
Return on Ending Total Assets	3.4%	2.2%	1.2%	5.1%	12.1%
Return on Ending Net Position	3.7%	3.0%	2.6%	5.8%	16.0%

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual revenues for the General Fund came in 12.3% higher than the final budget in 2012. Following are highlights for other significant variances:

- Tax revenues were 18.7% higher than the final budget due to increased income tax revenues.
- Overall general fund revenues increased 9.9% over 2011, attributed to estate and income tax revenues.
- Actual expenditures were 7.8% under final budget due to cost cutting measures.
- Final budget expenditures increased 19.5% over original budget expenditures due to encumbrances for compensated absences.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2012 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 \$368,228,982. (See Table 5). This amount represents a net decrease (including additions and deductions) of \$10,736,328, or 3%, from last year.

Table 5
Capital Assets at Year-End, Net of Depreciation

	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Land	\$ 4,356,294	\$ 4,279,153	\$ 8,109,072	\$ 7,947,785	\$ 12,465,366	\$ 12,226,938
Buildings	7,560,470	7,568,496	99,967,790	98,992,968	107,528,260	106,561,464
Improvements/Infrastructure	80,069,303	79,395,044	92,450,674	90,356,161	172,519,977	169,751,205
Equipment	11,647,419	11,750,535	53,057,856	52,003,927	64,705,275	63,754,462
Construction-in-progress	5,357,747	2,790,656	5,652,357	2,407,929	11,010,104	5,198,585
	<u>108,991,233</u>	<u>105,783,884</u>	<u>259,237,749</u>	<u>251,708,770</u>	<u>368,228,982</u>	<u>357,492,654</u>
Accumulated Depreciation	<u>(60,136,893)</u>	<u>(58,116,048)</u>	<u>(127,840,578)</u>	<u>(120,248,516)</u>	<u>(187,977,471)</u>	<u>(178,364,564)</u>
Totals	<u>\$ 48,854,340</u>	<u>\$ 47,667,836</u>	<u>\$ 131,397,171</u>	<u>\$ 131,460,254</u>	<u>\$ 180,251,511</u>	<u>\$ 179,128,090</u>

The City's 2013 capital budget anticipates a spending level of \$10,547,500 for various capital projects exclusive of the hospital. Of this amount, 59% is budgeted for various transportation improvements, 13% is budgeted for water system improvements, 6% is budgeted for sanitary sewer system improvements, 13% is budgeted for storm sewer system improvements, 6% is budgeted for sidewalk improvements, and 3% is budgeted for traffic signal improvements. The hospital's 2013 capital budget anticipates a spending level of \$28,260,100. This includes \$19,900,000 in facilities improvements and \$6,746,100 in medical equipment and information systems.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Debt

At year-end, the City had \$28,422,346 in bonds, notes and loans outstanding versus \$29,963,408 last year representing a decrease of 5.1% as shown in Table 6 below.

Table 6
Outstanding Debt, at Year End

	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
General Obligation bonds and notes, special assessment bonds and notes (backed by the City)	\$ 3,842,296	\$ 4,231,388	\$ 0	\$ 0	\$ 3,842,296	\$ 4,231,388
General Obligation bonds and notes (backed by specific revenues & the City of Wooster)	0	0	24,580,050	25,732,020	24,580,050	25,732,020
Totals	<u>\$ 3,842,296</u>	<u>\$ 4,231,388</u>	<u>\$ 24,580,050</u>	<u>\$ 25,732,020</u>	<u>\$ 28,422,346</u>	<u>\$ 29,963,408</u>

At December 31, 2012 the City's general obligation bonds are rated Aa3 by Moody's and AA 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.

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. 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 six-year table that demonstrates the changes in employment of those employers that employed 500 or more individuals as of December 31, 2005. Figures are rounded to the nearest 25.

<i>Employer</i>	<i>Nature of Activity</i>	2005	2006	2007	2008	2009	2010	2011	2012
Worthington Industries	Auto Parts Fabricator	550	500	550	550	475	450	475	550
The County of Wayne	Government	850	850	850	850	800	775	750	800
The City of Wooster	Government/Hospital	850	875	900	1,050	750	900	700	750
Luk, Inc	Auto Parts Fabricator	1,000	1,000	1,000	1,000	750	775	1,050	1,125
The College of Wooster	Education	600	600	650	700	600	575	575	675
Wal-Mart	Retail	350	500	500	500	300	250	300	300
Wooster Brush Company	Manufacturer of Paint Applicators	550	550	550	500	450	475	450	475
Wooster City Schools	Education	400	500	500	650	500	600	550	525
	<i>Total of Above</i>	<u>5,150</u>	<u>5,375</u>	<u>5,500</u>	<u>5,800</u>	<u>4,625</u>	<u>4,800</u>	<u>4,850</u>	<u>5,200</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

BUDGETS

The Mayor proposed and Council adopted an original budget for the year 2013, 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 2012 and the final budget are caused by encumbrances carried forward from the prior year and 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
WAYNE COUNTY, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2012**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Equity in city treasury cash	\$ 17,830,601	\$ 96,638,872	\$ 114,469,473
Net receivables	7,688,706	18,593,850	26,282,556
Inventory	245,103	1,821,147	2,066,250
Prepaid expenses	0	1,098,961	1,098,961
Total current assets	<u>25,764,410</u>	<u>118,152,830</u>	<u>143,917,240</u>
Noncurrent assets			
Net receivables	1,575,927	198,373	1,774,300
Capital assets (net of accumulated depreciation):			
Land	4,356,294	8,109,072	12,465,366
Buildings	2,092,519	51,540,605	53,633,124
Improvements/Infrastructure	34,346,891	55,472,666	89,819,557
Equipment	2,700,889	10,622,471	13,323,360
Construction in progress	5,357,747	5,652,357	11,010,104
Net capital assets	<u>48,854,340</u>	<u>131,397,171</u>	<u>180,251,511</u>
Total noncurrent assets	<u>50,430,267</u>	<u>131,595,544</u>	<u>182,025,811</u>
Total assets	<u>76,194,677</u>	<u>249,748,374</u>	<u>325,943,051</u>
LIABILITIES			
Current liabilities			
Accounts payable	1,039,839	4,492,604	5,532,443
Accrued salaries, wages and benefits	1,071,745	4,945,329	6,017,074
Other accrued liabilities	1,314,602	4,640,626	5,955,228
Compensated absences, current	521,422	2,615,455	3,136,877
Current portion of long term bonds	273,382	334,234	607,616
Current portion special assessment debt with governmental commitment	90,613	0	90,613
Current portion long term loans	22,471	1,099,572	1,122,043
Unearned revenue	1,887,587	0	1,887,587
Total current liabilities	<u>6,221,661</u>	<u>18,127,820</u>	<u>24,349,481</u>
Noncurrent liabilities			
Bonds	2,790,941	4,228,603	7,019,544
Special assessment debt with governmental commitment	556,639	0	556,639
Loans	108,250	18,917,641	19,025,891
Compensated absences	1,338,674	1,457,175	2,795,849
Total noncurrent liabilities	<u>4,794,504</u>	<u>24,603,419</u>	<u>29,397,923</u>
Total liabilities	<u>11,016,165</u>	<u>42,731,239</u>	<u>53,747,404</u>
NET POSITION			
Net Investment in Capital Assets	45,012,043	106,817,119	151,829,162
Restricted for:			
Capital projects	1,128,681	0	1,128,681
Debt service	3,312,625	0	3,312,625
Street construction and maintenance	2,091,743	0	2,091,743
Public works projects	1,444,448	0	1,444,448
Economic development projects	466,601	0	466,601
Restricted by donors	0	1,891,059	1,891,059
Other purposes	324,997	0	324,997
Unrestricted	11,397,374	98,308,957	109,706,331
Total net position	<u>\$ 65,178,512</u>	<u>\$ 207,017,135</u>	<u>\$ 272,195,647</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012**

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	\$ 10,556,246	\$ 1,083,933	\$ 873,004	\$ 59,419	\$ 12,488
Health and social services	135,615	0	0	0	0
Leisure services	1,495,211	240,348	417,778	10,817	0
Environment and development	1,217,641	4,231	207,464	503,811	0
Transportation services	3,403,221	203,960	151,573	1,607,679	1,596,349
Administrative services	3,062,425	(2,654,295)	244,229	5,125	0
Central services	229,137	(354,090)	0	0	0
Interest expense	136,556	0	0	0	0
Total governmental activities	<u>20,236,052</u>	<u>(1,475,913)</u>	<u>1,894,048</u>	<u>2,186,851</u>	<u>1,608,837</u>
Business-type activities:					
Wooster Community Hospital	111,300,767	0	116,775,117	124,827	16,800
Water	4,643,063	161,705	5,314,130	0	20,241
Water pollution control	4,710,154	1,077,436	6,085,102	0	0
Storm drainage	614,494	152,001	1,308,932	0	11,193
Refuse collection	1,339,526	84,771	1,453,096	73,618	0
Total business-type activities	<u>122,608,004</u>	<u>1,475,913</u>	<u>130,936,377</u>	<u>198,445</u>	<u>48,234</u>
Total primary government	<u>\$ 142,844,056</u>	<u>\$ 0</u>	<u>\$ 132,830,425</u>	<u>\$ 2,385,296</u>	<u>\$ 1,657,071</u>

General revenues:

Taxes:

City income taxes

Property taxes

Estate taxes

Other taxes

Grants and contributions, not restricted

Interest and investment earnings

Miscellaneous

Total general revenues

Change in net position

Net position -- beginning of year (Restated, See Note 17)

Net position -- end of year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (10,695,268)	\$ 0	\$ (10,695,268)
(135,615)	0	(135,615)
(1,306,964)	0	(1,306,964)
(510,597)	0	(510,597)
(251,580)	0	(251,580)
(158,776)	0	(158,776)
124,953	0	124,953
(136,556)	0	(136,556)
(13,070,403)	0	(13,070,403)
0	5,615,977	5,615,977
0	529,603	529,603
0	297,512	297,512
0	553,630	553,630
0	102,417	102,417
0	7,099,139	7,099,139
(13,070,403)	7,099,139	(5,971,264)
10,378,470	0	10,378,470
1,876,328	0	1,876,328
1,032,907	0	1,032,907
205,723	0	205,723
871,159	0	871,159
121,487	374,942	496,429
295,833	171,611	467,444
14,781,907	546,553	15,328,460
1,711,504	7,645,692	9,357,196
63,467,008	199,371,443	262,838,451
\$ 65,178,512	\$ 207,017,135	\$ 272,195,647

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012**

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in city treasury cash	\$ 11,331,441	\$ 1,080,455	\$ 4,616,929	\$ 17,028,825
Taxes receivable	3,971,425	0	285,726	4,257,151
Accounts receivable	247,636	0	46,988	294,624
Due from other governments	713,997	0	2,012,985	2,726,982
Due from other funds	145,240	0	0	145,240
Accrued interest receivable	0	0	2,223	2,223
Inventory	55,429	0	189,674	245,103
Long term receivables	0	0	125,223	125,223
Special assessments receivable	0	1,846,837	11,585	1,858,422
Total assets	<u>\$ 16,465,168</u>	<u>\$ 2,927,292</u>	<u>\$ 7,291,333</u>	<u>\$ 26,683,793</u>
Liabilities:				
Accounts payable	\$ 301,742	\$ 0	\$ 674,983	\$ 976,725
Accrued salaries, wages and benefits	1,036,707	0	19,820	1,056,527
Other accrued liabilities	0	0	1,109,952	1,109,952
Due to other funds	0	0	145,240	145,240
Deferred revenue	3,757,106	1,846,837	2,052,937	7,656,880
Total liabilities	<u>5,095,555</u>	<u>1,846,837</u>	<u>4,002,932</u>	<u>10,945,324</u>
Fund balances:				
Nonspendable	55,429	0	189,674	245,103
Restricted	0	1,080,455	2,845,484	3,925,939
Committed	0	0	141,105	141,105
Assigned	5,512,738	0	126,294	5,639,032
Unassigned	5,801,446	0	(14,156)	5,787,290
Total fund balances	<u>11,369,613</u>	<u>1,080,455</u>	<u>3,288,401</u>	<u>15,738,469</u>
Total liabilities and fund balances	<u>\$ 16,465,168</u>	<u>\$ 2,927,292</u>	<u>\$ 7,291,333</u>	<u>\$ 26,683,793</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2012**

Total Governmental Fund Balances \$ 15,738,469

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.** 48,850,079

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

Special assessments receivable	\$ 1,858,422	
Delinquent property taxes receivable	70,911	
Due from other governments	2,363,984	
Accounts receivable	99,775	
Income tax receivable	<u>1,376,201</u>	5,769,293

Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds:

Special assessment debt	(647,252)	
General obligation bonds	(3,064,323)	
Long term loans	(130,721)	
Compensated absences payable*	(1,817,336)	
Interest payable	<u>(10,397)</u>	(5,670,029)

Internal service fund is used to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.

479,011

Internal service fund costs spread to other governmental funds should not be included in fund net position.

11,689

Net Position of Governmental Activities \$ 65,178,512

**Excludes \$42,760 reported in Internal Service Funds.*

***Excludes \$4,261 reported in Internal Service Funds.*

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 13,463,255	\$ 0	\$ 531,264	\$ 13,994,519
Intergovernmental	1,098,338	0	3,045,661	4,143,999
Charges for services	1,416,353	0	312	1,416,665
Special assessments	0	203,991	0	203,991
Fines, licenses, permits	536,585	0	11,640	548,225
Interfund services provided	1,478,817	0	0	1,478,817
Interest income	55,130	5,141	12,075	72,346
Miscellaneous	54,174	0	130,769	184,943
Total Revenues	<u>18,102,652</u>	<u>209,132</u>	<u>3,731,721</u>	<u>22,043,505</u>
Expenditures:				
Current operations :				
Safety services	9,900,809	0	439,880	10,340,689
Health and social services	137,140	0	0	137,140
Leisure services	1,364,780	0	0	1,364,780
Environment and development	810,295	0	433,668	1,243,963
Transportation services	851,876	3,098	762,571	1,617,545
Administrative services	2,873,611	0	0	2,873,611
Capital expenditures	0	0	3,997,176	3,997,176
Debt service :				
Principal	138,622	126,430	124,040	389,092
Interest	20,312	61,391	55,618	137,321
Total Expenditures	<u>16,097,445</u>	<u>190,919</u>	<u>5,812,953</u>	<u>22,101,317</u>
Excess revenues over(under) expenditures	<u>2,005,207</u>	<u>18,213</u>	<u>(2,081,232)</u>	<u>(57,812)</u>
Other financing sources (uses):				
Transfers in	0	0	1,361,000	1,361,000
Transfers (out)	(1,361,000)	0	0	(1,361,000)
Total other financing sources (uses)	<u>(1,361,000)</u>	<u>0</u>	<u>1,361,000</u>	<u>0</u>
Net changes in fund balances	644,207	18,213	(720,232)	(57,812)
Fund balances at beginning of year (Restated, See Note 17)	<u>10,725,406</u>	<u>1,062,242</u>	<u>4,008,633</u>	<u>15,796,281</u>
Fund balances at end of year	<u>\$ 11,369,613</u>	<u>\$ 1,080,455</u>	<u>\$ 3,288,401</u>	<u>\$ 15,738,469</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, 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, 2012**

Net Change in Fund Balances - Total Governmental Funds \$ (57,812)

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

Governmental funds report capital outlays as expenditures;
however, in the statement of activities, the cost of those
assets is allocated over their estimated useful lives as
depreciation expense. This is the amount by which capital asset
additions exceeded depreciation in the current period:

Capital Asset Additions	\$ 3,923,079	
Current Year Depreciation	(2,726,285) *	
Total		1,196,794

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.

(9,860)

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

Taxes	136,550	
Due from other governments	(246,657)	
Accounts	39,282	
Special assessment	(203,308)	
Total		(274,133)

Some expenses reported in the statement of activities do not
require the use of current financial resources and therefore
are not reported as expenditures in governmental funds:

Decrease in bonds and loans payable	389,092	
Decrease in compensated absences	253,406 **	
Decrease in accrued interest payable	766	
Total		643,264

The internal service fund used by management to charge the cost of
insurance to individual funds is not reported in the government-wide
statements of activities. Governmental fund expenditures and the related
internal service fund revenues are eliminated. The net revenue
(expense) of the internal service fund is allocated among the
governmental activities.

213,350

Internal service fund costs spread to other governmental funds
should not be included in fund net position.

(99)

Change in Net Position of Governmental Activities

\$ 1,711,504

*\$430 depreciation for Internal Service fund not included

**Excludes an increase of \$405 reported in the Internal Service Fund

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2012**

	Business-type Activities		
	Wooster Community Hospital	Water	Water Pollution Control
Assets			
Current assets			
Equity in city treasury cash	\$ 88,167,336	\$ 3,864,331	\$ 2,568,154
Receivables - net of allowances:			
Accounts	16,665,827	690,818	726,258
Accrued interest	82,614	40,251	33,767
Due from other governments	0	1,821	0
Inventory	1,709,016	72,359	7,131
Prepaid expenses	1,098,961	0	0
Total current assets	<u>107,723,754</u>	<u>4,669,580</u>	<u>3,335,310</u>
Noncurrent assets			
Long term receivables	0	0	198,373
Net capital assets	<u>69,424,821</u>	<u>24,417,691</u>	<u>28,016,881</u>
Total noncurrent assets	<u>69,424,821</u>	<u>24,417,691</u>	<u>28,215,254</u>
Total Assets	<u>177,148,575</u>	<u>29,087,271</u>	<u>31,550,564</u>
Liabilities			
Current liabilities			
Accounts payable	3,567,458	313,744	270,221
Accrued salaries, wages and benefits	4,716,632	143,825	65,501
Other accrued liabilities	4,377,656	0	0
Interest payable	0	56,932	204,302
Current portion of long term debt	0	340,710	927,551
Current portion of compensated absences	2,506,120	62,109	42,682
Total current liabilities	<u>15,167,866</u>	<u>917,320</u>	<u>1,510,257</u>
Long term liabilities			
Long term debt	0	6,666,102	15,459,236
Compensated absences	1,205,291	133,023	111,076
Total noncurrent liabilities	<u>1,205,291</u>	<u>6,799,125</u>	<u>15,570,312</u>
Total Liabilities	<u>16,373,157</u>	<u>7,716,445</u>	<u>17,080,569</u>
Net Position			
Net Invested in Capital Assets	69,424,821	17,410,879	11,630,092
Restricted by Donors	1,891,059	0	0
Unrestricted	89,459,538	3,959,947	2,839,903
Total net position	<u>\$ 160,775,418</u>	<u>\$ 21,370,826</u>	<u>\$ 14,469,995</u>

See accompanying notes to the basic financial statements.

Business-type Activities			Governmental Activities
Storm Drainage	Refuse	Totals	Internal Service Funds
\$ 1,325,371	\$ 713,680	\$ 96,638,872	\$ 790,096
150,254	183,601	18,416,758	0
1,888	906	159,426	0
0	15,845	17,666	0
32,641	0	1,821,147	0
0	0	1,098,961	0
<u>1,510,154</u>	<u>914,032</u>	<u>118,152,830</u>	<u>790,096</u>
0	0	198,373	0
<u>9,537,778</u>	<u>0</u>	<u>131,397,171</u>	<u>4,261</u>
<u>9,537,778</u>	<u>0</u>	<u>131,595,544</u>	<u>4,261</u>
<u>11,047,932</u>	<u>914,032</u>	<u>249,748,374</u>	<u>794,357</u>
118,307	222,874	4,492,604	63,115
19,371	0	4,945,329	15,218
0	0	4,377,656	194,253
1,736	0	262,970	0
165,545	0	1,433,806	0
4,544	0	2,615,455	11,160
<u>309,503</u>	<u>222,874</u>	<u>18,127,820</u>	<u>283,746</u>
1,020,906	0	23,146,244	0
7,785	0	1,457,175	31,600
<u>1,028,691</u>	<u>0</u>	<u>24,603,419</u>	<u>31,600</u>
<u>1,338,194</u>	<u>222,874</u>	<u>42,731,239</u>	<u>315,346</u>
8,351,327	0	106,817,119	4,261
0	0	1,891,059	0
<u>1,358,411</u>	<u>691,158</u>	<u>98,308,957</u>	<u>474,750</u>
<u>\$ 9,709,738</u>	<u>\$ 691,158</u>	<u>\$ 207,017,135</u>	<u>\$ 479,011</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Business-type Activities		
	Wooster Community Hospital	Water	Water Pollution Control
Operating revenues:			
Charges for services	\$ 116,775,117	\$ 5,314,130	\$ 6,085,102
Interfund services provided	0	0	0
Miscellaneous	0	100,995	62,306
Total operating revenues	<u>116,775,117</u>	<u>5,415,125</u>	<u>6,147,408</u>
Operating expenses:			
Personal services	72,242,621	1,593,461	1,058,590
Operations and maintenance	32,168,840	1,777,806	1,453,079
Depreciation	6,877,947	1,064,277	1,750,983
Interfund services used	0	161,705	1,077,436
Total operating expenses	<u>111,289,408</u>	<u>4,597,249</u>	<u>5,340,088</u>
Operating income (loss)	<u>5,485,709</u>	<u>817,876</u>	<u>807,320</u>
Non-operating revenues (expenses):			
Interest & investment earnings	337,248	17,338	11,050
Grants	124,827	0	0
Miscellaneous non-operating revenue	0	240	240
Loss on disposal of capital assets	(11,359)	(2,831)	(21,298)
Interest expense	0	(204,688)	(426,204)
Net non-operating revenues (expenses)	<u>450,716</u>	<u>(189,941)</u>	<u>(436,212)</u>
Income (loss) before capital contributions	<u>5,936,425</u>	<u>627,935</u>	<u>371,108</u>
Capital contributions	<u>16,800</u>	<u>20,241</u>	<u>0</u>
Change in net position	<u>5,953,225</u>	<u>648,176</u>	<u>371,108</u>
Total net position at beginning of year	<u>154,822,193</u>	<u>20,722,650</u>	<u>14,098,887</u>
Total net position at end of year	<u>\$ 160,775,418</u>	<u>\$ 21,370,826</u>	<u>\$ 14,469,995</u>

See accompanying notes to the basic financial statements.

Business-type Activities			Governmental Activities
Storm Drainage	Refuse	Totals	Internal Service Funds
\$ 1,308,932	\$ 1,453,096	\$ 130,936,377	\$ 2,610,006
0	0	0	354,090
3,011	4,819	171,131	0
<u>1,311,943</u>	<u>1,457,915</u>	<u>131,107,508</u>	<u>2,964,096</u>
246,357	0	75,141,029	2,602,679
65,200	1,339,526	36,804,451	196,778
279,772	0	9,972,979	430
152,001	84,771	1,475,913	0
<u>743,330</u>	<u>1,424,297</u>	<u>123,394,372</u>	<u>2,799,887</u>
<u>568,613</u>	<u>33,618</u>	<u>7,713,136</u>	<u>164,209</u>
6,231	3,075	374,942	49,141
0	73,618	198,445	0
0	0	480	0
0	0	(35,488)	0
(23,165)	0	(654,057)	0
<u>(16,934)</u>	<u>76,693</u>	<u>(115,678)</u>	<u>49,141</u>
551,679	110,311	7,597,458	213,350
<u>11,193</u>	<u>0</u>	<u>48,234</u>	<u>0</u>
562,872	110,311	7,645,692	213,350
<u>9,146,866</u>	<u>580,847</u>	<u>199,371,443</u>	<u>265,661</u>
<u>\$ 9,709,738</u>	<u>\$ 691,158</u>	<u>\$ 207,017,135</u>	<u>\$ 479,011</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Business-type Activities		
	Wooster Community Hospital	Water	Water Pollution Control
Cash flows from operating activities:			
Cash received from customers	\$ 111,085,701	\$ 5,342,126	\$ 6,075,290
Cash paid to suppliers	(26,220,385)	(1,768,019)	(2,380,039)
Cash paid to employees	(71,650,536)	(1,592,029)	(1,090,102)
Cash received from interfund services provided	0	0	0
Other revenue (expense)	0	100,995	62,306
Net cash provided (used) by operating activities	13,214,780	2,083,073	2,667,455
Cash flows from capital and related financing activities:			
Capital contributions received	16,800	20,241	0
Proceeds from debt	0	197,800	20,000
Proceeds from sale of assets	12,279	0	0
Acquisitions of capital assets	(8,486,896)	(590,231)	(345,117)
Principal paid on capital debt	0	(308,262)	(900,963)
Interest paid on capital debt	0	(212,762)	(439,028)
Net cash provided (used) for capital and related financing activities	(8,457,817)	(893,214)	(1,665,108)
Cash flows from investing activities:			
Interest from investments	349,662	16,757	9,897
Net cash provided (used) by investing activities	349,662	16,757	9,897
Cash flows from non-capital financing activities:			
Grants	0	0	0
Non-operating subsidies	124,827	0	0
Other income	0	240	240
Net cash provided (used) by non-capital financing activities	124,827	240	240
Net increase (decrease) in city treasury cash	5,231,452	1,206,856	1,012,484
Equity in city treasury cash at beginning of year	82,935,884	2,657,475	1,555,670
Equity in city treasury cash at end of year	\$ 88,167,336	\$ 3,864,331	\$ 2,568,154
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 5,485,709	\$ 817,876	\$ 807,320
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	6,877,947	1,064,277	1,750,983
Changes in assets and liabilities:			
Receivables - net of allowances	(1,795,628)	27,996	(9,812)
Inventory	(259,834)	(20,789)	308
Prepaid expenses	(116,455)	0	0
Accounts and other payables	1,909,538	192,281	150,168
Accrued wages	365,653	57,857	(2,127)
Compensated absences payable	226,432	(56,425)	(29,385)
Other accrued liabilities	521,418	0	0
Net cash provided (used) by operating activities	\$ 13,214,780	\$ 2,083,073	\$ 2,667,455

See accompanying notes to the basic financial statements.

Business-type Activities			Governmental Activities
Storm Drainage	Refuse	Totals	Internal Service Funds
\$ 1,304,220	\$ 1,440,198	\$ 125,247,535	\$ 2,610,006
(133,399)	(1,312,441)	(31,814,283)	(2,491,729)
(256,472)	0	(74,589,139)	(219,278)
0	0	0	354,090
3,011	4,819	171,131	0
917,360	132,576	19,015,244	253,089
11,193	0	48,234	0
0	0	217,800	0
0	0	12,279	0
(535,419)	0	(9,957,663)	0
(160,545)	0	(1,369,770)	0
(23,400)	0	(675,190)	0
(708,171)	0	(11,724,310)	0
6,182	2,990	385,488	49,141
6,182	2,990	385,488	49,141
0	73,618	73,618	0
0	0	124,827	0
0	0	480	0
0	73,618	198,925	0
215,371	209,184	7,875,347	302,230
1,110,000	504,496	88,763,525	487,866
\$ 1,325,371	\$ 713,680	\$ 96,638,872	\$ 790,096
\$ 568,613	\$ 33,618	\$ 7,713,136	\$ 164,209
279,772	0	9,972,979	430
(4,712)	(12,898)	(1,795,054)	0
(15,541)	0	(295,856)	0
0	0	(116,455)	0
99,343	111,856	2,463,186	23,868
6,490	0	427,873	3,961
(16,605)	0	124,017	(405)
0	0	521,418	61,026
917,360	132,576	19,015,244	253,089

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2012**

	Total Agency Funds
Assets:	
Equity in city treasury cash	\$ 643,335
Total assets	<u>\$ 643,335</u>
Liabilities:	
Accounts payable	\$ 418,207
Due to agency recipient	225,128
Total liabilities	<u>\$ 643,335</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, 2012

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**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

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 seven 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 Position 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.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

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 position should be reported as restricted when constraints placed on their 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 position restricted for other purposes result from special revenue funds and the restrictions on their 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.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

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.
- 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.

The other governmental funds of the City account for grants and other resources to which the City is bound to observe constraints imposed upon the use of the resources.

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.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

PROPRIETARY FUNDS

All proprietary funds are accounted for using the accrual basis of accounting. 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.

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 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 Fund – To account for trash collection services provided to the residential and some commercial users of the City.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

The City has three internal service funds:

- Municipal Garage – To account 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.
- Employee Benefits Fund - To account for all claims filed against and paid by the city (as the employer) under the city's self-funded program of group health insurance.
- Investment Fund – 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.

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. The following three funds are used by the City to account for assets held by the City in a custodial capacity:

- The Wooster Growth Corporation Fund is used to account for revenues and expenditures of the City's community improvement corporation.
- The Guaranteed Deposits Fund is used to hold funds received from a contractor, developer, or individual to insure compliance with City ordinances through the completion of a construction or development project. Upon project completion, the deposit is returned to the party, less any applicable inspection fees.
- The Clearing Fund is used to hold monies received for bid bonds or proceeds on behalf of certain individuals, as well as any unclaimed checks of the municipality. Insurance premiums for retired employees or spouses participating in the City's group health insurance program are also reimbursed and paid from this fund.

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."

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

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, 2012 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.

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 \$10,389,399 allowance for uncollectibles represents estimates of uncollectible patient receivables in the accounts (user charge) classification and third party contractual adjustments for hospital fund receivables.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Other receivables at December 31, 2012 consist of property tax, income taxes withheld by employers, accounts (billings for user charged services, including utility services), due from other governments, due from other funds, 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 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

Wooster Community 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 \$4,395,805 in charity care in 2012.

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.

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 basis 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 basis 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.

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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.

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*”, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed or assigned.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or is imposed by law through constitutional provisions.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the City Council. The City has by resolution authorized the Finance Director to assign fund balance. The City may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

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The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

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.”

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include parks and recreation, hospital levy, and law enforcement and fire department operations.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

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.

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- 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 2012 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 at the object level (personal services and other) 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 Community Development Block Grant Fund had a deficit fund balance in the amount of \$14,156. The deficit in this non-major governmental fund resulted from the timing of reimbursements for grant expenditures. The general fund is liable for any deficit in these funds and will provide transfers when cash is required.

NOTE 3 – INTER-FUND TRANSACTIONS

Purpose	Receivable Fund	Payable Fund	Amount
Due to/from:			
Advance in anticipation of grant receipts	General	Nonmajor governmental fund	\$ 145,240

During the year, the general fund transferred \$1,361,000 to the capital improvements fund to provide capital funding.

NOTE 4 – CHANGES IN ACCOUNTING PRINCIPLES

For the year ended December 31, 2012, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements", GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements", GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", and GASB Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions – an Amendment of GASB Statement No. 53."

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The implementation of GASB Statement No. 60 did not have an effect on the financial statements of the City.

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GASB Statement No. 62 incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. The implementation of GASB Statement No. 62 did not have an effect on the financial statements of the City.

GASB Statement No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. It also amends the net asset reporting requirements of GASB Statement No. 34 by incorporating deferred outflows and inflows into the definitions and renaming the residual measure as net position, rather than net assets.

GASB Statement No. 64 clarifies the circumstances in which a hedge accounting should continue when a swap counterparty, or a swap counterparty's credit support provider, is replaced. The implementation of GASB Statement No. 64 did not have an effect on the financial statements of the City.

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. The Federal Deposit Insurance Corporation provides 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 position 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 ORC 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%.

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- 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%.

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.

According to State law, public depositories must give security for all uninsured public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by FDIC, or may pledge a pool of government securities valued at least 105 percent of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the City's name. During 2012, the City and public depositories complied with the provisions of these statutes.

Deposits with Financial Institutions

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as collateral against all of the uninsured public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City.

At year-end, the carrying amount of the City's deposits was \$36,620,518, which includes \$7,402 cash on hand. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2012, \$3,663,394 of the City's bank balance of \$37,757,807 was exposed to custodial risk as discussed above, while \$34,094,413 was covered by Federal Deposit Insurance Corporation.

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Deposits in interest-bearing accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a coverage limit of \$250,000 per financial institution through December 31, 2012. Insurance on deposits in noninterest-bearing accounts is unlimited through December 31, 2012. The City has both interest-bearing and noninterest-bearing accounts.

Beginning January 1, 2013, noninterest-bearing accounts will no longer be insured separately from the City's other accounts at the same financial institution. Instead, noninterest-bearing and interest-bearing accounts will collectively be insured up to a coverage limit of \$250,000, at each separate financial institution.

Investments

As of December 31, 2012, the City had the following investments and maturities:

Investment Type	Fair Value	Maturity			
		1 Year or Less	1-3 Years	3-5 Years	More than 5 Years
U.S. Agency Notes	\$ 32,598,393	\$ 9,036,081	\$ 19,555,932	\$ 4,006,380	\$ 0
U.S. Treasury Notes	5,013,321	5,013,321	0	0	0
STAROhio	25,304,084	25,304,084	0	0	0
Commercial Paper	14,988,514	14,988,514	0	0	0
Municipal Bonds	587,978	0	582,305	0	5,673
Total	<u>\$ 78,492,290</u>	<u>\$ 54,342,000</u>	<u>\$ 20,138,237</u>	<u>\$ 4,006,380</u>	<u>\$ 5,673</u>

Interest Rate Risk. As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within two years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

STAROhio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAROhio as of June 30, 2012, is 53 days and carries a rating of AAAM by Standard and Poor's.

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. 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. Agency notes and the U.S. Treasury note are rated Aaa and AAA by Moody's and Standard & Poor's respectively, which is the top rating available for those investment types.

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Custodial Credit Risk. For an investment, 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. The City has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk. The City's investment policy limits the amounts it may invest in any one type of instrument. The following is the City's allocation as of December 31, 2012:

Investment Type	Fair Value	Percentage of Investments
U.S. Agency Notes	\$ 32,598,393	41.53%
U.S. Treasury Note	5,013,321	6.39%
STAROhio	25,304,084	32.24%
Commercial Paper	14,988,514	19.09%
Municipal Bonds	587,978	0.75%
Total	<u>\$ 78,492,290</u>	<u>100.00%</u>

NOTE 6 - CAPITAL ASSETS AND DEPRECIATION

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

Governmental Activities	Balance 12/31/11	Increases	Decreases	Balance 12/31/12
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$ 4,279,153	\$ 77,141	\$ 0	\$ 4,356,294
Construction in progress	2,790,656	2,662,973	(95,882)	5,357,747
<i>Total Capital Assets, not being depreciated</i>	<u>7,069,809</u>	<u>2,740,114</u>	<u>(95,882)</u>	<u>9,714,041</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings	7,568,496	29,914	(37,940)	7,560,470
Improvements/infrastructure	79,395,044	674,259	0	80,069,303
Equipment	11,750,535	574,674	(677,790)	11,647,419
<i>Total Capital Assets, being depreciated</i>	<u>98,714,075</u>	<u>1,278,847</u>	<u>(715,730)</u>	<u>99,277,192</u>
<i>Accumulated Depreciation:</i>				
Buildings	(5,280,204)	(225,687)	37,940	(5,467,951)
Improvements/infrastructure	(43,692,249)	(2,030,163)	0	(45,722,412)
Equipment	(9,143,595)	(470,865)	667,930	(8,946,530)
<i>Total Accumulated Depreciation</i>	<u>(58,116,048)</u>	<u>(2,726,715)</u>	<u>705,870</u>	<u>(60,136,893)</u>
<i>Total Capital Assets being depreciated, net</i>	<u>40,598,027</u>	<u>(1,447,868)</u>	<u>(9,860)</u>	<u>39,140,299</u>
<i>Governmental Activities, Capital Assets, net</i>	<u>\$ 47,667,836</u>	<u>\$ 1,292,246</u>	<u>\$ (105,742)</u>	<u>\$ 48,854,340 *</u>

*Balance includes \$4,261 from the Internal Service Fund

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Depreciation was charged to functions as follows:

Governmental Activities:

Safety services	\$ 609,819
Leisure services	194,730
Environment and development	3,543
Transportation services	1,729,799
Administrative services	188,824
<i>Total governmental activities depreciation expense</i>	<u><u>\$ 2,726,715 *</u></u>

*Includes \$430 for Internal Service fund

Business-type Activities	Balance 12/31/11	Additions	Reductions	Balance 12/31/12
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$ 7,947,785	\$ 161,287	\$ 0	\$ 8,109,072
Construction in progress	2,407,929	9,496,433	(6,252,005)	5,652,357
<i>Total Capital Assets, not being depreciated</i>	<u>10,355,714</u>	<u>9,657,720</u>	<u>(6,252,005)</u>	<u>13,761,429</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings	98,992,968	1,168,276	(193,454)	99,967,790
Improvements/infrastructure	90,356,161	2,508,789	(414,276)	92,450,674
Equipment	52,003,927	2,874,882	(1,820,953)	53,057,856
<i>Total Capital Assets, being depreciated</i>	<u>241,353,056</u>	<u>6,551,947</u>	<u>(2,428,683)</u>	<u>245,476,320</u>
<i>Accumulated Depreciation:</i>				
Buildings	(46,080,276)	(2,526,883)	179,974	(48,427,185)
Improvements/infrastructure	(33,346,464)	(4,045,820)	414,276	(36,978,008)
Equipment	(40,821,776)	(3,400,276)	1,786,667	(42,435,385)
<i>Total Accumulated Depreciation</i>	<u>(120,248,516)</u>	<u>(9,972,979)</u>	<u>2,380,917</u>	<u>(127,840,578)</u>
<i>Total Capital Assets being depreciated, net</i>	<u>121,104,540</u>	<u>(3,421,032)</u>	<u>(47,766)</u>	<u>117,635,742</u>
<i>Business-type Activities, Capital Assets, net</i>	<u><u>\$ 131,460,254</u></u>	<u><u>\$ 6,236,688</u></u>	<u><u>\$ (6,299,771)</u></u>	<u><u>\$ 131,397,171</u></u>

Depreciation was charged to functions as follows:

Business-type Activities:

Wooster Community Hospital	\$ 6,877,947
Water	1,064,277
Water Pollution Control	279,772
Storm Drainage	1,750,983
<i>Total business-type activities depreciation expense</i>	<u><u>\$ 9,972,979</u></u>

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NOTE 7 - PROPERTY TAX

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2012 for real and public utility property taxes represents collections of the 2011 taxes.

2012 real property taxes were levied after October 1, 2012 on the assessed value as of January 1, 2012, the lien date. Assessed values are established by State law at 35% of appraised market value. 2012 real property taxes are collected in and intended to finance 2013.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2012 public utility property taxes which became a lien December 31, 2011, are levied after October 1, 2012, and are collected in 2013 with real property taxes.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phased out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated in calendar year 2009, and the tax on telephone and telecommunications property was eliminated in calendar year 2010. The tax was phased out by reducing the assessment rate on the property each year. The bill replaced the revenue lost by the City due to the phasing out of the tax. In calendar years 2006-2010, the City was fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements are being phased out. On June 30, 2011, House Bill No. 153 was signed into law, which further reduced the amounts of these reimbursements.

The full tax rate for all City operations for the year ended December 31, 2012, was \$4.20 per \$1,000 of assessed valuation. The assessed values of real property upon which 2012 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$ 513,978,640
Public Utilities - Real	57,540
Public Utilities - Personal	<u>13,430,050</u>
Total Assessed Value	<u>\$ 527,466,230</u>

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30; with the remainder payable by September 20.

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The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City of Wooster. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility real and tangible personal property taxes, and outstanding delinquencies which became measurable as of December 31, 2012, and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2012 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

NOTE 8 – DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple employer defined benefit pension plan. The Member-Directed Plan is 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 the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, 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 to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 1-800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For 2012, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan.

For the year ended December 31, 2012, members in state and local classifications contributed 10.0% of covered payroll while public safety and law enforcement members contributed 11.5% and 12.1%, respectively.

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The City's 2012 contribution rate was 14.0%, except for those plan members in law enforcement or public safety, for whom the City's contribution was 18.1% of covered payroll. The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4.0% during calendar year 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2012.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2012, 2011, and 2010, were \$3,341,671, \$3,347,544, and \$3,604,275, respectively. For 2012, 88.1% has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010. There were no contributions made to the Member-Directed Plan for 2012.

Ohio Police and Fire Pension Fund

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

Funding Policy - Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% for police officers and 24.0% for firefighters. The City's contributions to OP&F for police and firefighters were \$325,886 and \$525,841 for the year ended December 31, 2012, \$299,813 and \$390,842 for the year ended December 31, 2011, and \$309,074 and \$527,875 for the year ended December 31, 2010, respectively. 71.8% for police and 74.0% for firefighters has been contributed for 2012. The full amount has been contributed for 2011 and 2010.

NOTE 9 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan, which includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement, 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.

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In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 1-800-222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution OPERS is set aside for the funding of post-retirement health care coverage.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, state and local employers contributed at a rate of 14.0% of covered payroll, and public safety and law enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% during calendar year 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2012.

The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and coverage selected.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2012, 2011, and 2010 were \$1,670,836, \$1,673,772 and \$2,061,852, respectively. For 2012, 88.1% has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4% of the employer contributions toward the health care fund after the end of the transition period.

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Ohio Police and Fire Pension Fund

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium reimbursement and long-term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

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. That report is also available on OP&F's website at www.op-f.org.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2012, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

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The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$156,944 and \$199,660 for the year ended December 31, 2012, \$165,858 and \$208,026 for the year ended December 31, 2011, and \$163,516 and \$206,304 for the year ended December 31, 2010. 73.1% has been contributed for police and 26.9% has been contributed for firefighters for 2012. The full amount has been contributed for 2011 and 2010.

NOTE 10 - 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 his 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 \$3,069,614 at December 31, 2012.

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 % (City) and twenty-five % (Hospital) of their accumulated sick leave, not to exceed various ceilings depending on bargaining unit or management staff status. This obligation amounted to \$2,863,112 for the City and Hospital at December 31, 2012, 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 11 - 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 2012 contract cost for the Justice Center was \$508,835.

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Operating Leases

The Wooster Community Hospital leases medical and office equipment under noncancelable operating leases. Total costs for such leases were \$736,722 for the year ended December 31, 2012. All leases end in 2016 or earlier. The future minimum payments for these leases are as follows:

Year Ending December 31, 2013	\$ 784,425
2014	705,175
2015	366,821
2016	40,228
	<u>\$ 1,896,649</u>

City Construction Commitments

Melrose Drive Improvements: The Wooster Engineering Division completed the design to improve approximately 4,200 linear feet of Melrose Drive by widening the roadway, improving intersections and upgrading utilities. The construction estimated cost for this project is \$2,245,000 with OPWC providing a \$500,000 grant. Seven contractors submitted bids in October, 2011 for the construction of this roadway improvement project. The total cost of the contract was \$1,988,022; \$120,441 of the contract remained payable as of December 31, 2012. Utility relocations and clearing of the area began in November. Excavating for storm sewer and waterline placement began in early spring of 2012. Roadway construction was completed in early January 2013 with a final cost of \$1,958,739.

Merchant Block Parking Lot Improvements: The City became involved in the Merchant Block development and divided the project into several contracts. Contract A, B, and C covered the sidewalk, utilities, parking and sitework and streetscape. The contract was bid in July 2012 with South Excavating submitting the low bid of \$351,881. Work was completed in January of 2013 with a final project cost of \$378,313. Contract D,E,F was for landscaping, patio and dumpster enclosure. Stout Excavating was awarded the contract with a bid price of \$81,000. The work was substantially complete by the end of 2012. Contract G entails a traffic signal replacement at the Walnut and Liberty Street intersection. The project was bid in November, 2012 with Miller Cable submitting the low bid of \$144,000. Work will continue into Spring 2013. \$44,415 was payable on all Merchants Block contracts at the end of 2012.

Burbank Road Sanitary: This project was designed by the Wooster Engineering Division and consists of replacing two existing vitrified clay sanitary sewer lines with a new PVC sanitary sewer. The existing sanitary sewer will be converted to a storm sewer with additional catch basins add in preparation of resurfacing Burbank Road in 2013. Construction cost estimate for this project was \$730,000. Underground Utilities submitted the low bid or \$703,446 and began work in December 2012. A total of \$122,264 was payable to the contractor on December 31, 2012.

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Wooster Gateway Projects: This project is located at the intersection of State Route 30 and Madison Avenue adjacent to downtown Wooster. It consists of landscaping elements including trees, shrubs and wildflower plantings. Other design elements include identity and directional signage, minor sidewalk improvements, and site elements. Stout Excavating was award the contract with a bid price of \$370,867. \$80,581 was outstanding on the contract as of December 31, 2012, \$64,286 of which was payable at year end.

Safe Routes to Schools: The City in conjunction with the Wooster City Schools has determined several areas within the city that will benefit from installation of sidewalks; enabling a greater number of students to walk safely to school which should help reduce traffic congestion at many of the elementary schools. With financing through ODOT, the first area to be improved was Melrose Drive from Portage Road to Melrose Elementary School. Terra Valley Excavating was award the contract with a bid price of \$68,489. \$65,740 of the contract was payable at December 31, 2012. Work will be completed in the spring of 2013.

Encumbrances

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the governmental funds were as follows:

Fund	Amount
General	\$ 2,532,598
Other Governmental	1,854,350
	\$ 4,386,948

NOTE 12 - CONTINGENCIES

Enterprise and Special Assessment Bonded Debt

Certain general obligation bonds are being retired by use of revenues generated by the General, Street Maintenance, Water, Water Pollution Control, Storm Drainage, 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

During 2012 the City carried a policy of general liability coverage as a member of the Ohio Plan. The maximum exposure to the City was a deductible of \$25,000 per case.

At this time, there is one case pending in which the City is a party defendant. The lawsuit involves a collision between a city vehicle and another driver. The plaintiff is seeking damages for personal injury and damage to his vehicle. Because the loss is insured, the maximum exposure, as indicated above, is \$25,000.

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The City is also the plaintiff in a nuisance case filed against a local industry that treats industrial waste, and as a by-product, periodically generates noxious odors. Because the City is a plaintiff and there are no claims for monetary damages, there is no danger of an adverse money judgment against the City.

Wooster Community Hospital carries separate policies for malpractice and general liability coverage. The maximum malpractice exposure is \$25,000 deductible per case, with a total limit of \$75,000 per year. The general liability policy has a maximum exposure of \$50,000 deductible per claim. Presently there are three pending medical malpractice lawsuits; two medical malpractice claims (not in suit); and two general liability claims (both related to construction projects done by the hospital).

In the case of both the general city government and the hospital, all cases are being vigorously defended. It is not anticipated that any of these cases or claims will have a material adverse impact on the finances of either.

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, 2012, the audits of these grants and programs were complete through 2011 and the City's compliance with applicable requirements has been established. The City's compliance with applicable requirements for 2012 will be established at a future date. The City does not expect any disallowance of grant expenditures.

Other Contingencies

Low and Moderate Income Housing

Wayne Metropolitan Housing Authority (WMHA) and Community Crossroads, Incorporated collectively manage fifteen properties to be made available to low and moderate income housing under grant provisions approved by the Secretary of Housing and Urban Development (HUD). Thirteen properties are owned and managed by WMHA and two are owned and managed by Community Crossroads, Incorporated. The property deeds carry the restriction that the properties must be used for the intended purpose (low and moderate income housing). If the properties are no longer used for the intended purpose, the properties will be transferred back to the City or such other agency as the City determines.

NOTE 13 - 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, 2012 there was one series of Adjustable Rate Demand Health Care Facilities Bonds outstanding with a principal amount payable of \$5,345,000.

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NOTE 14 - RISK MANAGEMENT

Risk Pool Membership

The City is exposed to various risks of property and casualty losses, and injuries to employees.

The City insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The City contracts with Ohio Government Risk Management Plan (the Plan), an Ohio government risk management program. The Plan was formed in June 1988 for the primary purpose of managing third-party liability claims against its members. The Plan provides property, liability, error and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its 760 members. The City's settled claims have not exceeded insurance coverage for the past three years. The Plan has chosen to adopt the forms and endorsements of conventional insurance coverage and to reinsure these coverages 100%, rather than utilize a risk pool of member funds to pay individual and collective losses up to a given retention, and then have excess reinsurance coverage above the retention amount. Therefore, the City's only responsible for its self-retention (deductible) amount. The Plan reinsures its coverage 100%, with various reinsurance companies up to a limit of \$5,000,000 per occurrence, per member. The City has not had any reduction in insurance coverage in the past three years.

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 funding requests 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, 2012. 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, 2012 the outstanding claims liability was \$1,978,614, of which \$1,136,444 is attributed to the Hospital and \$842,170 is attributed to the City.

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Changes in the fund's claims liability amounts 2006 to 2012 are:

	2006	2007	2008	2009	2010	2011	2012
Balance at beginning of year	\$ 2,128,433	\$ 1,627,607	\$ 1,809,811	\$ 1,282,159	\$ 1,523,577	\$ 1,434,222	\$ 1,502,355
Current year claims	9,391,185	9,485,549	10,193,138	11,710,559	12,737,438	12,461,624	12,043,391
Claim payments	(9,892,011)	(9,303,345)	(10,720,790)	(11,469,141)	(12,826,793)	(12,393,491)	(11,567,132)
Balance at end of year	<u>\$ 1,627,607</u>	<u>\$ 1,809,811</u>	<u>\$ 1,282,159</u>	<u>\$ 1,523,577</u>	<u>\$ 1,434,222</u>	<u>\$ 1,502,355</u>	<u>\$ 1,978,614</u>

NOTE 15 – LONG-TERM LIABILITIES

Governmental Activities

The internal service fund predominantly serves the governmental funds. Accordingly, long-term liabilities for compensated absences related to internal services are included in governmental activities. Also for governmental activities, 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.

All special assessment debt is paid through the Debt Service Fund. In the event and to the extent that special assessments are not collected and to pay the debt charges on the bonds representing the City portion, there shall be levied on all the taxable property in the City, in addition to all other taxes, a direct tax annually during the period the bonds are outstanding in an amount sufficient to pay the principal of and interest on the bonds when due. The amount of delinquent special assessments receivable at year-end is \$4,854. 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 December 31, 2012 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
WAYNE COUNTY, OHIO
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Debt service requirements to maturity

The City's legal debt margin within the 10 ½% limitation was approximately \$48.2 million at December 31, 2012. Principal and interest requirements to retire the City's long-term obligations are as follows:

**BUSINESS-TYPE ACTIVITY
WATER**

Year	General Obligation Bonds		OWDA Loans		OPWC Loans	Totals
	Principal	Interest	Principal	Interest	Principal	
2013	\$ 168,600	\$ 108,870	\$ 126,855	\$ 95,077	\$ 45,255	\$ 544,657
2014	171,200	104,321	131,301	90,632	45,255	542,709
2015	173,800	99,630	135,901	86,030	45,254	540,615
2016	182,650	94,736	140,664	81,267	45,255	544,572
2017	185,250	89,219	145,596	76,334	45,255	541,654
2018-2022	917,500	347,336	808,262	301,394	226,273	2,600,765
2023-2027	896,250	204,452	960,420	149,236	203,959	2,414,317
2028-2032	616,250	45,728	310,765	11,372	181,895	1,166,010
2033-2037	0	0	0	0	69,391	69,391
2038-2039	0	0	0	0	27,756	27,756
	<u>\$ 3,311,500</u>	<u>\$ 1,094,292</u>	<u>\$ 2,759,764</u>	<u>\$ 891,342</u>	<u>\$ 935,548</u>	<u>\$ 8,992,446</u>

**BUSINESS-TYPE ACTIVITY
WATER POLLUTION CONTROL FUND**

Year	General Obligation Bonds		OWDA Loans		OPWC Loan	Totals
	Principal	Interest	Principal	Interest	Principal	
2013	\$ 15,634	\$ 10,285	\$ 909,739	\$ 402,505	\$ 2,178	\$ 1,340,341
2014	15,634	9,973	936,445	375,798	2,178	1,340,028
2015	15,634	9,660	963,943	348,300	2,178	1,339,715
2016	16,285	9,347	1,111,340	347,522	2,179	1,486,673
2017	16,285	8,981	1,264,962	340,520	2,179	1,632,927
2018-2022	88,592	37,879	6,649,740	1,119,135	10,895	7,906,241
2023-2027	102,271	23,492	4,150,442	284,458	10,895	4,571,558
2028-2032	71,002	5,285	0	0	10,897	87,184
2033-2037	0	0	0	0	10,900	10,900
2038-2039	0	0	0	0	4,360	4,360
	<u>\$ 341,337</u>	<u>\$ 114,902</u>	<u>\$ 15,986,611</u>	<u>\$ 3,218,238</u>	<u>\$ 58,839</u>	<u>\$ 19,719,927</u>

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BUSINESS-TYPE ACTIVITY
STORM DRAINAGE FUND

Year	General Obligation Bonds		OPWC Loans	Totals
	Principal	Interest	Principal	
2013	\$ 150,000	\$ 20,500	\$ 15,545	\$ 186,045
2014	150,000	17,500	15,545	183,045
2015	150,000	14,500	15,545	180,045
2016	155,000	11,500	15,546	182,046
2017	150,000	8,012	15,546	173,558
2018-2022	155,000	4,262	77,728	236,990
2023-2027	0	0	62,796	62,796
2028-2032	0	0	24,250	24,250
2033-2037	0	0	24,250	24,250
2038-2039	0	0	9,700	9,700
	<u>\$ 910,000</u>	<u>\$ 76,274</u>	<u>\$ 276,451</u>	<u>\$ 1,262,725</u>

GOVERNMENTAL ACTIVITIES

Year	Bonds		OPWC Loans	Totals
	Principal	Interest	Principal	
2013	\$ 363,995	\$ 110,139	\$ 22,471	\$ 496,605
2014	376,811	114,686	18,161	509,658
2015	347,023	102,798	13,850	463,671
2016	353,034	92,877	13,850	459,761
2017	363,493	82,118	13,851	459,462
2018-2022	1,082,994	252,424	48,538	1,383,956
2023-2027	486,479	111,737	0	598,216
2028-2030	337,746	25,133	0	362,879
	<u>\$ 3,711,575</u>	<u>\$ 891,912</u>	<u>\$ 130,721</u>	<u>\$ 4,734,208</u>

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	Original Amount	Balance 12/31/2011	Increases	(Decreases)	Balance 12/31/2012	Amount Due in 2013
BUSINESS-TYPE ACTIVITIES:						
Wooster Community Hospital Fund:						
Compensated Absences	\$ 0	\$ 3,484,979	\$ 3,471,920	\$ (3,245,488)	\$ 3,711,411	\$ 2,506,120
WCH Fund Total	<u>0</u>	<u>3,484,979</u>	<u>3,471,920</u>	<u>(3,245,488)</u>	<u>3,711,411</u>	<u>2,506,120</u>
Water Fund:						
5.4-5.75% 1995 G.O. Bonds	704,045	375,100	0	(33,600)	341,500	33,600
2007 0% OPWC Loan-Intermediate Zone Water Tank (20 years)	416,362	388,606	0	(13,879)	374,727	13,879
2007 3.36% O.W.D.A. Loans - Water Tank and Booster Station (20 years)	3,042,615	2,279,513	0	(85,225)	2,194,288	103,006
2008 0% OPWC Loan - Cleveland/ Portage Waterline (20 years)	295,637	79,698	0	(6,377)	73,321	6,376
2009 4.14% O.W.D.A. Loan - Waterline Replacement (20 years)	384,528	358,658	0	(13,752)	344,906	14,327
2009 3.7% O.W.D.A. Loan - Secondary Transmission Line (20 years)	247,128	229,749	0	(9,179)	220,570	9,522
2010 Refunding Bonds (2.0-2.75%) Beall Avenue (20 years)	710,000	683,750	0	(28,750)	655,000	30,000
2010 Refunding Bonds (2.0-2.75%) Water (20 years)	2,510,000	2,420,000	0	(105,000)	2,315,000	105,000
2011 0% OPWC Loan-Burbank Road Waterline Replacement (20 years)	302,200	302,200	197,800	(12,500)	487,500	25,000
Compensated Absences	0	251,557	35,658	(92,083)	195,132	62,109
Water Fund Total	<u>8,612,515</u>	<u>7,368,831</u>	<u>233,458</u>	<u>(400,345)</u>	<u>7,201,944</u>	<u>402,819</u>
Water Pollution Control Fund:						
3.25% 2005 O.W.D.A. Loan-Sewer Plant Upgrade (7/1/07-1/1/22)	6,088,332	4,559,305	0	(370,852)	4,188,453	383,002
2.67% 2006 O.W.D.A. Loan-Sewer Plant Equipment (7/1/07-1/1/27)	11,851,333	9,704,216	0	(512,950)	9,191,266	526,737
2009 0% OPWC Loan-Landfill Street Sewer Separation (30 years)	65,375	61,017	0	(2,178)	58,839	2,178
2009 1% O.W.D.A. Loan - Bio tower & Sewer Line (15 years)	2,753,629	2,586,892	20,000	0	2,606,892	0
2010 Refunding Bonds (2.0-2.75%) Water Pollution Control (20 years)	370,000	356,320	0	(14,983)	341,337	15,634
Compensated Absences	0	183,143	43,220	(72,605)	153,758	42,682
Water Pollution Control Fund Total	<u>21,128,669</u>	<u>17,450,893</u>	<u>63,220</u>	<u>(973,568)</u>	<u>16,540,545</u>	<u>970,233</u>
Storm Drainage Fund:						
2003 0% OPWC Loan-Mulberry Ave Storm Drainage (1/1/04-7/1/23)	47,888	27,537	0	(2,394)	25,143	2,394
2007 0% OPWC Loan-Grant Area Storm Drainage (1/1/08-7/31/27)	166,000	128,650	0	(8,300)	120,350	8,300
2009 0% OPWC Loan-Landfill Street Sewer Separation (30 years)	145,511	135,809	0	(4,851)	130,958	4,851
2010 Refunding Bonds (2.0-2.75%) Quinby Avenue (20 years)	480,000	420,000	0	(60,000)	360,000	60,000
2010 Refunding Bonds (2.0-2.75%) Storm Water (20 years)	720,000	635,000	0	(85,000)	550,000	90,000
Compensated Absences	0	28,934	1,317	(17,922)	12,329	4,544
Storm Water Fund Total	<u>1,559,399</u>	<u>1,375,930</u>	<u>1,317</u>	<u>(178,467)</u>	<u>1,198,780</u>	<u>170,089</u>
Total Business-Type Activities	<u>\$ 31,300,583</u>	<u>\$ 29,680,633</u>	<u>\$ 3,769,915</u>	<u>\$ (4,797,868)</u>	<u>\$ 28,652,680</u>	<u>\$ 4,049,261</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Amount	Balance 12/31/2011	Increases	(Decreases)	Balance 12/31/2012	Amount Due in 2013
GOVERNMENTAL ACTIVITIES:						
Special Assessment:						
1995 General Obligation Bond - 5.4-5.75% (Downtown/Oldman)	\$ 1,245,955	\$ 349,900	\$ 0	\$ (31,400)	\$ 318,500	\$ 31,400
1998 Special Assessment Bond - 6% - Buena Vista	13,234	6,442	0	(768)	5,674	813
1999 Special Assessment Bond - 6% - Oak Hill	106,048	29,188	0	(9,168)	20,020	9,718
1999 Special Assessment Bond - 6% - East Liberty	299,405	82,402	0	(25,883)	56,519	27,436
2000 Special Assessment Bond - 6% - Burbank/Friendsville	26,167	9,336	0	(2,134)	7,202	2,262
2007 Special Assessment Bond - 4.7% - Milltown Rd. Construction	337,361	257,530	0	(18,193)	239,337	18,984
Special Assessment Total	<u>2,028,170</u>	<u>734,798</u>	<u>0</u>	<u>(87,546)</u>	<u>647,252</u>	<u>90,613</u>
Long Term Bonds:						
2007 General Obligation Bond 4.87% - Milltown Road	492,667	393,468	0	(27,807)	365,661	29,016
2010 Refunding Bonds (2.0-2.75%) Municipal Building (20 years)	1,040,000	915,000	0	(130,000)	785,000	125,000
2010 Refunding Bonds (2.0-2.75%) Milltown Road (20 years)	385,000	340,000	0	(50,000)	290,000	45,000
2010 Refunding Bonds (2.0-2.75%) Beall Avenue (20 years)	1,066,000	1,026,588	0	(43,165)	983,423	45,042
2010 Refunding Bonds (2.0-2.75%) Beall Ave-Assessment (20 years)	694,000	668,342	0	(28,103)	640,239	29,324
Long Term Bonds Total	<u>3,677,667</u>	<u>3,343,398</u>	<u>0</u>	<u>(279,075)</u>	<u>3,064,323</u>	<u>273,382</u>
Long Term Loans:						
1998 0% OPWC Loan-Route 585 (1/19/1998 - 1/1/2014)	34,304	10,291	0	(1,715)	8,576	1,715
1998 0% OPWC Loan-East Liberty (9/18/1998 - 1/1/2018)	129,317	21,553	0	(8,621)	12,932	8,621
2007 0% OPWC Loan-East Milltown (7/1/2007 - 12/1/2018)	182,022	121,348	0	(12,135)	109,213	12,135
Long Term Loans Total	<u>345,643</u>	<u>153,192</u>	<u>0</u>	<u>(22,471)</u>	<u>130,721</u>	<u>22,471</u>
Compensated Absences	0	2,113,907	664,277	(918,088)	1,860,096	521,422
Total Governmental Activities	<u>\$ 6,051,480</u>	<u>\$ 6,345,295</u>	<u>\$ 664,277</u>	<u>\$ (1,307,180)</u>	<u>\$ 5,702,392</u>	<u>\$ 907,888</u>

2010 Various Purpose Refunding Bonds

In October 2010, the City issued \$7,975,000 general obligation bonds, \$2,625,000 of which were issued to partially refund \$2,595,000 (\$1,185,000 within enterprise funds and \$1,410,000 within governmental funds) of outstanding general obligation bonds and finance issuance costs. The balance was used to retire outstanding bond anticipation notes. The bonds were issued for an eight year period with final maturity at December 1, 2018. At the date of the refunding, \$2,645,946 (\$1,208,259 within enterprise funds and \$1,437,687 within governmental funds) were deposited in an irrevocable trust to provide for all future payments on the partially refunded bonds. As of December 31, 2012, \$2,000,000 of these bonds is considered defeased.

CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

The premium and issuance costs on these refunded bonds are insignificant amounts that have been recognized in the current year and will not be amortized. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$50,946, which is also insignificant and will not be amortized over future periods. The issuance resulted in an economic gain of \$181,542.

NOTE 16 – FUND BALANCE

Fund balance can be classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in governmental funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

	General Fund	Debt Service Fund	Other Governmental Funds	Total
Nonspendable for:				
Inventory	\$ 55,429	\$ 0	\$ 189,674	\$ 245,103
Total Nonspendable	55,429	0	189,674	245,103
Restricted for:				
Street Construction Maintenance and Repair	0	0	1,420,035	1,420,035
State Highway	0	0	438,825	438,825
Permissive Tax	0	0	587,564	587,564
Debt Service	0	1,080,455	0	1,080,455
Other Purposes	0	0	399,060	399,060
Total Restricted	0	1,080,455	2,845,484	3,925,939
Committed to:				
Economic Development	0	0	121,919	121,919
Economic/Downtown Loan	0	0	19,186	19,186
Total Committed	0	0	141,105	141,105
Assigned for:				
Encumbrances				
Safety	1,669,152	0	0	1,669,152
Health and Social Services	104,479	0	0	104,479
Leisure Services	218,432	0	0	218,432
Environment and Development	6,790	0	0	6,790
Transportation Services	152,657	0	0	152,657
Administrative Services	381,088	0	0	381,088
Capital Improvement	0	0	126,294	126,294
Subsequent Year Appropriations	2,980,140	0	0	2,980,140
Total Assigned	5,512,738	0	126,294	5,639,032
Unassigned (Deficit)	5,801,446	0	(14,156)	5,787,290
Total Fund Balance	<u>\$ 11,369,613</u>	<u>\$ 1,080,455</u>	<u>\$ 3,288,401</u>	<u>\$ 15,738,469</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 17 – RESTATEMENT OF FUND BALANCE/NET POSITION

Fund balances have been restated at January 1, 2012, to account for an understatement of other liabilities and reclassification of TIF monies. These adjustments had the following effect on previously reported fund balance/net position:

	General Fund	Debt Service Fund
Fund balances previously reported, December 31, 2011	\$ 11,590,950	\$ 757,033
Other liabilities	(865,544)	305,209
Restated fund balances, January 1, 2012	<u>\$ 10,725,406</u>	<u>\$ 1,062,242</u>

	Governmental Activities
Net position previously reported, December 31, 2011	\$ 64,027,343
Other liabilities	(560,335)
Restated Net position, January 1, 2012	<u>\$ 63,467,008</u>

NOTE 18 – SUBSEQUENT EVENT

On May 7, 2013, the citizens of Wooster voted to pass a .5% increase in the earned income tax, raising the tax rate from its current 1% to 1.5%, effective January 1, 2014. This increase will provide the funds necessary to maintain our current services and fund our capital improvement projects. It is expected to provide approximately \$5 million in additional tax revenues annually.

Required Supplementary Information

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Taxes	\$ 11,335,041	\$ 11,340,720	\$ 13,463,255	\$ 2,122,535
Intergovernmental	1,154,187	1,154,187	1,098,338	(55,849)
Charges for services	1,564,362	1,565,810	1,416,353	(149,457)
Fines, licenses, permits	421,157	421,157	536,585	115,428
Interfund services provided	1,510,000	1,510,000	1,478,817	(31,183)
Interest income	60,000	60,000	55,130	(4,870)
Miscellaneous	66,110	66,110	54,174	(11,936)
Total Revenues	<u>16,110,857</u>	<u>16,117,984</u>	<u>18,102,652</u>	<u>1,984,668</u>
Expenditures :				
Safety services	10,160,281	12,351,117	11,607,637	743,480
Health and social services	150,000	150,000	137,141	12,859
Leisure services	1,426,878	1,686,899	1,517,199	169,700
Environment & development	859,593	1,047,491	947,077	100,414
Transportation services	1,268,714	1,427,131	1,130,727	296,404
Administrative services	3,033,911	3,537,509	3,290,262	247,247
Total Expenditures	<u>16,899,377</u>	<u>20,200,147</u>	<u>18,630,043</u>	<u>1,570,104</u>
Excess revenues over (under) expenditures	(788,520)	(4,082,163)	(527,391)	3,554,772
Other Financing Sources (Uses):				
Transfers out	(400,000)	(1,361,000)	(1,361,000)	0
Total Other Financing Sources (Uses)	<u>(400,000)</u>	<u>(1,361,000)</u>	<u>(1,361,000)</u>	<u>0</u>
Encumbrances	0	0	2,532,598	2,532,598
Fund balances at beginning of year (Restated)	10,725,406	10,725,406	10,725,406	0
Fund balances at end of year	<u>\$ 9,536,886</u>	<u>\$ 5,282,243</u>	<u>\$ 11,369,613</u>	<u>\$ 6,087,370</u>

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

**COMBINING STATEMENTS FOR
NONMAJOR GOVERNMENTAL FUNDS
AND
INDIVIDUAL FUND SCHEDULES FOR
GOVERNMENTAL FUNDS**

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 – 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.

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.

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.

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.

CDBG CHIP HOME REVOLVING LOAN – This fund is used to account for the loans, repayments, and subsequent loans provided for economic development purposes and downtown revitalization.

ECONOMIC/DOWNTOWN LOAN – This fund is used to account for the loans, repayments, and subsequent loans provided for economic development purposes and downtown revitalization.

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.

LAW ENFORCEMENT PROFESSIONAL TRAINING – This fund accounts for the receipt and disbursement of funds for continuing professional education for the Police Division, which participates in the state law enforcement assistance fund.

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.

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.

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.

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

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.

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 are financing this project.

LONG ROAD FUND – This fund is used to provide for improved service for the industrial park located on Long Road. Improvements are funded by Tax Increment Financing and note proceeds.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2012**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in city treasury cash	\$ 2,862,450	\$ 1,754,479	\$ 4,616,929
Taxes receivable	285,726	0	285,726
Accounts receivable	46,988	0	46,988
Due from other governments	860,752	1,152,233	2,012,985
Accrued interest receivable	2,223	0	2,223
Inventory	189,674	0	189,674
Special assessment receivable	0	11,585	11,585
Long term receivables	125,223	0	125,223
Total assets	<u>\$ 4,373,036</u>	<u>\$ 2,918,297</u>	<u>\$ 7,291,333</u>
Liabilities:			
Accounts payable	\$ 151,354	\$ 523,629	\$ 674,983
Accrued salaries, wages and benefits	19,820	0	19,820
Other accrued liabilities	0	1,109,952	1,109,952
Due to other funds	145,240	0	145,240
Deferred revenue	921,075	1,131,862	2,052,937
Total liabilities	<u>1,237,489</u>	<u>2,765,443</u>	<u>4,002,932</u>
Fund balances:			
Nonspendable	189,674	0	189,674
Restricted	2,838,110	7,374	2,845,484
Committed	121,919	19,186	141,105
Assigned	0	126,294	126,294
Unassigned	(14,156)	0	(14,156)
Total fund balances	<u>3,135,547</u>	<u>152,854</u>	<u>3,288,401</u>
Total liabilities and fund balances	<u>\$ 4,373,036</u>	<u>\$ 2,918,297</u>	<u>\$ 7,291,333</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 531,264	\$ 0	\$ 531,264
Intergovernmental	1,811,841	1,233,820	3,045,661
Charges for services	312	0	312
Fines, licenses, permits	11,640	0	11,640
Interest income	11,660	415	12,075
Miscellaneous	24,143	106,626	130,769
Total revenues	<u>2,390,860</u>	<u>1,340,861</u>	<u>3,731,721</u>
Expenditures:			
Current operations :			
Safety services	439,880	0	439,880
Environment and development	433,668	0	433,668
Transportation services	762,571	0	762,571
Capital expenditures	891,593	3,105,583	3,997,176
Debt service :			
Principal	124,040	0	124,040
Interest	55,618	0	55,618
Total expenditures	<u>2,707,370</u>	<u>3,105,583</u>	<u>5,812,953</u>
Excess (deficiency) revenues over (under) expenditures	<u>(316,510)</u>	<u>(1,764,722)</u>	<u>(2,081,232)</u>
Other financing sources (uses):			
Transfers in	0	1,361,000	1,361,000
Total other financing sources (uses)	<u>0</u>	<u>1,361,000</u>	<u>1,361,000</u>
Net change in fund balances	(316,510)	(403,722)	(720,232)
Fund balances at beginning of year	<u>3,452,057</u>	<u>556,576</u>	<u>4,008,633</u>
Fund balances at end of year	<u>\$ 3,135,547</u>	<u>\$ 152,854</u>	<u>\$ 3,288,401</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2012**

	Street Construction Maintenance and Repair Fund	State Highway Fund	Permissive Tax Fund	Enforcement and Education Fund
Assets:				
Equity in city treasury cash	\$ 1,389,834	\$ 432,357	\$ 639,220	\$ 51,311
Taxes receivable	0	0	0	0
Accounts receivable	41,898	5,090	0	0
Due from other governments	569,733	46,193	36,609	0
Accrued interest receivable	1,363	443	0	21
Inventory	174,488	15,186	0	0
Long term receivables	0	0	0	0
Total assets	<u>\$ 2,177,316</u>	<u>\$ 499,269</u>	<u>\$ 675,829</u>	<u>\$ 51,332</u>
Liabilities:				
Accounts payable	\$ 35,541	\$ 0	\$ 54,222	\$ 0
Accrued salaries, wages and benefits	9,910	0	9,910	0
Due to other funds	0	0	0	0
Deferred revenue	537,342	45,258	24,133	0
Total liabilities	<u>582,793</u>	<u>45,258</u>	<u>88,265</u>	<u>0</u>
Fund balances:				
Nonspendable	174,488	15,186	0	0
Restricted	1,420,035	438,825	587,564	51,332
Committed	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	<u>1,594,523</u>	<u>454,011</u>	<u>587,564</u>	<u>51,332</u>
Total liabilities and fund balances	<u>\$ 2,177,316</u>	<u>\$ 499,269</u>	<u>\$ 675,829</u>	<u>\$ 51,332</u>

Mandatory Drug Fines Fund	Local Law Enforcement Block Grant Fund	Community Development Block Grant Fund	Economic Development Fund	Law Enforcement Trust Fund	Police Pension Fund
\$ 23,822	\$ 23	\$ 0	\$ 64,748	\$ 38,635	\$ 61,885
0	0	0	5,222	0	140,252
0	0	0	0	0	0
0	0	189,155	0	0	9,531
0	0	0	154	22	0
0	0	0	0	0	0
0	0	0	63,500	0	0
<u>\$ 23,822</u>	<u>\$ 23</u>	<u>\$ 189,155</u>	<u>\$ 133,624</u>	<u>\$ 38,657</u>	<u>\$ 211,668</u>
\$ 0	\$ 0	\$ 43,295	\$ 11,705	\$ 0	\$ 0
0	0	0	0	0	0
0	0	145,240	0	0	0
0	0	14,776	0	0	149,783
<u>0</u>	<u>0</u>	<u>203,311</u>	<u>11,705</u>	<u>0</u>	<u>149,783</u>
0	0	0	0	0	0
23,822	23	0	0	38,657	61,885
0	0	0	121,919	0	0
0	0	(14,156)	0	0	0
<u>23,822</u>	<u>23</u>	<u>(14,156)</u>	<u>121,919</u>	<u>38,657</u>	<u>61,885</u>
<u>\$ 23,822</u>	<u>\$ 23</u>	<u>\$ 189,155</u>	<u>\$ 133,624</u>	<u>\$ 38,657</u>	<u>\$ 211,668</u>

(continued)

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2012**

	Fire Pension Fund	Federal Equitable Sharing Fund	CDBG CHIP HOME Revolving Loan Fund	Economic/ Downtown Loan Fund
Assets:				
Equity in city treasury cash	\$ 58,886	\$ 13,855	\$ 9,250	\$ 25,521
Taxes receivable	140,252	0	0	0
Accounts receivable	0	0	0	0
Due from other governments	9,531	0	0	0
Accrued interest receivable	0	0	0	161
Inventory	0	0	0	0
Long term receivables	0	0	0	61,723
Total assets	<u>\$ 208,669</u>	<u>\$ 13,855</u>	<u>\$ 9,250</u>	<u>\$ 87,405</u>
Liabilities:				
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 6,591
Accrued salaries, wages and benefits	0	0	0	0
Due to other funds	0	0	0	0
Deferred revenue	149,783	0	0	0
Total liabilities	<u>149,783</u>	<u>0</u>	<u>0</u>	<u>6,591</u>
Fund balances:				
Nonspendable	0	0	0	0
Restricted	58,886	13,855	9,250	80,814
Committed	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	<u>58,886</u>	<u>13,855</u>	<u>9,250</u>	<u>80,814</u>
Total liabilities and fund balances	<u>\$ 208,669</u>	<u>\$ 13,855</u>	<u>\$ 9,250</u>	<u>\$ 87,405</u>

Shade Tree Fund	Law Enforcement Professional Training Fund	Lillian Long Estate Fund	Recreation Supplement Fund	Christmas Run Park Restoration Fund	Total Nonmajor Special Revenue Funds
\$ 1,640	\$ 3,980	\$ 12,056	\$ 7,152	\$ 28,275	\$ 2,862,450
0	0	0	0	0	285,726
0	0	0	0	0	46,988
0	0	0	0	0	860,752
0	0	7	0	52	2,223
0	0	0	0	0	189,674
0	0	0	0	0	125,223
<u>\$ 1,640</u>	<u>\$ 3,980</u>	<u>\$ 12,063</u>	<u>\$ 7,152</u>	<u>\$ 28,327</u>	<u>\$ 4,373,036</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 151,354
0	0	0	0	0	19,820
0	0	0	0	0	145,240
0	0	0	0	0	921,075
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,237,489</u>
0	0	0	0	0	189,674
1,640	3,980	12,063	7,152	28,327	2,838,110
0	0	0	0	0	121,919
0	0	0	0	0	(14,156)
<u>1,640</u>	<u>3,980</u>	<u>12,063</u>	<u>7,152</u>	<u>28,327</u>	<u>3,135,547</u>
<u>\$ 1,640</u>	<u>\$ 3,980</u>	<u>\$ 12,063</u>	<u>\$ 7,152</u>	<u>\$ 28,327</u>	<u>\$ 4,373,036</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Street Construction Maintenance and Repair Fund	State Highway Fund	Permissive Tax Fund	Enforcement and Education Fund
Revenues:				
Taxes	\$ 0	\$ 0	\$ 159,096	\$ 0
Intergovernmental	1,078,892	87,477	94,029	0
Charges for services	0	0	0	0
Fines, licenses, permits	0	0	0	2,631
Interest income	4,999	1,651	3,641	194
Miscellaneous	22,167	0	244	0
Total revenues	<u>1,106,058</u>	<u>89,128</u>	<u>257,010</u>	<u>2,825</u>
Expenditures:				
Current operations :				
Safety services	123,698	6,388	0	0
Environment and development	0	0	0	0
Transportation services	606,349	60,510	95,712	0
Capital expenditures	185,962	14,084	489,547	0
Debt service :				
Principal	58,827	1,715	63,498	0
Interest	32,862	0	22,756	0
Total expenditures	<u>1,007,698</u>	<u>82,697</u>	<u>671,513</u>	<u>0</u>
Net change in fund balance	98,360	6,431	(414,503)	2,825
Fund balances at beginning of year	<u>1,496,163</u>	<u>447,580</u>	<u>1,002,067</u>	<u>48,507</u>
Fund balances at end of year	<u>\$ 1,594,523</u>	<u>\$ 454,011</u>	<u>\$ 587,564</u>	<u>\$ 51,332</u>

Mandatory Drug Fines Fund	Local Law Enforcement Block Grant Fund	Community Development Block Grant Fund	Economic Development Fund	Law Enforcement Trust Fund	Police Pension Fund
\$ 0	\$ 0	\$ 0	\$ 95,511	\$ 0	\$ 138,318
0	0	484,959	0	0	32,117
0	0	0	0	0	0
9,009	0	0	0	0	0
93	0	0	144	403	0
0	0	0	0	133	0
<u>9,102</u>	<u>0</u>	<u>484,959</u>	<u>95,655</u>	<u>536</u>	<u>170,435</u>
2,535	0	0	0	8,500	159,044
0	0	327,240	106,428	0	0
0	0	0	0	0	0
0	0	152,000	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>2,535</u>	<u>0</u>	<u>479,240</u>	<u>106,428</u>	<u>8,500</u>	<u>159,044</u>
6,567	0	5,719	(10,773)	(7,964)	11,391
<u>17,255</u>	<u>23</u>	<u>(19,875)</u>	<u>132,692</u>	<u>46,621</u>	<u>50,494</u>
<u>\$ 23,822</u>	<u>\$ 23</u>	<u>\$ (14,156)</u>	<u>\$ 121,919</u>	<u>\$ 38,657</u>	<u>\$ 61,885</u>

(continued)

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Fire Pension Fund	Federal Equitable Sharing Fund	CDBG CHIP HOME Revolving Loan Fund	Economic/ Downtown Loan Fund
Revenues:				
Taxes	\$ 138,339	\$ 0	\$ 0	\$ 0
Intergovernmental	32,117	0	2,250	0
Charges for services	0	0	0	312
Fines, licenses, permits	0	0	0	0
Interest income	89	55	26	230
Miscellaneous	0	0	0	964
Total revenues	<u>170,545</u>	<u>55</u>	<u>2,276</u>	<u>1,506</u>
Expenditures:				
Current operations :				
Safety services	139,715	0	0	0
Environment and development	0	0	0	0
Transportation services	0	0	0	0
Capital expenditures	0	0	0	50,000
Debt service :				
Principal	0	0	0	0
Interest	0	0	0	0
Total expenditures	<u>139,715</u>	<u>0</u>	<u>0</u>	<u>50,000</u>
Net change in fund balance	30,830	55	2,276	(48,494)
Fund balances at beginning of year	<u>28,056</u>	<u>13,800</u>	<u>6,974</u>	<u>129,308</u>
Fund balances at end of year	<u>\$ 58,886</u>	<u>\$ 13,855</u>	<u>\$ 9,250</u>	<u>\$ 80,814</u>

Shade Tree Fund	Law Enforcement Professional Training Fund	Lillian Long Estate Fund	Recreation Supplement Fund	Christmas Run Park Restoration Fund	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 531,264
0	0	0	0	0	1,811,841
0	0	0	0	0	312
0	0	0	0	0	11,640
6	0	23	0	106	11,660
250	0	0	385	0	24,143
256	0	23	385	106	2,390,860
0	0	0	0	0	439,880
0	0	0	0	0	433,668
0	0	0	0	0	762,571
0	0	0	0	0	891,593
0	0	0	0	0	124,040
0	0	0	0	0	55,618
0	0	0	0	0	2,707,370
256	0	23	385	106	(316,510)
1,384	3,980	12,040	6,767	28,221	3,452,057
\$ 1,640	\$ 3,980	\$ 12,063	\$ 7,152	\$ 28,327	\$ 3,135,547

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2012**

	Capital Improvement Fund	Economic Development Capital Improvement Fund	Beall Avenue Streetscape Fund	Long Road Fund	Total Nonmajor Capital Projects Funds
Assets:					
Equity in city treasury cash	\$ 617,967	\$ 19,186	\$ 7,374	\$ 1,109,952	\$ 1,754,479
Due from other governments	1,152,233	0	0	0	1,152,233
Special assessments receivable	11,585	0	0	0	11,585
Total assets	<u>\$ 1,781,785</u>	<u>\$ 19,186</u>	<u>\$ 7,374</u>	<u>\$ 1,109,952</u>	<u>\$ 2,918,297</u>
Liabilities:					
Accounts payable	\$ 523,629	\$ 0	\$ 0	\$ 0	\$ 523,629
Other accrued liabilities	0	0	0	1,109,952	1,109,952
Deferred revenue	1,131,862	0	0	0	1,131,862
Total liabilities	<u>1,655,491</u>	<u>0</u>	<u>0</u>	<u>1,109,952</u>	<u>2,765,443</u>
Fund balances:					
Restricted	0	0	7,374	0	7,374
Committed	0	19,186	0	0	19,186
Assigned	126,294	0	0	0	126,294
Total fund balances	<u>126,294</u>	<u>19,186</u>	<u>7,374</u>	<u>0</u>	<u>152,854</u>
Total liabilities and fund balances	<u>\$ 1,781,785</u>	<u>\$ 19,186</u>	<u>\$ 7,374</u>	<u>\$ 1,109,952</u>	<u>\$ 2,918,297</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Capital Improvement Fund	Economic Development Capital Improvement Fund	Beall Avenue Streetscape Fund	Long Road Fund	Total Nonmajor Capital Projects Funds
Revenues:					
Intergovernmental	\$ 1,233,820	\$ 0	\$ 0	\$ 0	\$ 1,233,820
Interest income	372	0	43	0	415
Miscellaneous	106,626	0	0	0	106,626
Total revenues	<u>1,340,818</u>	<u>0</u>	<u>43</u>	<u>0</u>	<u>1,340,861</u>
Expenditures:					
Capital expenditures	<u>3,104,583</u>	<u>0</u>	<u>1,000</u>	<u>0</u>	<u>3,105,583</u>
Total expenditures	<u>3,104,583</u>	<u>0</u>	<u>1,000</u>	<u>0</u>	<u>3,105,583</u>
Excess revenues over (under) expenditures	<u>(1,763,765)</u>	<u>0</u>	<u>(957)</u>	<u>0</u>	<u>(1,764,722)</u>
Other financing sources (uses):					
Transfers in	<u>1,361,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,361,000</u>
Total other financing sources (uses)	<u>1,361,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,361,000</u>
Net change in fund balance	<u>(402,765)</u>	<u>0</u>	<u>(957)</u>	<u>0</u>	<u>(403,722)</u>
Fund balances at beginning of year	<u>529,059</u>	<u>19,186</u>	<u>8,331</u>	<u>0</u>	<u>556,576</u>
Fund balances at end of year	<u>\$ 126,294</u>	<u>\$ 19,186</u>	<u>\$ 7,374</u>	<u>\$ 0</u>	<u>\$ 152,854</u>

**INDIVIDUAL FUND SCHEDULES OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
(BUDGETARY BASIS)
DEBT SERVICE (MAJOR) AND
OTHER NON-MAJOR GOVERNMENTAL FUNDS**

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
MAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 8,000	\$ 8,000	\$ 5,141	\$ (2,859)
Special assessment	205,000	205,000	203,991	(1,009)
Total Revenues	<u>213,000</u>	<u>213,000</u>	<u>209,132</u>	<u>(3,868)</u>
Expenditures:				
Transportation services	1,368,821	1,368,821	190,919	1,177,902
Total Expenditures	<u>1,368,821</u>	<u>1,368,821</u>	<u>190,919</u>	<u>1,177,902</u>
Excess revenues over (under) expenditures	(1,155,821)	(1,155,821)	18,213	1,174,034
Fund balances at beginning of year (Restated, See Note 17)	<u>1,062,242</u>	<u>1,062,242</u>	<u>1,062,242</u>	<u>0</u>
Fund balances at end of year	<u>\$ (93,579)</u>	<u>\$ (93,579)</u>	<u>\$ 1,080,455</u>	<u>\$ 1,174,034</u>

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

CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
STREET CONSTRUCTION MAINTENANCE AND REPAIR NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 1,038,326	\$ 1,038,326	\$ 1,078,877	\$ 40,551
Interest income	10,050	10,050	5,281	(4,769)
Miscellaneous	10,700	10,700	21,900	11,200
Total Revenues	<u>1,059,076</u>	<u>1,059,076</u>	<u>1,106,058</u>	<u>46,982</u>
Expenditures:				
Safety services	202,000	317,933	260,424	57,509
Transportation services	<u>1,105,559</u>	<u>1,414,770</u>	<u>1,176,761</u>	<u>238,009</u>
Total Expenditures	<u>1,307,559</u>	<u>1,732,703</u>	<u>1,437,185</u>	<u>295,518</u>
Excess revenues over (under) expenditures	(248,483)	(673,627)	(331,127)	342,500
Encumbrances	0	0	429,487	429,487
Fund balances at beginning of year	<u>1,496,163</u>	<u>1,496,163</u>	<u>1,496,163</u>	<u>0</u>
Fund balances at end of year	<u>\$ 1,247,680</u>	<u>\$ 822,536</u>	<u>\$ 1,594,523</u>	<u>\$ 771,987</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
STATE HIGHWAY NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 84,570	\$ 84,570	\$ 87,478	\$ 2,908
Interest income	2,850	2,850	1,650	(1,200)
Total Revenues	<u>87,420</u>	<u>87,420</u>	<u>89,128</u>	<u>1,708</u>
Expenditures:				
Safety services	31,000	7,000	6,387	613
Transportation services	256,716	296,477	93,490	202,987
Total Expenditures	<u>287,716</u>	<u>303,477</u>	<u>99,877</u>	<u>203,600</u>
Excess revenues over (under) expenditures	(200,296)	(216,057)	(10,749)	205,308
Encumbrances	0	0	17,180	17,180
Fund balances at beginning of year	<u>447,580</u>	<u>447,580</u>	<u>447,580</u>	<u>0</u>
Fund balances at end of year	<u>\$ 247,284</u>	<u>\$ 231,523</u>	<u>\$ 454,011</u>	<u>\$ 222,488</u>

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

CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
PERMISSIVE TAX NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Taxes	\$ 172,608	\$ 172,608	\$ 159,096	\$ (13,512)
Intergovernmental	109,257	109,257	94,029	(15,228)
Interest income	3,000	3,000	3,642	642
Miscellaneous	78,500	78,500	243	(78,257)
Total Revenues	<u>363,365</u>	<u>363,365</u>	<u>257,010</u>	<u>(106,355)</u>
Expenditures:				
Transportation services	<u>583,659</u>	<u>1,170,337</u>	<u>1,002,203</u>	<u>168,134</u>
Total Expenditures	<u>583,659</u>	<u>1,170,337</u>	<u>1,002,203</u>	<u>168,134</u>
Excess revenues over (under) expenditures	(220,294)	(806,972)	(745,193)	61,779
Encumbrances	0	0	330,690	330,690
Fund balances at beginning of year	<u>1,002,067</u>	<u>1,002,067</u>	<u>1,002,067</u>	<u>0</u>
Fund balances at end of year	<u>\$ 781,773</u>	<u>\$ 195,095</u>	<u>\$ 587,564</u>	<u>\$ 392,469</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
ENFORCEMENT AND EDUCATION NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Fines, licenses, permits	\$ 1,364	\$ 1,364	\$ 2,631	\$ 1,267
Interest income	15	15	194	179
Total Revenues	<u>1,379</u>	<u>1,379</u>	<u>2,825</u>	<u>1,446</u>
Expenditures:				
Safety services	<u>45,000</u>	<u>45,000</u>	<u>0</u>	<u>45,000</u>
Total Expenditures	<u>45,000</u>	<u>45,000</u>	<u>0</u>	<u>45,000</u>
Excess revenues over (under) expenditures	(43,621)	(43,621)	2,825	46,446
Fund balances at beginning of year	<u>48,507</u>	<u>48,507</u>	<u>48,507</u>	<u>0</u>
Fund balances at end of year	<u>\$ 4,886</u>	<u>\$ 4,886</u>	<u>\$ 51,332</u>	<u>\$ 46,446</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
MANDATORY DRUG FINES NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Fines, licenses, permits	\$ 11,000	\$ 11,000	\$ 9,009	\$ (1,991)
Interest income	100	100	93	(7)
Total Revenues	<u>11,100</u>	<u>11,100</u>	<u>9,102</u>	<u>(1,998)</u>
Expenditures:				
Safety services	<u>20,000</u>	<u>20,000</u>	<u>2,535</u>	<u>17,465</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>2,535</u>	<u>17,465</u>
Excess revenues over (under) expenditures	(8,900)	(8,900)	6,567	15,467
Encumbrances	0	0	0	0
Fund balances at beginning of year	<u>17,255</u>	<u>17,255</u>	<u>17,255</u>	<u>0</u>
Fund balances at end of year	<u>\$ 8,355</u>	<u>\$ 8,355</u>	<u>\$ 23,822</u>	<u>\$ 15,467</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
LOCAL LAW ENFORCEMENT BLOCK GRANT NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Safety services	23	23	0	23
Total Expenditures	23	23	0	23
Excess revenues over (under) expenditures	(23)	(23)	0	23
Fund balances at beginning of year	23	23	23	0
Fund balances at end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 23</u>	<u>\$ 23</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
COMMUNITY DEVELOPMENT BLOCK GRANT NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 602,000	\$ 602,000	\$ 484,959	\$ (117,041)
Total Revenues	<u>602,000</u>	<u>602,000</u>	<u>484,959</u>	<u>(117,041)</u>
Expenditures:				
Environment & development	602,000	620,683	563,011	57,672
Total Expenditures	<u>602,000</u>	<u>620,683</u>	<u>563,011</u>	<u>57,672</u>
Excess revenues over (under) expenditures	0	(18,683)	(78,052)	(59,369)
Encumbrances	0	0	83,771	83,771
Fund balances at beginning of year	<u>(19,875)</u>	<u>(19,875)</u>	<u>(19,875)</u>	<u>0</u>
Fund balances at end of year	<u>\$ (19,875)</u>	<u>\$ (38,558)</u>	<u>\$ (14,156)</u>	<u>\$ 24,402</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
ECONOMIC DEVELOPMENT NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Taxes	\$ 94,300	\$ 94,300	\$ 95,511	\$ 1,211
Interest income	500	500	144	(356)
Total Revenues	<u>94,800</u>	<u>94,800</u>	<u>95,655</u>	<u>855</u>
Expenditures:				
Environment & development	<u>150,800</u>	<u>187,800</u>	<u>121,206</u>	<u>66,594</u>
Total Expenditures	<u>150,800</u>	<u>187,800</u>	<u>121,206</u>	<u>66,594</u>
Excess revenues over (under) expenditures	(56,000)	(93,000)	(25,551)	67,449
Encumbrances	0	0	14,778	14,778
Fund balances at beginning of year	<u>132,692</u>	<u>132,692</u>	<u>132,692</u>	<u>0</u>
Fund balances at end of year	<u>\$ 76,692</u>	<u>\$ 39,692</u>	<u>\$ 121,919</u>	<u>\$ 82,227</u>

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

CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
LAW ENFORCEMENT TRUST NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 390	\$ 390	\$ 133	\$ (257)
Miscellaneous	500	500	403	(97)
Total Revenues	<u>890</u>	<u>890</u>	<u>536</u>	<u>(354)</u>
Expenditures:				
Safety services	40,000	40,000	8,500	31,500
Total Expenditures	<u>40,000</u>	<u>40,000</u>	<u>8,500</u>	<u>31,500</u>
Excess revenues over (under) expenditures	(39,110)	(39,110)	(7,964)	31,146
Fund balances at beginning of year	<u>46,621</u>	<u>46,621</u>	<u>46,621</u>	<u>0</u>
Fund balances at end of year	<u>\$ 7,511</u>	<u>\$ 7,511</u>	<u>\$ 38,657</u>	<u>\$ 31,146</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
POLICE PENSION NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Taxes	\$ 137,305	\$ 137,305	\$ 138,318	\$ 1,013
Intergovernmental	8,000	8,000	32,117	24,117
Interest income	25	25	0	(25)
Total Revenues	<u>145,330</u>	<u>145,330</u>	<u>170,435</u>	<u>25,105</u>
Expenditures:				
Safety services	<u>140,000</u>	<u>159,329</u>	<u>159,044</u>	<u>285</u>
Total Expenditures	<u>140,000</u>	<u>159,329</u>	<u>159,044</u>	<u>285</u>
Excess revenues over (under) expenditures	5,330	(13,999)	11,391	25,390
Fund balances at beginning of year	<u>50,494</u>	<u>50,494</u>	<u>50,494</u>	<u>0</u>
Fund balances at end of year	<u>\$ 55,824</u>	<u>\$ 36,495</u>	<u>\$ 61,885</u>	<u>\$ 25,390</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FIRE PENSION NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Taxes	\$ 137,305	\$ 137,305	\$ 138,340	\$ 1,035
Intergovernmental	8,000	8,000	32,117	24,117
Interest income	25	25	88	63
Total Revenues	<u>145,330</u>	<u>145,330</u>	<u>170,545</u>	<u>25,215</u>
Expenditures:				
Safety services	<u>140,000</u>	<u>140,000</u>	<u>139,715</u>	<u>285</u>
Total Expenditures	<u>140,000</u>	<u>140,000</u>	<u>139,715</u>	<u>285</u>
Excess revenues over (under) expenditures	5,330	5,330	30,830	25,500
Fund balances at beginning of year	<u>28,056</u>	<u>28,056</u>	<u>28,056</u>	<u>0</u>
Fund balances at end of year	<u>\$ 33,386</u>	<u>\$ 33,386</u>	<u>\$ 58,886</u>	<u>\$ 25,500</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FEDERAL EQUITABLE SHARING NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 125	\$ 125	\$ 55	\$ (70)
Total Revenues	<u>125</u>	<u>125</u>	<u>55</u>	<u>(70)</u>
Expenditures:				
Safety services	<u>13,000</u>	<u>13,000</u>	<u>0</u>	<u>13,000</u>
Total Expenditures	<u>13,000</u>	<u>13,000</u>	<u>0</u>	<u>13,000</u>
Excess revenues over (under expenditures)	(12,875)	(12,875)	55	12,930
Fund balances at beginning of year	<u>13,800</u>	<u>13,800</u>	<u>13,800</u>	<u>0</u>
Fund balances at end of year	<u><u>\$ 925</u></u>	<u><u>\$ 925</u></u>	<u><u>\$ 13,855</u></u>	<u><u>\$ 12,930</u></u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
CDBG CHIP HOME REVOLVING LOAN NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 0	\$ 0	\$ 2,260	\$ 2,260
Interest income	0	0	16	16
Total Revenues	<u>0</u>	<u>0</u>	<u>2,276</u>	<u>2,276</u>
Expenditures:				
Environment & development	6,900	6,900	0	6,900
Total Expenditures	<u>6,900</u>	<u>6,900</u>	<u>0</u>	<u>6,900</u>
Excess revenues over (under) expenditures	(6,900)	(6,900)	2,276	9,176
Fund balances at beginning of year	<u>6,974</u>	<u>6,974</u>	<u>6,974</u>	<u>0</u>
Fund balances at end of year	<u>\$ 74</u>	<u>\$ 74</u>	<u>\$ 9,250</u>	<u>\$ 9,176</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
ECONOMIC/DOWNTOWN LOAN NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Charges for services	\$ 380	\$ 380	\$ 312	\$ (68)
Interest income	400	400	230	(170)
Miscellaneous	0	0	964	964
Total Revenues	<u>780</u>	<u>780</u>	<u>1,506</u>	<u>726</u>
Expenditures:				
Environment & development	<u>70,000</u>	<u>70,000</u>	<u>50,000</u>	<u>20,000</u>
Total Expenditures	<u>70,000</u>	<u>70,000</u>	<u>50,000</u>	<u>20,000</u>
Excess revenues over (under) expenditures	(69,220)	(69,220)	(48,494)	20,726
Other financing sources (uses):				
Proceeds from debt issuance	<u>10,465</u>	<u>10,465</u>	<u>0</u>	<u>(10,465)</u>
Total other financing sources (uses)	<u>10,465</u>	<u>10,465</u>	<u>0</u>	<u>(10,465)</u>
Fund balances at beginning of year	<u>129,308</u>	<u>129,308</u>	<u>129,308</u>	<u>0</u>
Fund balances at end of year	<u>\$ 70,553</u>	<u>\$ 70,553</u>	<u>\$ 80,814</u>	<u>\$ 10,261</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
SHADE TREE NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive(Negative)</u>
Revenues:				
Interest income	\$ 9	\$ 9	\$ 6	\$ (3)
Miscellaneous	<u>0</u>	<u>0</u>	<u>250</u>	<u>250</u>
Total Revenues	<u>9</u>	<u>9</u>	<u>256</u>	<u>247</u>
Expenditures:				
Environment & development	<u>1,000</u>	<u>1,000</u>	<u>950</u>	<u>50</u>
Total Expenditures	<u>1,000</u>	<u>1,000</u>	<u>950</u>	<u>50</u>
Excess revenues over (under) expenditures	(991)	(991)	(694)	297
Encumbrances	0	0	950	950
Fund balances at beginning of year	<u>1,384</u>	<u>1,384</u>	<u>1,384</u>	<u>0</u>
Fund balances at end of year	<u>\$ 393</u>	<u>\$ 393</u>	<u>\$ 1,640</u>	<u>\$ 1,247</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
LAW ENFORCEMENT PROFESSIONAL TRAINING NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 6,600	\$ 6,600	\$ 0	\$ (6,600)
Total Revenues	<u>6,600</u>	<u>6,600</u>	<u>0</u>	<u>(6,600)</u>
Expenditures:				
Safety services	<u>10,568</u>	<u>10,568</u>	<u>0</u>	<u>10,568</u>
Total Expenditures	<u>10,568</u>	<u>10,568</u>	<u>0</u>	<u>10,568</u>
Excess revenues over (under) expenditures	(3,968)	(3,968)	0	3,968
Fund balances at beginning of year	<u>3,980</u>	<u>3,980</u>	<u>3,980</u>	<u>0</u>
Fund balances at end of year	<u>\$ 12</u>	<u>\$ 12</u>	<u>\$ 3,980</u>	<u>\$ 3,968</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
LILLIAN LONG ESTATE NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 53	\$ 53	\$ 23	\$ (30)
Total Revenues	<u>53</u>	<u>53</u>	<u>23</u>	<u>(30)</u>
Expenditures:				
Leisure services	<u>11,975</u>	<u>11,975</u>	<u>9,290</u>	<u>2,685</u>
Total Expenditures	<u>11,975</u>	<u>11,975</u>	<u>9,290</u>	<u>2,685</u>
Excess revenues over (under) expenditures	(11,922)	(11,922)	(9,267)	2,655
Encumbrances	0	0	9,290	9,290
Fund balances at beginning of year	<u>12,040</u>	<u>12,040</u>	<u>12,040</u>	<u>0</u>
Fund balances at end of year	<u>\$ 118</u>	<u>\$ 118</u>	<u>\$ 12,063</u>	<u>\$ 11,945</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
RECREATION SUPPLEMENT NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Miscellaneous	\$ 0	\$ 0	\$ 385	\$ 385
Total Revenues	<u>0</u>	<u>0</u>	<u>385</u>	<u>385</u>
Expenditures:				
Leisure services	<u>6,387</u>	<u>6,387</u>	<u>0</u>	<u>6,387</u>
Total Expenditures	<u>6,387</u>	<u>6,387</u>	<u>0</u>	<u>6,387</u>
Excess revenues over (under) expenditures	(6,387)	(6,387)	385	6,772
Fund balances at beginning of year	<u>6,767</u>	<u>6,767</u>	<u>6,767</u>	<u>0</u>
Fund balances at end of year	<u><u>\$ 380</u></u>	<u><u>\$ 380</u></u>	<u><u>\$ 7,152</u></u>	<u><u>\$ 6,772</u></u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
CHRISTMAS RUN PARK RESTORATION NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 0	\$ 0	\$ 106	\$ 106
Total Revenues	<u>0</u>	<u>0</u>	<u>106</u>	<u>106</u>
Expenditures:				
Leisure services	<u>11,279</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Total Expenditures	<u>11,279</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Excess revenues over (under) expenditures	(11,279)	(25,000)	(24,894)	106
Encumbrances	0	0	25,000	25,000
Fund balances at beginning of year	<u>28,221</u>	<u>28,221</u>	<u>28,221</u>	<u>0</u>
Fund balances at end of year	<u>\$ 16,942</u>	<u>\$ 3,221</u>	<u>\$ 28,327</u>	<u>\$ 25,106</u>

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

CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
CAPITAL IMPROVEMENT NON-MAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 6,322,688	\$ 6,322,688	\$ 1,233,820	\$ (5,088,868)
Interest income	10,000	10,000	372	(9,628)
Miscellaneous	25,000	25,000	106,626	81,626
Total Revenues	<u>6,357,688</u>	<u>6,357,688</u>	<u>1,340,818</u>	<u>(5,016,870)</u>
Expenditures:				
Capital expenditures	<u>6,965,553</u>	<u>9,470,009</u>	<u>4,047,786</u>	<u>5,422,223</u>
Total Expenditures	<u>6,965,553</u>	<u>9,470,009</u>	<u>4,047,786</u>	<u>5,422,223</u>
Excess revenues over (under) expenditures	(607,865)	(3,112,321)	(2,706,968)	405,353
Other financing sources (uses):				
Transfers in	400,000	400,000	1,361,000	961,000
Proceeds from debt issuances	<u>1,893,000</u>	<u>1,893,000</u>	<u>0</u>	<u>(1,893,000)</u>
Total other financing sources (uses)	<u>2,293,000</u>	<u>2,293,000</u>	<u>1,361,000</u>	<u>(932,000)</u>
Encumbrances	0	0	943,203	943,203
Fund balances at beginning of year	<u>529,059</u>	<u>529,059</u>	<u>529,059</u>	<u>0</u>
Fund balances at end of year	<u>\$ 2,214,194</u>	<u>\$ (290,262)</u>	<u>\$ 126,294</u>	<u>\$ 416,556</u>

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
ECONOMIC DEVELOPMENT CAPITAL IMPROVEMENT NON-MAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Environment & development	<u>19,186</u>	<u>19,186</u>	<u>0</u>	<u>19,186</u>
Total Expenditures	<u>19,186</u>	<u>19,186</u>	<u>0</u>	<u>19,186</u>
Excess revenues over (under) expenditures	(19,186)	(19,186)	0	19,186
Fund balances at beginning of year	<u>19,186</u>	<u>19,186</u>	<u>19,186</u>	<u>0</u>
Fund balances at end of year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 19,186</u></u>	<u><u>\$ 19,186</u></u>

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

CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
BEALL AVENUE STREETSCAPE NON-MAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 0	\$ 0	\$ 43	\$ 43
Total Revenues	0	0	43	43
Expenditures:				
Capital expenditures	5,040	5,040	1,000	4,040
Total Expenditures	5,040	5,040	1,000	4,040
Excess revenues over (under) expenditures	(5,040)	(5,040)	(957)	4,083
Fund balances at beginning of year	8,331	8,331	8,331	0
Fund balances at end of year	<u>\$ 3,291</u>	<u>\$ 3,291</u>	<u>\$ 7,374</u>	<u>\$ 4,083</u>

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

CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
LONG ROAD NON-MAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess revenues over (under) expenditures	0	0	0	0
Fund balances at beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances at end of year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

**COMBINING STATEMENTS FOR
PROPRIETARY FUNDS**

CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2012

	<u>Municipal Garage</u>	<u>Employee Benefits</u>	<u>Investments</u>	<u>Total Internal Service</u>
Assets				
Current Assets				
Equity in city treasury cash	\$ 30,446	\$ 750,150	\$ 9,500	\$ 790,096
Total current assets	<u>30,446</u>	<u>750,150</u>	<u>9,500</u>	<u>790,096</u>
Noncurrent Assets				
Net capital assets	4,261	0	0	4,261
Total noncurrent assets	<u>4,261</u>	<u>0</u>	<u>0</u>	<u>4,261</u>
Total Assets	<u>\$ 34,707</u>	<u>\$ 750,150</u>	<u>\$ 9,500</u>	<u>\$ 794,357</u>
Liabilities				
Current Liabilities				
Accounts payable	\$ 7,296	\$ 46,319	\$ 9,500	\$ 63,115
Accrued salaries, wages and benefits	15,218	0	0	15,218
Other accrued liabilities	0	194,253	0	194,253
Current portion of compensated absences	11,160	0	0	11,160
Total current liabilities	<u>33,674</u>	<u>240,572</u>	<u>9,500</u>	<u>283,746</u>
Noncurrent Liabilities				
Compensated absences	31,600	0	0	31,600
Total noncurrent liabilities	<u>31,600</u>	<u>0</u>	<u>0</u>	<u>31,600</u>
Total Liabilities	<u>65,274</u>	<u>240,572</u>	<u>9,500</u>	<u>315,346</u>
Net Position				
Net Investment in Capital Assets	4,261	0	0	4,261
Unrestricted	(34,828)	509,578	0	474,750
Total net position	<u>(30,567)</u>	<u>509,578</u>	<u>0</u>	<u>479,011</u>
Total liabilities and net position	<u>\$ 34,707</u>	<u>\$ 750,150</u>	<u>\$ 9,500</u>	<u>\$ 794,357</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Municipal Garage</u>	<u>Employee Benefits</u>	<u>Investments</u>	<u>Total Internal Service</u>
Operating Revenues:				
Charges for services	\$ 0	\$ 2,610,006	\$ 0	\$ 2,610,006
Interfund services provided	354,090	0	0	354,090
Total operating revenues	<u>354,090</u>	<u>2,610,006</u>	<u>0</u>	<u>2,964,096</u>
Operating expenses:				
Personal services	222,834	2,379,845	0	2,602,679
Operations and maintenance	147,637	0	49,141	196,778
Depreciation	430	0	0	430
Total operating expenses	<u>370,901</u>	<u>2,379,845</u>	<u>49,141</u>	<u>2,799,887</u>
Operating income (loss)	<u>(16,811)</u>	<u>230,161</u>	<u>(49,141)</u>	<u>164,209</u>
Non-operating revenues (expenses):				
Interest & investment earnings	0	0	49,141	49,141
Net non-operating revenues (expenses)	<u>0</u>	<u>0</u>	<u>49,141</u>	<u>49,141</u>
Change in net position	(16,811)	230,161	0	213,350
Total net position at beginning of year	<u>(13,756)</u>	<u>279,417</u>	<u>0</u>	<u>265,661</u>
Total net position at end of year	<u>\$ (30,567)</u>	<u>\$ 509,578</u>	<u>\$ 0</u>	<u>\$ 479,011</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Municipal Garage</u>	<u>Employee Benefits</u>	<u>Investments</u>	<u>Total Internal Service</u>
Cash flows from operating activities:				
Cash received from service charges	\$ 0	\$ 2,610,006	\$ 0	\$ 2,610,006
Cash paid to suppliers	(147,527)	(2,295,061)	(49,141)	(2,491,729)
Cash paid to employees	(219,278)	0	0	(219,278)
Cash received from interfund services provided	354,090	0	0	354,090
Net cash provided (used) by operating activities	<u>(12,715)</u>	<u>314,945</u>	<u>(49,141)</u>	<u>253,089</u>
Cash flows from investing activities:				
Interest from investments	0	0	49,141	49,141
Net cash provided (used) by investing activities	<u>0</u>	<u>0</u>	<u>49,141</u>	<u>49,141</u>
Net increase (decrease) in city treasury cash	(12,715)	314,945	0	302,230
City treasury cash at beginning of year	43,161	435,205	9,500	487,866
City treasury cash at end of year	<u><u>\$ 30,446</u></u>	<u><u>\$ 750,150</u></u>	<u><u>\$ 9,500</u></u>	<u><u>\$ 790,096</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (16,811)	\$ 230,161	\$ (49,141)	\$ 164,209
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	430	0	0	430
Changes in assets and liabilities:				
Accounts and other payables	110	23,758	0	23,868
Accrued salaries, wages and benefits	3,961	0	0	3,961
Compensated absences payable	(405)	0	0	(405)
Other accrued liabilities	0	61,026	0	61,026
Net cash provided (used) by operating activities	<u><u>\$ (12,715)</u></u>	<u><u>\$ 314,945</u></u>	<u><u>\$ (49,141)</u></u>	<u><u>\$ 253,089</u></u>

**COMBINING STATEMENTS FOR
FIDUCIARY FUNDS AND INDIVIDUAL FUND SCHEDULE
FOR FIDUCIARY FUNDS**

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 organizations, or other governmental units.

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 from 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.

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.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2012**

	Guaranteed Deposits	Clearing Fund	Wooster Growth Corporation	Total Agency Funds
Assets:				
Equity in city treasury cash	\$ 198,629	\$ 26,686	\$ 418,020	\$ 643,335
Total assets	<u>\$ 198,629</u>	<u>\$ 26,686</u>	<u>\$ 418,020</u>	<u>\$ 643,335</u>
Liabilities:				
Accounts payable	\$ 0	\$ 187	\$ 418,020	\$ 418,207
Due to agency recipient	198,629	26,499	0	225,128
Total liabilities	<u>\$ 198,629</u>	<u>\$ 26,686</u>	<u>\$ 418,020</u>	<u>\$ 643,335</u>

CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
Guaranteed Deposits				
Assets				
Equity in city treasury cash	\$ 193,629	\$ 5,000	\$ 0	\$ 198,629
Liabilities				
Due to agency recipient	\$ 193,629	\$ 5,000	\$ 0	\$ 198,629
<i>Total Liabilities</i>	<u>\$ 193,629</u>	<u>\$ 5,000</u>	<u>\$ 0</u>	<u>\$ 198,629</u>
Clearing Fund				
Assets				
Equity in city treasury cash	\$ 11,719	\$ 38,951	\$ 23,984	\$ 26,686
Liabilities				
Accounts payable	\$ 1,568	\$ 187	\$ 1,568	\$ 187
Due to agency recipient	10,151	38,951	22,603	26,499
<i>Total Liabilities</i>	<u>\$ 11,719</u>	<u>\$ 39,138</u>	<u>\$ 24,171</u>	<u>\$ 26,686</u>
Wooster Growth Corporation				
Assets				
Equity in city treasury cash	\$ 437,571	\$ 649,055	\$ 668,606	\$ 418,020
<i>Total Assets</i>	<u>\$ 437,571</u>	<u>\$ 649,055</u>	<u>\$ 668,606</u>	<u>\$ 418,020</u>
Liabilities				
Accounts payable	\$ 78	\$ 424,850	\$ 6,908	\$ 418,020
Due to agency recipient	437,493	224,283	661,776	0
<i>Total Liabilities</i>	<u>\$ 437,571</u>	<u>\$ 649,133</u>	<u>\$ 668,684</u>	<u>\$ 418,020</u>
TOTAL - ALL AGENCY FUNDS				
Assets				
Equity in city treasury cash	\$ 642,919	\$ 693,006	\$ 692,590	\$ 643,335
<i>Total Assets</i>	<u>\$ 642,919</u>	<u>\$ 693,006</u>	<u>\$ 692,590</u>	<u>\$ 643,335</u>
Liabilities				
Accounts payable	\$ 1,646	\$ 425,037	\$ 8,476	\$ 418,207
Due to agency recipient	641,273	268,234	684,379	225,128
<i>Total Liabilities</i>	<u>\$ 642,919</u>	<u>\$ 693,271</u>	<u>\$ 692,855</u>	<u>\$ 643,335</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.

<u>Category/Schedule #</u>	<u>Page #</u>
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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 POSITION LAST TEN YEARS	Schedule 1.1 Primary Government (accrual basis of accounting)									
	2003	2004	2005	Restated 2006	2007	2008	Restated 2009	2010	Restated 2011	2012
Governmental Activities										
Net Investment in Capital Assets	\$ 29,068,496	\$ 29,713,841	\$ 29,806,386	\$ 30,220,283	\$ 31,479,714	\$ 32,689,785	\$ 41,840,935	\$ 42,252,482	\$ 43,436,450	\$ 45,012,043
Restricted	8,803,295	7,647,630	8,705,221	8,752,398	13,169,794	12,793,131	9,001,193	9,349,951	8,979,348	8,769,095
Unrestricted	11,199,157	11,460,025	12,466,686	14,013,250	15,574,207	14,161,756	9,161,971	9,383,490	11,051,211	11,397,374
Total net position	49,070,948	48,821,496	50,978,293	52,985,931	60,223,715	59,644,672	60,004,099	60,985,923	63,467,009	65,178,512
Business-type Activities										
Net Investment in Capital Assets	67,989,332	73,427,798	90,273,053	99,531,180	96,419,187	95,403,509	103,395,209	107,785,419	105,728,233	106,817,119
Restricted	2,155,623	1,852,093	1,534,799	1,918,084	2,013,508	2,217,088	1,542,869	1,727,866	1,852,084	1,891,059
Unrestricted	80,825,950	82,534,107	76,246,430	75,207,295	86,326,912	91,888,876	87,229,408	84,984,968	91,791,126	98,308,957
Total net position	150,970,905	157,813,998	168,054,282	176,656,559	184,759,607	189,509,473	192,167,486	194,498,253	199,371,443	207,017,135
Total Primary Government										
Net Investment in Capital Assets	97,057,828	103,141,639	120,079,439	129,751,463	127,898,901	128,093,294	145,236,144	150,037,901	149,164,683	151,829,162
Restricted	10,958,918	9,499,723	10,240,020	10,670,482	15,183,302	15,010,219	10,544,062	11,077,817	10,831,432	10,660,154
Unrestricted	92,025,107	93,994,132	88,713,116	89,220,545	101,901,119	106,050,632	96,391,379	94,368,458	102,842,337	109,706,331
Total net position	\$ 200,041,853	\$ 206,635,494	\$ 219,032,575	\$ 229,642,490	\$ 244,983,322	\$ 249,154,145	\$ 252,171,585	\$ 255,484,176	\$ 262,838,452	\$ 272,195,647

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

In 2009 the City reclassified the Economic/Downtown Development Loans Fund from an Enterprise Fund to a Special Revenue Fund
In 2011 the City restated the general fund, debt service fund and Long Road fund for payables and TIFs

**CITY OF WOOSTER, OHIO
CHANGES IN NET POSITION
LAST TEN YEARS**

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

	2003	2004	2005	Restated 2006	2007	2008	Restated 2009	2010	2011	2012
Expenses:										
Governmental activities:										
Safety Services	\$ 9,531,074	\$ 9,691,229	\$ 9,911,867	\$ 10,431,285	\$ 10,909,304	\$ 11,835,986	\$ 12,305,310	\$ 12,818,894	\$ 11,659,215	\$ 11,640,179
Health Services	140,855	132,275	137,883	142,851	148,884	148,865	148,395	138,878	136,364	135,615
Leisure Services	2,401,832	2,227,294	2,320,320	2,380,359	2,433,843	2,622,053	2,460,625	2,281,939	1,790,148	1,735,559
Environment & Development Services	1,185,814	1,160,157	1,061,733	1,348,219	1,312,799	1,336,111	1,601,752	1,620,004	1,206,524	1,221,872
Transportation Services	3,338,351	3,176,605	3,356,904	3,128,141	3,542,750	3,683,299	3,354,333	5,047,045	3,091,345	3,607,181
Administrative Services	504,941	725,641	128,170	437,698	449,396	698,035	645,116	562,334	457,078	419,733
Total governmental activities expenses	17,102,867	17,113,201	16,916,877	17,868,553	18,796,976	20,324,349	20,515,531	22,469,094	18,340,674	18,760,139
Business-type activities:										
Wooster Community Hospital	62,194,868	68,619,110	72,244,498	77,586,035	83,152,795	92,827,713	96,984,050	100,884,500	104,047,276	111,300,767
Water (Production & Distribution)	4,028,021	3,976,361	4,328,413	4,663,212	4,169,859	4,552,331	4,724,331	4,862,138	4,407,687	4,804,768
Water Pollution Control	3,778,422	4,404,278	4,404,336	4,504,781	5,746,937	6,559,254	6,424,119	6,129,312	5,766,091	5,787,590
Storm Drainage Utility	665,417	777,449	751,184	656,672	483,359	554,950	554,533	680,121	700,893	766,495
Refuse Collection	907,757	829,210	903,700	1,092,767	1,202,945	1,350,943	1,416,866	1,427,802	1,407,606	1,424,297
CDBG Economic Development Loans	356	3,061	6,939	0	15,777	0	0	0	0	0
Total business-type activities expenses	71,574,841	78,609,469	82,639,070	88,503,467	94,771,672	105,845,191	110,103,899	113,983,873	116,329,553	124,083,917
Total primary government expenses	88,677,708	95,722,670	99,555,947	106,372,020	113,568,648	126,169,540	130,619,430	136,452,967	134,670,227	142,844,056
Program Revenues										
Governmental activities:										
Charges for services:										
Safety Services	377,120	327,130	584,566	501,466	675,968	579,932	714,521	689,482	895,377	873,004
Leisure Services	385,431	376,070	439,542	428,796	461,364	477,594	474,460	483,479	429,829	417,778
Environment & Development Services	316,626	282,123	286,704	228,043	302,442	315,438	214,763	180,417	165,890	207,464
Transportation Services	97,739	104,146	88,124	108,048	132,711	188,534	172,223	139,118	172,550	151,573
Administrative Services	207,712	181,851	169,724	191,408	387,959	66,621	179,429	257,375	457,144	244,229
Operating grants & contributions	1,758,918	2,016,684	2,165,180	2,147,337	2,083,772	1,909,735	2,236,924	2,117,192	1,920,574	2,186,851
Capital grants & contributions	371,839	906	1,361,436	314,427	566,152	358,011	3,375,157	4,194,579	2,224,896	1,608,837
Total governmental activities program revenues	3,515,385	3,288,910	5,095,276	3,919,525	4,610,368	3,895,865	7,367,477	8,061,642	6,266,260	5,689,736
Charges for services										
Wooster Community Hospital	68,493,186	74,855,608	78,810,733	83,692,444	90,173,785	96,929,809	101,131,509	103,155,227	106,719,035	116,775,117
Water (Production & Distribution)	3,864,670	3,864,067	3,941,569	3,742,199	3,787,493	4,046,528	4,185,862	5,076,993	5,307,239	5,314,130
Water Pollution Control	3,261,084	3,169,073	3,443,436	3,224,387	3,787,493	3,391,446	3,619,813	4,416,124	4,906,467	6,085,102
Storm Drainage Utility	759,431	798,263	809,835	863,905	886,865	882,850	910,149	1,054,673	1,176,279	1,308,932
Refuse Collection	849,331	879,116	913,915	938,003	1,070,033	1,281,821	1,469,833	1,455,477	1,454,606	1,453,096
CDBG Economic Development Loans	8,299	6,194	6,577	5,135	5,006	3,618	0	0	0	0
Operating grants & contributions	332,857	336,905	495,329	1,007,384	130,233	322,970	174,113	266,009	264,166	198,445
Capital grants & contributions	581,598	158,498	0	0	59,000	0	302,576	201,950	39,058	48,234
Total business-type program revenues	78,150,456	84,067,724	88,421,394	93,473,457	99,899,908	106,859,042	111,793,855	115,626,453	119,866,850	131,183,056
Total primary government program revenues	81,665,841	87,356,634	93,516,670	97,392,982	104,510,276	110,754,907	119,161,332	123,688,095	126,133,110	136,872,792

(continued)

**CITY OF WOOSTER, OHIO
CHANGES IN NET POSITION
LAST TEN YEARS**

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

	2003	2004	2005	Restated 2006	2007	2008	Restated 2009	2010	2011	2012
Net (Expense)/Revenue										
Governmental activities	(13,587,482)	(13,824,291)	(11,821,601)	(13,949,028)	(14,186,608)	(16,428,484)	(13,148,054)	(14,407,452)	(12,074,414)	(13,070,403)
Business-type activities	6,575,615	5,458,255	5,782,324	4,969,990	5,128,236	1,013,851	1,689,956	1,642,580	3,537,297	7,099,139
Total primary government net expense	(7,011,867)	(8,366,036)	(6,039,277)	(8,979,038)	(9,058,372)	(15,414,633)	(11,458,098)	(12,764,872)	(8,537,117)	(5,971,264)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
City income tax	7,819,106	8,395,905	8,922,262	8,558,902	9,655,637	8,526,252	8,429,038	8,693,074	9,670,667	10,378,470
Property taxes	2,170,403	2,086,589	2,278,101	2,453,710	2,539,667	2,216,877	2,545,171	2,520,770	2,181,978	1,876,328
Estate taxes	873,090	592,046	556,440	814,161	1,263,406	1,575,947	711,818	894,325	1,279,657	1,032,907
Other taxes	112,158	111,250	100,392	104,711	156,057	174,686	166,420	181,184	188,835	205,723
Unrestricted grants and contributions	1,731,790	1,832,650	1,602,449	1,659,626	1,680,018	1,704,720	1,537,155	1,615,590	1,519,463	871,159
Investment earnings	445,165	319,307	531,694	1,067,669	1,370,251	1,185,663	396,155	297,974	286,128	121,487
Miscellaneous	256,092	226,942	328,328	327,119	459,353	465,296	516,454	350,972	189,107	295,833
Transfers	3,496	10,150	(341,268)	11,692	0	0	(206,738)	835,387	(200,000)	0
Total governmental activities	13,411,300	13,574,839	13,978,398	14,997,590	17,124,389	15,849,441	14,095,473	15,389,276	15,115,835	14,781,907
Business-type activities:										
Investment earnings	1,588,243	1,187,190	2,179,390	3,427,836	3,210,402	3,603,849	1,288,622	1,261,298	906,751	374,942
Miscellaneous	172,623	197,648	133,727	216,142	172,601	132,166	159,878	262,276	229,142	171,611
Transfers	(3,496)	0	341,268	(11,692)	0	0	206,738	(835,387)	200,000	0
Special item - change in est plant closure cost	0	0	1,803,575	0	0	0	0	0	0	0
Total business-type activities	1,757,370	1,384,838	4,457,960	3,632,286	3,383,003	3,736,015	1,655,238	688,187	1,335,893	546,553
Total primary government	15,168,670	14,959,677	18,436,358	18,629,876	20,507,392	19,585,456	15,750,711	16,077,463	16,451,728	15,328,460
Changes in Net Position										
Governmental activities	(176,182)	(249,452)	2,156,797	1,048,562	2,937,781	(579,043)	947,419	981,824	3,041,421	1,711,504
Business-type activities	8,332,985	6,843,093	10,240,284	8,602,276	8,511,239	4,749,866	3,345,194	2,330,767	4,873,190	7,645,692
Total primary government changes in Net Position	\$ 8,156,803	\$ 6,593,641	\$ 12,397,081	\$ 9,650,838	\$ 11,449,020	\$ 4,170,823	\$ 4,292,613	\$ 3,312,591	\$ 7,914,611	\$ 9,357,196

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

In 2009 the City reclassified the Economic/Downtown Development Loans Fund from an Enterprise Fund to a Special Revenue Fund

CITY OF WOOSTER, OHIO
FUND BALANCES
LAST TEN YEARS

Schedule 1.3
Governmental Funds
(modified accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
GENERAL FUND				Restated			Restated			
Fund balances:										
Reserved for encumbrances	\$ 3,010,790	\$ 2,569,468	\$ 2,057,008	\$ 2,302,703	\$ 2,569,889	\$ 2,592,872	\$ 2,771,167	\$ 2,347,652	\$ 0	\$ 0
Unreserved	8,874,600	9,556,665	10,086,616	10,174,109	11,421,599	9,701,387	8,820,044	7,184,575	0	0
Nonspendable	0	0	0	0	0	0	0	0	53,953	55,429
Assigned	0	0	0	0	0	0	0	0	2,702,135	5,512,738
Unassigned	0	0	0	0	0	0	0	0	7,969,318	5,801,446
Total General Fund	11,885,390	12,126,133	12,143,624	12,476,812	13,991,488	12,294,259	11,591,211	9,532,227	10,725,406	11,369,613
OTHER GOVERNMENTAL FUNDS										
Fund balances:										
Reserved for encumbrances	1,633,323	1,046,174	2,502,300	1,449,792	3,553,551	12,198,156	2,772,755	1,267,017	0	0
Reserved for long term receivables	0	0	0	0	0	0	100,637	79,418	0	0
Unreserved, reported in:										
Special revenue funds	1,901,392	1,993,488	2,141,344	2,693,080	2,520,262	1,747,447	2,412,193	2,644,870	0	0
Capital projects funds	2,750,575	1,733,902	1,667,698	1,301,761	4,441,154	(1,242,552)	(383,055)	1,347,246	0	0
Debt service funds	505,652	549,770	627,779	674,528	575,622	634,471	624,241	704,488	0	0
Nonspendable	0	0	0	0	0	0	0	0	290,192	189,674
Restricted	0	0	0	0	0	0	0	0	4,111,590	3,925,939
Committed	0	0	0	0	0	0	0	0	151,878	141,105
Assigned	0	0	0	0	0	0	0	0	537,090	126,294
Unassigned	0	0	0	0	0	0	0	0	(19,875)	(14,156)
Total Other Governmental Funds	6,790,942	5,323,334	6,939,121	6,119,161	11,090,589	13,337,522	5,526,771	6,043,039	5,070,875	4,368,856
ALL GOVERNMENTAL FUNDS										
Fund balances:										
Reserved for encumbrances	4,644,113	3,615,642	4,559,308	3,752,495	6,123,440	14,791,028	5,543,922	3,614,669	0	0
Reserved for long term receivables	0	0	0	0	0	0	100,637	79,418	0	0
Unreserved, reported in:										
General fund	8,874,600	9,556,665	10,086,616	10,174,109	11,421,599	9,701,387	8,820,044	7,184,575	0	0
Special revenue funds	1,901,392	1,993,488	2,141,344	2,693,080	2,520,262	1,747,447	2,412,193	2,644,870	0	0
Capital projects funds	2,750,575	1,733,902	1,667,698	1,301,761	4,441,154	(1,242,552)	(383,055)	1,347,246	0	0
Debt service funds	505,652	549,770	627,779	674,528	575,622	634,471	624,241	704,488	0	0
Nonspendable	0	0	0	0	0	0	0	0	344,145	245,103
Restricted	0	0	0	0	0	0	0	0	4,111,590	3,925,939
Committed	0	0	0	0	0	0	0	0	151,878	141,105
Assigned	0	0	0	0	0	0	0	0	3,239,225	5,639,032
Unassigned	0	0	0	0	0	0	0	0	7,949,443	5,787,290
Total All Governmental Funds	\$ 18,676,332	\$ 17,449,467	\$ 19,082,745	\$ 18,595,973	\$ 25,082,077	\$ 25,631,781	\$ 17,117,982	\$ 15,575,266	\$ 15,796,281	\$ 15,738,469

Source: Respective comprehensive annual financial reports .

In 2009, the City reclassified the Economic/Downtown Development Loans Fund from an Enterprise Fund to a Special Revenue Fund
In 2010, the City wrote off an uncollectable loan receivable
In 2011, fund balance classifications changed with the implementation of GASB Statement No. 54
In 2011, the City restated General Fund, Debt Service Fund and Long Road Fund for payables and TIF

**CITY OF WOOSTER, OHIO
CHANGES IN FUND BALANCES
LAST TEN YEARS**

**Schedule 1.4
Governmental Funds
(modified accrual basis of accounting)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues :										
Taxes	\$ 11,127,812	\$ 11,009,219	\$ 11,297,923	\$ 12,344,546	\$ 13,726,214	\$ 12,441,243	\$ 12,227,385	\$ 11,889,919	\$ 12,924,136	\$ 13,994,519
Intergovernmental	3,337,563	3,401,497	4,922,439	3,593,297	3,506,114	3,772,218	6,859,748	5,932,221	4,741,165	4,143,999
Charges for services	857,203	789,399	1,072,499	1,032,895	1,254,071	1,275,498	1,356,638	1,300,388	1,494,105	1,416,665
Special assessments	250,145	220,491	241,604	197,603	255,070	237,584	212,418	205,259	223,910	203,991
Fines, licenses, permits	629,018	586,873	588,341	520,367	727,002	369,262	381,550	494,175	625,145	548,225
Interfund services provided	1,248,397	1,257,604	1,657,452	1,504,907	1,443,050	1,643,980	1,616,062	1,762,497	1,508,293	1,478,817
Interest income	445,165	319,307	531,693	996,877	1,370,250	1,185,662	321,953	229,645	212,585	72,346
Miscellaneous	264,050	216,557	302,091	352,674	417,786	394,809	544,446	474,727	198,149	184,943
Total Revenues	18,159,353	17,800,947	20,614,042	20,543,166	22,699,557	21,320,256	23,520,200	22,288,831	21,927,488	22,043,505
Expenditures :										
Current operations :										
Safety services	8,202,817	8,723,587	8,625,843	9,406,095	9,529,944	10,250,661	10,556,483	10,893,431	10,315,976	10,340,689
Health and social services	140,855	132,275	137,883	142,851	148,884	148,865	148,395	140,185	139,670	137,140
Leisure services	1,783,469	1,661,124	1,702,485	1,839,067	1,885,624	2,006,716	1,925,300	1,794,948	1,365,853	1,364,780
Environment and development	1,091,022	1,137,281	1,047,612	1,288,681	1,234,397	1,263,228	1,412,307	1,610,435	1,149,541	1,243,963
Transportation services	1,805,628	1,852,717	1,741,005	1,635,981	2,163,997	2,460,893	2,275,385	2,980,098	1,512,215	1,617,545
Administrative services	3,096,290	2,830,533	3,074,504	3,058,369	3,279,618	3,599,640	3,401,678	3,681,702	2,889,589	2,873,611
Capital expenditures	3,356,967	1,895,424	3,145,019	2,663,806	2,693,490	4,421,587	11,144,247	1,919,212	3,248,013	3,997,176
Debt service :										
Principal	1,690,840	624,667	344,337	1,353,408	1,372,318	1,419,808	4,336,315	7,005,553	366,343	389,092
Interest	160,972	180,355	167,152	190,049	214,332	199,157	223,300	189,456	158,938	137,321
Total Expenditures	21,328,860	19,037,963	19,985,840	21,578,307	22,522,604	25,770,555	35,423,410	30,215,020	21,146,138	22,101,317
Excess revenues over (under) expenditures	(3,169,507)	(1,237,016)	628,202	(1,035,141)	176,953	(4,450,299)	(11,903,210)	(7,926,189)	781,350	(57,812)
Other financing sources (uses) :										
Debt issuance	2,420,000	0	1,000,000	0	1,997,023	4,000,000	3,220,000	6,685,000	0	0
Premium on debt issuance	0	0	0	0	0	0	0	56,160	0	0
Payment to refunded bond escrow agent	0	0	0	0	0	0	0	(1,437,687)	0	0
Sale of capital assets	0	0	0	0	85,000	0	0	0	0	0
Transfers in	901,772	490,150	1,884,959	1,447,341	1,431,473	1,797,400	248,019	1,343,999	73,950	1,361,000
Transfers (out)	(891,772)	(480,000)	(1,884,959)	(1,447,341)	(1,431,473)	(1,797,400)	(248,019)	(263,999)	(73,950)	(1,361,000)
Special item - donation from local college	0	0	0	0	4,300,000	0	0	0	0	0
Total other financing sources (uses)	2,430,000	10,150	1,000,000	0	6,382,023	4,000,000	3,220,000	6,383,473	0	0
Net changes in fund balances	\$ (739,507)	\$ (1,226,866)	\$ 1,628,202	\$ (1,035,141)	\$ 6,558,976	\$ (450,299)	\$ (8,683,210)	\$ (1,542,716)	\$ 781,350	\$ (57,812)
Debt service as a percentage of noncapital expenditures	10.3%	4.7%	3.0%	8.2%	8.0%	7.6%	18.8%	25.4%	2.9%	2.9%

Source: Respective comprehensive annual financial reports

In 2009 the City reclassified the Economic/Downtown Development Loans Fund from an Enterprise Fund to a Special Revenue Fund

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)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Current Assets										
Cash & Investments	\$ 8,398,130	\$ 7,608,033	\$ 6,317,307	\$ 2,246,462	\$ 1,443,663	\$ 827,290	\$ 784,326	\$ 1,395,930	\$ 2,657,475	\$ 3,864,331
Other Current Assets	669,336	722,865	751,626	638,136	616,195	690,325	750,151	881,808	811,875	805,249
Total Current Assets	9,067,466	8,330,898	7,068,933	2,884,598	2,059,858	1,517,615	1,534,477	2,277,738	3,469,350	4,669,580
Noncurrent Assets										
Net Capital Assets	22,538,119	22,894,460	22,939,945	24,215,582	23,861,394	25,228,146	26,389,075	25,482,412	24,894,568	24,417,691
Total Assets	31,605,585	31,225,358	30,008,878	27,100,180	25,921,252	26,745,761	27,923,552	27,760,150	28,363,918	29,087,271
Current Liabilities - Note 1										
4,868,185	5,109,343	2,984,551	1,586,083	1,451,199	1,955,920	3,350,728	1,172,136	631,069	917,320	
7,911,090	6,992,885	6,060,652	5,032,601	4,085,995	4,708,747	4,619,340	6,934,646	7,010,199	6,799,125	
Total Liabilities	12,779,275	12,102,228	9,045,203	6,618,684	5,537,194	6,664,667	7,970,068	8,106,782	7,641,268	7,716,445
Total Net Position	\$ 18,826,310	\$ 19,123,130	\$ 20,963,675	\$ 20,481,496	\$ 20,384,058	\$ 20,081,094	\$ 19,953,484	\$ 19,653,368	\$ 20,722,650	\$ 21,370,826
Working Capital										
Current Ratio	\$ 4,199,281	\$ 3,221,555	\$ 4,084,382	\$ 1,298,515	\$ 608,659	\$ (438,305)	\$ (1,816,251)	\$ 1,105,602	\$ 2,838,281	\$ 3,752,260
	1.86	1.63	2.37	1.82	1.42	0.78	0.46	1.94	5.50	5.09
Capital Expenditures										
Depreciation Expense	\$ 1,496,317	\$ 1,428,742	\$ 972,072	\$ 2,206,764	\$ 694,016	\$ 2,321,052	\$ 2,340,812	\$ 318,644	\$ 468,125	\$ 569,990
	\$ 1,071,357	\$ 1,061,535	\$ 1,049,475	\$ 930,064	\$ 990,725	\$ 1,055,553	\$ 1,080,790	\$ 1,097,687	\$ 1,081,646	\$ 1,064,277
Long Term Debt										
Principal Payments	\$ 7,840,752	\$ 6,902,380	\$ 5,921,308	\$ 4,905,136	\$ 3,958,580	\$ 4,478,582	\$ 4,370,391	\$ 7,387,774	\$ 7,117,274	\$ 7,006,812
Interest Expense	\$ 1,497,399	\$ 903,372	\$ 938,372	\$ 981,072	\$ 1,016,172	\$ 1,062,236	\$ 2,885,065	\$ 5,638,254	\$ 572,700	\$ 308,262
	\$ 435,077	\$ 393,713	\$ 364,600	\$ 323,451	\$ 279,576	\$ 246,309	\$ 268,091	\$ 256,918	\$ 210,495	\$ 204,688
Liabilities to Assets	40.43%	38.76%	30.14%	24.42%	21.36%	24.92%	28.54%	29.20%	26.94%	26.53%
Operating Results										
Total operating revenues	\$ 4,025,264	\$ 4,146,936	\$ 4,039,028	\$ 3,884,499	\$ 3,915,860	\$ 4,144,965	\$ 4,278,947	\$ 5,182,508	\$ 5,424,538	\$ 5,415,125
Total operating expenses	3,592,943	3,582,648	4,028,009	4,343,417	3,891,667	4,306,022	4,456,241	4,477,600	4,197,192	4,597,249
Operating income	432,321	564,288	11,019	(458,918)	24,193	(161,057)	(177,294)	704,908	1,227,346	817,876
Net non-operating revenues										
(expenses)-Note 1	(169,438)	(267,467)	(91,101)	(17,414)	(121,631)	(141,907)	49,683	(363,682)	(183,741)	(189,941)
Transfers, Special Items, Capital Contributions - Note 3	0	0	1,920,570	(5,846)	0	0	0	(710,000)	25,677	20,241
Change in Net Position	\$ 262,883	\$ 296,821	\$ 1,840,488	\$ (482,178)	\$ (97,438)	\$ (302,964)	\$ (127,611)	\$ (368,774)	\$ 1,069,282	\$ 648,176
Return on Assets from Operations										
CPI changes - Note 2	2.3%	3.0%	0.1%	-2.2%	0.1%	-0.8%	-0.9%	3.6%	5.9%	3.8%
Personal services expenses	1.9%	3.3%	3.4%	2.5%	4.1%	0.1%	2.7%	1.5%	3.0%	1.7%
Personal services expenses as a	\$ 1,326,728	\$ 1,336,854	\$ 1,400,638	\$ 1,592,430	\$ 1,569,085	\$ 1,763,382	\$ 1,863,516	\$ 1,880,923	\$ 1,550,840	\$ 1,593,461
% of total operating expenses	32.9%	33.6%	31.9%	34.1%	37.6%	38.7%	39.4%	39.7%	35.2%	33.2%

Source: Respective comprehensive annual financial reports

Note 1 - Cash basis: Include bond anticipation notes of \$3,000,000 (2001) and \$2,480,000 (2009)

Note 2 - Bureau of Labor Statistics

Note 3 - Special Item is change in estimated plant closure costs of \$1,803,575 (2005)

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

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Current Assets										
Cash & Investments	\$ 11,894,904	\$ 11,754,145	\$ 10,698,774	\$ 9,611,906	\$ 8,201,612	\$ 5,029,963	\$ 2,879,470	\$ 1,950,283	\$ 1,555,670	\$ 2,568,154
Other Current Assets	526,837	608,007	637,836	828,484	582,078	515,267	512,253	639,207	726,516	767,156
Total Current Assets	12,421,741	12,362,152	11,336,610	10,440,390	8,783,690	5,545,230	3,391,723	2,589,490	2,282,186	3,335,310
Noncurrent Assets										
Long Term Receivables	458,358	431,694	396,545	373,404	343,392	310,289	281,521	255,770	228,356	198,373
Net Capital Assets	13,362,129	12,438,501	14,654,805	25,942,126	29,597,254	30,628,433	29,411,500	30,496,512	29,444,045	28,016,881
Total Noncurrent Assets	13,820,487	12,870,195	15,051,350	26,315,530	29,940,646	30,938,722	29,693,021	30,752,282	29,672,401	28,215,254
Total Assets	26,242,228	25,232,347	26,387,960	36,755,920	38,724,336	36,483,952	33,084,744	33,341,772	31,954,587	31,550,564
Current Liabilities										
Noncurrent Liabilities	\$ 310,253	\$ 305,366	\$ 1,464,240	\$ 1,854,040	\$ 1,101,243	\$ 1,466,581	\$ 1,504,841	\$ 1,945,907	\$ 1,354,773	\$ 1,510,257
Total Liabilities	76,020	75,774	641,599	11,361,268	15,860,368	16,112,151	15,363,353	16,577,056	16,500,927	15,570,312
Total Net Position	386,273	381,140	2,105,839	13,215,308	16,961,611	17,578,732	16,868,194	18,522,963	17,855,700	17,080,569
\$ 25,855,955	\$ 24,851,207	\$ 24,282,121	\$ 23,540,612	\$ 21,762,725	\$ 18,905,220	\$ 16,216,550	\$ 14,818,809	\$ 14,098,887	\$ 14,469,995	
Working Capital	\$ 12,111,488	\$ 12,056,786	\$ 9,872,370	\$ 8,586,350	\$ 7,682,447	\$ 4,078,649	\$ 1,886,882	\$ 643,583	\$ 927,413	\$ 1,825,053
Current Ratio	40.04	40.48	7.74	5.63	7.98	3.78	2.25	1.33	1.68	2.21
Capital Expenditures	\$ 1,511,253	\$ 527,515	\$ 3,225,518	\$ 11,739,199	\$ 6,204,104	\$ 2,884,606	\$ 355,556	\$ 2,805,701	\$ 695,003	\$ 345,117
Depreciation Expense	\$ 997,446	\$ 1,437,773	\$ 1,123,039	\$ 1,141,129	\$ 1,272,771	\$ 1,855,222	\$ 1,793,237	\$ 1,676,302	\$ 1,760,852	\$ 1,750,983
Long Term Debt	\$ 0	\$ 0	\$ 544,231	\$ 11,266,536	\$ 15,759,557	\$ 15,956,305	\$ 15,181,504	\$ 17,376,578	\$ 17,267,750	\$ 16,386,787
Principal Payments	\$ 42,095	\$ 0	\$ 0	\$ 0	\$ 385,203	\$ 788,443	\$ 810,380	\$ 836,322	\$ 874,469	\$ 900,963
Interest Expense	\$ 1,221	\$ 0	\$ 0	\$ 0	\$ 257,151	\$ 737,498	\$ 684,786	\$ 450,465	\$ 454,322	\$ 426,204
Liabilities to Assets	1.47%	1.51%	7.98%	35.95%	43.80%	48.18%	50.98%	55.55%	55.88%	54.14%
Operating Results										
Total operating revenues	\$ 3,381,481	\$ 3,221,098	\$ 3,465,790	\$ 3,254,976	\$ 3,414,177	\$ 3,419,273	\$ 3,679,317	\$ 4,444,080	\$ 5,010,767	\$ 6,147,408
Total operating expenses	3,777,200	4,404,277	4,404,335	4,504,781	5,489,786	5,821,755	5,961,586	5,634,461	5,311,769	5,340,088
Operating income	(395,719)	(1,183,179)	(938,545)	(1,249,805)	(2,075,609)	(2,402,482)	(2,282,269)	(1,190,381)	(301,002)	807,320
Net non-operating revenues (expenses)	239,903	178,431	369,515	508,296	297,723	(455,022)	(613,138)	(454,226)	(432,301)	(436,212)
Transfers and Contributions	0	0	0	0	0	0	206,738	(370,000)	13,381	0
Change in Net Position	\$ (155,816)	\$ (1,004,748)	\$ (569,030)	\$ (741,509)	\$ (1,777,886)	\$ (2,857,504)	\$ (2,688,669)	\$ (2,014,607)	\$ (719,922)	\$ 371,108
Return on Assets from Operations	-1.53%	-4.76%	-3.87%	-5.31%	-9.54%	-12.71%	-14.07%	-8.03%	-2.13%	5.58%
CPI changes	1.9%	3.3%	3.4%	2.5%	4.1%	0.1%	2.7%	1.5%	3.0%	1.7%
Personal services expenses	\$ 1,087,147	\$ 1,205,239	\$ 1,338,581	\$ 1,460,754	\$ 1,452,831	\$ 1,224,119	\$ 1,364,535	\$ 1,607,864	\$ 1,137,320	\$ 1,058,590
% of total operating expenses	28.8%	27.4%	30.4%	32.4%	25.3%	18.7%	20.5%	26.4%	19.7%	18.4%

Source: Respective Comprehensive Annual Financial Reports

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

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Current Assets										
Cash & Investments	\$ 2,716,143	\$ 1,873,930	\$ 1,611,189	\$ 513,901	\$ 567,823	\$ 398,031	\$ 571,545	\$ 941,345	\$ 1,110,000	\$ 1,325,371
Other Current Assets	125,568	144,265	140,094	157,108	173,061	169,682	174,187	186,830	164,481	184,783
Total Current Assets	2,841,711	2,018,195	1,751,283	671,009	740,884	567,713	745,732	1,128,175	1,274,481	1,510,154
Noncurrent Assets										
Net Capital Assets	5,595,014	6,250,833	7,179,293	7,999,559	8,365,242	8,754,281	8,971,178	8,886,200	9,282,131	9,537,778
Total Assets	\$ 8,436,725	\$ 8,269,028	\$ 8,930,576	\$ 8,670,568	\$ 9,106,126	\$ 9,321,994	\$ 9,716,910	\$ 10,014,375	\$ 10,556,612	\$ 11,047,932
Current Liabilities										
Noncurrent Liabilities	\$ 309,589	\$ 257,424	\$ 622,829	\$ 233,237	\$ 160,456	\$ 157,569	\$ 187,166	\$ 192,704	\$ 201,717	\$ 309,503
Total Liabilities	2,068,591	1,879,331	1,764,868	1,632,087	1,634,751	1,499,181	1,496,999	1,365,539	1,208,029	1,028,691
Total Net Position	2,378,180	2,136,755	2,387,697	1,865,324	1,795,207	1,656,750	1,684,165	1,558,243	1,409,746	1,338,194
	\$ 6,058,545	\$ 6,132,273	\$ 6,542,879	\$ 6,805,244	\$ 7,310,919	\$ 7,665,244	\$ 8,032,745	\$ 8,456,132	\$ 9,146,866	\$ 9,709,738
Working Capital	\$ 2,532,122	\$ 1,760,771	\$ 1,128,454	\$ 437,772	\$ 580,428	\$ 410,144	\$ 558,566	\$ 935,471	\$ 1,072,764	\$ 1,200,651
Current Ratio	9.18	7.84	2.81	2.88	4.62	3.60	3.98	5.85	6.32	4.88
Capital Expenditures	\$ 1,795,884	\$ 862,723	\$ 821,634	\$ 977,064	\$ 555,911	\$ 544,208	\$ 397,976	\$ 197,831	\$ 463,490	\$ 524,226
Depreciation Expense	\$ 166,923	\$ 239,970	\$ 224,050	\$ 213,091	\$ 249,117	\$ 260,832	\$ 263,651	\$ 266,730	\$ 267,558	\$ 279,772
Long Term Debt	\$ 1,982,910	\$ 1,860,197	\$ 1,732,485	\$ 1,599,772	\$ 1,623,269	\$ 1,487,575	\$ 1,483,961	\$ 1,507,541	\$ 1,346,996	\$ 1,186,451
Principal Payments	\$ 2,790,163	\$ 122,712	\$ 122,712	\$ 136,862	\$ 136,862	\$ 138,353	\$ 135,694	\$ 1,325,546	\$ 160,545	\$ 160,545
Interest Expense	\$ 56,583	\$ 16,983	\$ 67,933	\$ 65,058	\$ 61,797	\$ 57,276	\$ 28,597	\$ 29,476	\$ 27,899	\$ 23,165
Liabilities to Assets	39.25%	34.84%	36.49%	27.41%	24.56%	21.61%	20.97%	18.43%	15.41%	13.78%
Operating Results										
Total operating revenues	\$ 813,934	\$ 816,866	\$ 814,463	\$ 869,141	\$ 891,799	\$ 887,682	\$ 916,022	\$ 1,056,903	\$ 1,178,681	\$ 1,311,943
Total operating expenses	608,834	707,792	694,813	591,865	421,562	497,675	525,936	634,566	672,994	743,330
Operating income	205,100	109,074	119,650	277,276	470,237	390,007	390,086	422,337	505,687	568,613
Net non-operating revenues (expenses)	331,613	(35,347)	290,957	(14,912)	35,437	(35,681)	(22,585)	(28,613)	(14,953)	(16,934)
Capital contributions	0	0	0	0	0	0	0	0	200,000	11,193
Change in Net Position	\$ 536,713	\$ 73,727	\$ 410,607	\$ 262,364	\$ 505,674	\$ 354,326	\$ 367,501	\$ 393,724	\$ 690,734	\$ 562,872
Return on Assets from Operations	3.39%	1.78%	1.83%	4.07%	6.43%	5.09%	4.86%	4.99%	5.53%	5.86%
CPI changes	1.9%	3.3%	3.4%	2.5%	4.1%	0.1%	2.7%	1.5%	3.0%	1.7%
Personal services expenses	\$ 245,951	\$ 278,634	\$ 312,486	\$ 260,224	\$ 79,330	\$ 113,017	\$ 138,857	\$ 199,597	\$ 216,444	\$ 246,357
Personal services expenses as a % of total operating expenses	36.96%	38.44%	40.97%	39.61%	16.41%	20.37%	25.04%	30.06%	30.88%	32.14%

Source: Respective Comprehensive Annual Financial Reports

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)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Change in Net Position										
Statement Summary										
Total Gross Revenue	\$ 91,762,398	\$ 102,188,549	\$ 111,372,640	\$ 121,402,518	\$ 132,626,372	\$ 142,986,141	\$ 153,930,811	\$ 157,316,615	\$ 165,778,943	\$ 184,495,853
Less: Deductions	(23,297,774)	(27,444,467)	(32,582,138)	(37,768,749)	(42,470,238)	(48,695,911)	(52,799,302)	(53,926,300)	(59,059,908)	(67,720,736)
Net Revenue	68,464,624	74,744,082	78,790,502	83,633,769	90,156,134	94,290,230	101,131,509	103,390,315	106,719,035	116,775,117
Total Operating Costs	61,094,025	67,125,463	71,621,862	77,314,826	82,880,752	87,666,654	96,971,359	100,806,386	103,895,599	111,289,408
Operating Income	7,370,599	7,618,619	7,168,640	6,318,943	7,275,382	6,623,576	4,160,150	2,583,929	2,823,436	5,485,709
Non-operating Income (Expense)	87,308	(543,133)	1,398,810	2,035,471	2,370,426	(2,939)	1,305,374	1,173,308	904,630	450,716
Capital Contributions	0	0	0	0	0	0	0	0	0	16,800
Change in Net Position	\$ 7,457,907	\$ 7,075,486	\$ 8,567,450	\$ 8,354,414	\$ 9,645,808	\$ 6,620,637	\$ 5,465,524	\$ 3,757,237	\$ 3,728,066	\$ 5,953,225

Balance Sheet Information										
Cash Balances:										
Days Operating Cash on Hand	68.19	44.17	52.40	46.00	43.10	54.00	62.30	34.40	41.20	47.40
Operating Fund	\$ 10,649,707	\$ 7,521,837	\$ 9,476,957	\$ 8,945,304	\$ 8,990,603	\$ 11,970,067	\$ 14,110,857	\$ 9,067,498	\$ 11,140,088	\$ 13,623,466
Plant Fund	44,567,931	49,129,597	45,717,851	48,503,177	59,433,839	66,789,113	64,554,576	66,293,819	70,409,969	73,152,973
Restricted Cash Funds	1,486,054	1,176,729	1,203,605	1,308,002	1,390,789	1,324,782	1,253,182	1,283,647	1,385,827	1,390,897
Total Cash & Investments	\$ 56,703,692	\$ 57,828,163	\$ 56,398,413	\$ 58,756,483	\$ 69,815,231	\$ 80,083,962	\$ 79,918,615	\$ 76,644,964	\$ 82,935,884	\$ 88,167,336
Gross Patient Accounts Receivable	\$ 16,038,823	\$ 16,520,196	\$ 16,144,548	\$ 17,184,188	\$ 19,627,687	\$ 19,680,574	\$ 19,539,178	\$ 22,843,181	\$ 23,292,912	\$ 24,342,210
Days Outstanding	63.73	62.35	54.90	56.30	54.80	54.00	48.50	54.50	51.80	50.90

Source: Wooster Community Hospital Monthly Board Reports

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

Schedule 2.1
Governmental Activities

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	'03-'12
Income Tax Base											
Estimated Personal Income	\$ 580,662,193	\$ 586,468,815	\$ 615,792,256	\$ 652,739,791	\$ 704,958,974	\$ 655,611,846	\$ 603,162,898	\$ 633,321,043	\$ 611,270,682	\$ 659,882,513	113.6%
Income Tax Receipts											% Change '03-'12
Income Tax Receipts:											
Withholding	\$ 6,723,310	\$ 6,835,582	\$ 6,772,165	\$ 7,010,331	\$ 7,564,476	\$ 7,387,045	\$ 6,826,219	\$ 7,152,347	\$ 7,418,741	\$ 7,755,459	15.4%
Corporate	639,578	630,991	895,922	1,177,943	1,063,645	806,693	746,276	823,135	1,190,834	2,034,334	218.1%
Individuals	645,084	606,120	842,616	859,858	1,193,414	922,756	842,359	819,886	791,340	854,272	32.4%
Total Income Tax Receipts	\$ 8,007,972	\$ 8,072,693	\$ 8,510,703	\$ 9,048,132	\$ 9,821,535	\$ 9,116,494	\$ 8,414,854	\$ 8,795,368	\$ 9,400,915	\$ 10,644,065	32.9%
Income Tax Principal Payers											% Change '03-'12
Industrial	33.0%	31.6%	28.2%	28.4%	28.0%	27.4%	25.1%	26.8%	29.2%	35.4%	7.3%
Education/Government	17.8%	18.5%	18.0%	18.0%	18.7%	20.1%	21.8%	20.9%	19.8%	17.6%	(1.1%)
Services	12.0%	11.7%	12.3%	11.9%	12.5%	13.0%	13.0%	12.5%	13.0%	11.4%	(5.0%)
Retail	9.0%	8.6%	9.1%	8.1%	7.4%	7.8%	8.1%	8.4%	7.5%	7.0%	(22.2%)
Medical	7.1%	7.1%	8.2%	6.9%	7.0%	7.9%	8.5%	9.1%	8.8%	8.2%	15.5%
Construction	4.7%	4.1%	4.1%	5.1%	4.0%	3.5%	3.5%	3.6%	3.5%	2.8%	(40.4%)
Financial	4.3%	4.6%	5.0%	4.9%	4.6%	4.5%	4.5%	4.7%	4.6%	3.9%	(9.3%)
Oil	2.3%	2.4%	2.8%	2.7%	2.8%	3.2%	3.0%	2.5%	3.1%	2.8%	21.7%
Restaurants	2.3%	2.0%	2.2%	1.9%	2.3%	2.2%	2.3%	2.5%	2.5%	1.9%	(17.4%)
Miscellaneous	7.5%	9.4%	10.1%	12.1%	12.7%	10.4%	10.2%	9.0%	8.0%	9.0%	20.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	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.

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

Property Tax Base												
Tax Year/Collection Year		2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	
Assessed Value												
Real Property	\$	437,860	\$	506,446	\$	512,297	\$	511,547	\$	542,960	\$	513,978
Public Utility Property		10,432		12,828		12,853		9,724		11,242		13,488
Tangible Personal Property		111,693		106,247		106,247		56,809		684		0
Total	\$	559,985	\$	625,521	\$	631,397	\$	578,080	\$	554,886	\$	527,466
Total direct tax rate		4.200000		4.200000		4.200000		4.200000		4.200000		4.200000
Estimated Actual Value												
Real Property	\$	1,251,029	\$	1,446,989	\$	1,463,706	\$	1,461,563	\$	1,551,314	\$	1,468,509
Sources: Wayne County Auditor												
Building Permit Activity												
Commercial permits		113	105	106	125	150	93	65	190	74	78	
Value of commercial permits	\$	30,789	\$	36,196	\$	38,842	\$	35,941	\$	29,896	\$	21,023
Residential permits		228	219	188	131	148	79	77	104	100	80	
Value of residential permits		18,586	19,840	26,017	10,990	11,531	5,409	2,956	4,187	3,990	5,236	
Total permits	\$	341	324	294	256	298	172	142	294	174	158	
Total value of permits issued	\$	49,375	\$	56,036	\$	49,832	\$	47,472	\$	34,083	\$	26,259

Sources: Wayne County Auditor

Building Permit Activity	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Commercial permits	113	105	106	125	150	93	65	190	74	78
Value of commercial permits	\$ 30,789	\$ 36,196	\$ 62,722	\$ 38,842	\$ 35,941	\$ 26,340	\$ 6,880	\$ 29,896	\$ 10,897	\$ 21,023
Residential permits	228	219	188	131	148	79	77	104	100	80
Value of residential permits	\$ 18,586	\$ 19,840	\$ 26,017	\$ 10,990	\$ 11,531	\$ 5,409	\$ 2,956	\$ 4,187	\$ 3,990	\$ 5,236
Total permits	\$ 341	\$ 324	\$ 294	\$ 256	\$ 298	\$ 172	\$ 142	\$ 294	\$ 174	\$ 158
Total value of permits issued	\$ 49,375	\$ 56,036	\$ 88,739	\$ 49,832	\$ 47,472	\$ 31,749	\$ 9,836	\$ 34,083	\$ 14,887	\$ 26,259

Source: City Building Standards Division.

Property Tax Rates												
Tax Year/Collection Year	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013		
City levy	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20		
County levy	8.75	9.65	9.65	9.65	9.65	9.65	9.65	9.25	9.25	9.25		
School levy	65.20	71.70	72.10	72.10	72.30	71.60	71.60	78.70	79.50	79.50		
Vocational school	4.10	4.10	4.10	4.10	4.85	4.85	4.85	4.85	4.85	4.85		
Mental Health	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00		
Library	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25		
Total levy	80.05	87.45	88.10	88.10	89.05	88.35	88.35	95.05	95.85	99.35		
Debt service:	84.25	91.65	92.30	92.30	93.25	92.55	92.55	99.25	100.05	103.55		
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	0.00	0.00	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

	2012				2003			
	ASSESSED		PERCENTAGE		ASSESSED		PERCENTAGE	
Principal Payers	RANK	VALUATION	OF TOTAL		RANK	VALUATION	OF TOTAL	
		(\$000 omitted)	ASSESSED			(\$000 omitted)	ASSESSED	
			VALUATION				VALUATION	
Luk USA LLC	1	\$ 5,600	1.06%		2	\$ 6,019	1.07%	
Insite Wooster LLC	2	5,384	1.02%		0	0	0.00%	
College of Wooster	3	4,260	0.81%		3	5,996	1.07%	
Gertenslager Co	4	4,260	0.81%		9	2,127	0.38%	
Wooster Community Hospital	5	3,775	0.72%		0	0	0.00%	
Wayne Town Enterprises Ltd	6	3,676	0.70%		7	3,094	0.55%	
Wal-Mart	7	2,969	0.56%		0	0	0.00%	
Wooster Brush	8	2,795	0.53%		5	4,426	0.79%	
Buehlers	9	2,535	0.48%		6	3,483	0.62%	
Wooster Crossing	10	2,511	0.48%		0	0	0.00%	
Ohio Power					1	7,528	1.34%	
Newell/Rubbermaid					4	5,750	1.03%	
Wooster Associates					8	2,338	0.42%	
United Telephone					10	1,795	0.32%	
Total of Above		\$ 37,765	7.16%			\$ 42,556	7.60%	
Total Assessed Valuation of City		\$ 527,466				\$ 559,985		

Source: Wayne County Auditor

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

(\$ 000 omitted)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
PROPERTY TAX										
Real and public property:										
Net tax levy	1,925	1,995	2,107	2,392	2,635	2,670	2,779	2,475	2,553	2,349
Current collections	1,733	1,774	1,857	1,972	2,460	2,466	2,604	2,135	2,451	1,993
Percentage of current collection to net levy	90%	89%	88%	82%	93%	92%	94%	86%	96%	85%
Delinquent collections	38	53	37	32	49	34	68	47	51	47
Total Collections	1,771	1,827	1,894	2,004	2,509	2,500	2,672	2,182	2,502	2,040
Percentage of total collections to net levy	92%	92%	90%	84%	95%	94%	96%	88%	98%	87%
TANGIBLE TAX										
Billed	481	477	508	372	277	149	32	17	2	1
Collected	470	429	498	365	243	119	10	3	1	0
Percentage collected	98%	90%	98%	98%	88%	80%	31%	18%	50%	0%
Delinquent	11	48	10	7	34	30	22	14	1	1
SPECIAL ASSESSMENTS										
Billed	515	315	466	400	431	582	442	605	648	693
Collected	448	248	443	359	403	432	362	461	413	388
Percentage collected	87%	79%	95%	90%	94%	74%	82%	76%	64%	56%
Delinquent	67	67	23	41	28	150	80	144	245	324

Source: Wayne County Auditor

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

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
WATER RATES PER THOUSAND GALLONS*										
Minimum Charge**	\$9.38	\$9.38	\$9.38	\$9.38	\$9.66	\$10.24	\$11.50	\$13.92	\$14.00	\$14.00
Next 17 Thousand Gallons	\$3.63	\$3.63	\$3.63	\$3.63	\$3.74	\$3.96	\$4.45	\$5.39	\$5.39	\$5.39
Next 1,980 Thousand Gallons	\$3.21	\$3.21	\$3.21	\$3.21	\$3.31	\$3.51	\$3.94	\$4.77	\$4.77	\$4.77
Each Additional Thousand Gallons	\$0.95	\$0.95	\$0.95	\$0.95	\$0.98	\$1.04	\$1.91	\$2.31	\$2.31	\$2.31
CUSTOMER COUNTS:										
Residential	8,309	8,453	8,599	8,681	8,743	8,813	8,879	8,891	8,963	8,983
Industrial	57	58	58	58	59	58	58	56	52	51
Commercial	662	671	678	684	696	677	654	615	593	582
Institutional	174	177	177	175	195	192	192	190	192	193
Totals	9,202	9,359	9,512	9,598	9,693	9,740	9,783	9,752	9,800	9,809

BILLINGS BY CUSTOMER TYPE:										
Residential	2,218,644	2,237,141	2,267,715	2,208,462	2,264,050	2,308,828	2,504,810	2,749,450	2,894,235	2,948,563
Industrial	419,171	361,229	320,098	284,815	286,018	390,942	285,469	360,146	401,806	387,407
Commercial	654,798	692,631	732,838	661,607	697,804	711,706	729,378	891,655	935,722	988,854
Institutional	503,129	521,498	557,428	518,767	539,238	557,037	564,933	703,088	691,765	669,466
Totals	3,795,742	3,812,499	3,878,079	3,673,651	3,787,110	3,968,513	4,084,590	4,704,339	4,923,528	4,994,290

USAGE (in thousands of gallons) BY CUSTOMER TYPE:										
Residential	514,314	516,625	522,126	504,216	507,221	495,845	497,426	451,324	437,972	426,928
Industrial	125,973	99,351	87,410	69,594	68,294	74,472	64,302	62,419	65,813	65,270
Commercial	143,819	152,719	162,434	151,081	159,375	156,998	142,992	144,720	138,508	148,592
Institutional	109,601	114,879	127,889	112,152	113,294	125,623	107,313	107,366	99,319	99,996
Totals	893,707	883,574	899,859	837,043	848,184	852,938	812,033	765,829	741,612	740,786

Source: City Finance Department - Utility Billing

* Rates are those in effect at year end.

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

**CITY OF WOOSTER, OHIO
WATER POLLUTION CONTROL (SANITARY SEWER) - COLLECTION AND TREATMENT
REVENUE RELATED INFORMATION, LAST TEN YEARS**

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

SANITARY SEWER RATES:	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Minimum Charge	\$5.01	\$5.01	\$5.01	\$5.01	\$5.16	\$5.47	\$6.15	\$7.44	\$9.00	\$9.00
Per Thousand Gallons**	\$1.97	\$1.97	\$1.97	\$1.97	\$2.03	\$2.15	\$2.42	\$2.92	\$4.00	\$4.00
COD (chemical oxygen demand)	\$0.09530	\$0.09530	\$0.09530	\$0.09530	\$0.09816	\$0.09816	\$0.10102	\$0.10102	\$0.12000	\$0.12000
SS (suspended solids)	\$0.25015	\$0.25015	\$0.25015	\$0.25015	\$0.25765	\$0.25765	\$0.26516	\$0.26516	\$0.28000	\$0.28000

CUSTOMER COUNTS:										
Residential	9,094	9,468	9,617	9,700	9,686	9,828	9,896	9,902	10,036	10,091
Industrial	57	57	57	57	52	57	57	54	52	51
Commercial	697	706	714	721	709	708	686	644	620	606
Institutional	200	199	199	199	183	194	192	191	193	195
Totals	10,048	10,430	10,587	10,677	10,630	10,787	10,831	10,791	10,901	10,943

BILLINGS BY CUSTOMER TYPE:										
Residential	1,777,704	1,792,446	1,810,075	1,782,993	2,264,050	1,863,731	2,024,762	2,407,786	2,644,280	3,097,712
Industrial	341,077	337,438	503,844	422,315	746,906	541,641	401,573	468,467	118,539	451,726
Commercial	370,254	390,076	409,678	396,889	458,189	429,577	438,444	532,649	460,339	614,895
Institutional	287,547	296,524	326,650	292,468	325,334	344,245	323,226	399,180	334,998	444,049
Totals	2,776,582	2,816,484	3,050,247	2,894,665	3,794,479	3,179,194	3,188,005	3,808,082	3,558,156	4,608,382

USAGE (in thousands of gallons) BY CUSTOMER TYPE:										
Residential	510,072	513,173	517,396	499,669	501,383	490,589	491,844	446,833	429,238	414,313
Industrial	157,827	156,136	241,024	199,236	198,156	187,979	165,008	156,764	27,415	27,596
Commercial	139,061	147,248	158,363	148,181	152,948	154,115	140,372	141,811	102,986	109,262
Institutional	110,656	114,435	128,936	112,872	121,102	130,712	106,136	107,944	73,933	72,429
Totals	917,616	930,992	1,045,719	959,958	973,589	963,395	903,360	853,352	633,572	623,600

Source: City Finance Department - Utility Billing
 * Rates are those in effect at year end
 *** Based on metered water usage

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

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
STORM DRAINAGE RATES*										
Per ESU**	\$4.80	\$4.80	\$4.80	\$4.80	\$4.80	\$4.80	\$5.08	\$5.59	\$5.75	\$5.75
CUSTOMER COUNTS*:										
Residential	7,794	7,935	8,092	8,184	8,286	8,316	8,418	8,490	8,539	8,547
Industrial	47	49	49	49	49	48	48	47	44	44
Commercial	490	498	508	510	512	499	495	464	449	443
Institutional	88	88	136	131	130	126	125	124	124	125
Totals	8,419	8,570	8,785	8,874	8,977	8,989	9,086	9,125	9,156	9,159
BILLINGS BY CUSTOMER TYPE:										
Residential	390,685	400,439	404,757	411,527	416,328	422,087	434,090	463,820	491,569	498,448
Industrial	108,331	122,197	128,356	129,197	129,197	162,049	122,139	143,192	139,878	141,519
Commercial	165,903	175,813	182,705	238,524	246,956	260,282	259,221	288,689	291,997	296,570
Institutional	68,005	36,494	67,936	93,267	93,042	96,100	95,720	109,587	112,261	113,513
Totals	732,924	734,943	783,754	872,515	885,523	940,518	911,170	1,005,288	1,035,705	1,050,050
ESU's BY CUSTOMER TYPE										
Residential	11,227	11,507	7,027	7,151	7,228	7,328	7,515	7,758	7,877	7,866
Industrial	3,113	3,511	2,228	2,243	2,243	2,813	2,155	2,152	2,051	2,303
Commercial	4,767	5,052	3,172	4,229	4,287	4,519	4,485	4,368	4,323	5,347
Institutional	1,954	1,049	1,179	1,608	1,615	1,668	1,652	1,651	1,646	2,184
Totals	21,061	21,119	13,606	15,231	15,373	16,328	15,807	15,929	15,897	17,700

Source: City Finance Department - Utility Billing

* Rates are those in effect at year end.

** ESU's (Equivalent Service Units)

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

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
REFUSE COLLECTION RATES*										
Regular	\$ 9.50	\$ 10.05	\$ 10.05	\$ 10.05	\$ 12.10	\$ 15.08	\$ 15.08	\$ 15.08	\$ 15.00	\$ 15.00
Senior	\$ 8.25	\$ 8.70	\$ 8.70	\$ 8.70	\$ 10.75	\$ 13.27	\$ 13.27	\$ 13.27	\$ 13.25	\$ 13.25
CUSTOMER COUNTS:										
Residential:										
Regular	6,092	6,137	6,210	6,471	6,470	6,436	6,526	6,606	6,657	6,713
Senior	1,601	1,613	1,600	1,565	1,621	1,723	1,689	1,642	1,620	1,558
Totals	7,693	7,750	7,810	8,036	8,091	8,159	8,215	8,248	8,277	8,271
REVENUE BY CUSTOMER TYPE:										
Residential:										
Regular	695,890	724,639	752,605	781,348	872,231	1,042,065	1,180,675	1,073,703	993,713	1,091,790
Senior	152,607	154,414	158,309	161,730	189,639	252,533	271,220	254,997	250,769	238,454
Totals	848,497	879,053	910,914	943,078	1,061,870	1,294,598	1,451,895	1,328,700	1,244,482	1,330,244

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

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities:										
General Obligation Bonds	\$ 2,733,017	\$ 2,508,669	\$ 2,284,851	\$ 2,062,688	\$ 2,333,793	\$ 2,084,889	\$ 1,919,409	\$ 420,127	\$ 393,468	\$ 365,661
General Obligation Notes	0	0	0	2,000,000	1,815,000	4,000,000	3,220,000	0	0	0
Special Assessment Bonds	1,376,239	1,273,614	1,169,109	1,054,222	1,254,652	1,112,985	971,790	805,592	725,462	640,050
Special Assessment Notes	56,329	50,970	45,290	39,269	32,887	26,122	18,951	11,349	9,336	7,202
Land Debt	282,000	0	0	0	0	0	0	0	0	0
Refunding Bonds	0	0	0	0	0	0	0	3,185,000	2,949,930	2,698,662
OPWC Loans	114,535	104,199	93,863	83,526	243,077	220,605	198,134	175,663	153,192	130,721
Business-Type Activities:										
General Obligation Bonds	11,756,200	10,255,700	8,700,200	7,602,000	6,463,700	5,277,900	2,344,500	706,100	375,100	341,500
General Obligation Notes	0	0	0	0	0	0	2,480,000	0	0	0
OPWC Loans	83,546	78,254	62,378	51,793	212,052	397,394	1,084,409	859,295	1,123,517	1,270,838
Refunding Bonds	0	0	0	0	0	0	0	4,790,000	4,515,070	4,221,337
OWDA Loans	0	0	544,231	11,521,274	16,606,336	18,354,648	19,058,960	19,916,498	19,718,333	18,746,375
Total Primary Government:	\$ 16,401,866	\$ 14,271,406	\$ 12,899,922	\$ 24,414,772	\$ 28,961,497	\$ 31,474,543	\$ 31,296,153	\$ 30,869,624	\$ 29,963,408	\$ 28,422,346

Percentage of Personal Income 2.82% 718 \$ 616 \$ 535 \$ 983 \$ 1,166 \$ 1,746 \$ 1,757 \$ 1,716 \$ 1,589 \$ 1,534

Per Capita 2.43% 2.82% 2.43% 3.74% 4.11% 4.80% 5.19% 4.87% 4.52% 4.04%

Source: City Finance Department

CITY OF WOOSTER, OHIO
DIRECT AND OVERLAPPING DEBT
AS OF DECEMBER 31, 2012

Schedule 3.2

	Net General Obligation Debt Outstanding	Percent Overlapping (1)	Total Applicable to City of Wooster
Direct:			
City of Wooster	\$ 7,627,160	100.00%	\$ 7,627,160
Overlapping:			
Wooster City Schools	11,891,705	84.26%	10,019,951
Wayne County Public Library District	4,495,000	20.45%	919,228
Wayne County	7,685,000	24.13%	1,854,391
Total overlapping	<u>24,071,705</u>		
Total direct and overlapping debt	<u>\$ 31,698,865</u>		<u>\$ 20,420,730</u>

(1) Percentages determined by dividing the assessed valuation of the portion of the political subdivision located within the City by the total assessed value of the subdivision

Source for Overlapping entities: Ohio Municipal Advisory Council.

CITY OF WOOSTER, OHIO
LEGAL DEBT MARGINS
LAST TEN YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General bonded debt outstanding:										
General Obligation Bonds	\$ 14,489,217	\$ 12,764,369	\$ 10,985,051	\$ 11,664,688	\$ 10,612,493	\$ 11,362,789	\$ 9,963,909	\$ 9,101,227	\$ 8,233,568	\$ 7,627,160
Percent of estimated actual property value	2.587%	2.217%	1.756%	1.847%	1.836%	2.049%	1.796%	1.663%	1.578%	1.446%
Per capita	570	495	420	442	400	419	365	348	312	291
Special Assessment Bonds	1,376,239	1,273,614	1,169,109	1,054,222	1,254,652	1,139,107	990,741	816,941	734,798	647,252
Promissory Notes	536,410	228,131	201,531	174,588	488,017	18,972,647	20,341,534	20,951,456	20,995,042	20,147,934
Total Gross Indebtedness	16,401,866	14,266,114	12,355,691	12,893,498	12,355,162	31,474,543	31,296,184	30,869,624	29,963,408	28,422,346
Percentage of personal income	2.939%	2.721%	2.234%	2.243%	2.139%	7.350%	7.347%	7.495%	6.869%	6.671%
Per capita	\$ 645.23	\$ 552.93	\$ 472.20	\$ 488.19	\$ 465.76	\$ 1,160.91	\$ 1,146.88	\$ 1,181.88	\$ 1,135.11	\$ 1,083.42
Less debt outside limitations:										
General Obligation Bonds	11,756,200	10,255,700	8,700,200	9,602,003	8,771,367	5,277,900	4,824,500	5,496,100	4,890,170	4,562,837
Special Assessment Debt	1,432,568	1,324,584	1,214,399	1,093,492	1,287,539	1,139,107	990,741	816,941	734,798	647,252
Promissory Notes	480,081	177,161	156,241	135,318	487,442	18,972,647	20,341,534	20,951,456	20,995,042	20,147,934
Less debt service fund balance	505,652	549,770	627,779	674,528	575,622	634,471	624,242	704,488	1,062,242	1,080,455
Net debt within limitations for both Voted and Unvoted debt	2,227,365	1,958,899	1,657,072	1,388,157	1,233,192	5,450,418	4,515,167	2,900,639	2,281,156	1,983,868
Debt Limitation for Voted and Unvoted debt										
10.5% of assessed valuation	58,798,425	60,457,005	65,679,705	66,296,685	60,698,400	58,214,520	58,263,030	57,471,960	54,777,942	55,383,954
Legal debt margin for Voted and Unvoted debt	\$ 56,571,060	\$ 58,498,106	\$ 64,022,633	\$ 64,908,528	\$ 59,465,208	\$ 52,764,102	\$ 53,747,863	\$ 54,571,321	\$ 52,496,786	\$ 53,400,086
Net debt within limitations for both Voted and Unvoted limitation	3.788%	3.240%	2.523%	2.094%	2.032%	9.363%	7.750%	5.047%	4.164%	3.582%
Unvoted debt as a percentage of debt limit										
Net debt within limitations for both Voted and Unvoted limitation										
Voted and Unvoted limitation	\$ 2,227,365	\$ 1,958,899	\$ 1,657,072	\$ 1,388,157	\$ 1,233,192	\$ 5,450,418	\$ 4,515,167	\$ 2,900,639	\$ 2,281,156	\$ 1,983,868
Less voted debt	0	0	0	0	0	0	0	0	0	0
Net debt within limitations for Unvoted debt	2,227,365	1,958,899	1,657,072	1,388,157	1,233,192	5,450,418	4,515,167	2,900,639	2,281,156	1,983,868
Debt limitation for Unvoted debt										
5.5% of assessed valuation	30,799,175	31,667,955	34,403,655	34,726,835	31,794,400	30,493,320	30,518,730	30,104,360	28,693,208	29,010,643
Legal Debt Margin for Unvoted debt	\$ 28,571,810	\$ 29,709,056	\$ 32,746,583	\$ 33,338,678	\$ 30,561,208	\$ 25,042,902	\$ 26,003,563	\$ 27,203,721	\$ 26,412,052	\$ 27,026,775
Net debt within limitations for Unvoted debt as a percentage of debt limit	7.80%	6.59%	5.06%	4.16%	4.04%	21.76%	17.36%	10.66%	8.64%	7.34%

CITY OF WOOSTER, OHIO
DEMOGRAPHICS
LAST TEN YEARS

Schedule 4.1

	Population(1)	Total Personal Income(2)	Median Family Income(3)	Per Capita Income(4)	Unemployment Rate(5)		City Square Miles (6)
					Wayne County	State of Ohio	
2003	25,420	\$ 580,662,193	\$ 50,049	\$ 22,843	4.8	6.1	15,910
2004	25,801	586,468,815	50,800	23,185	4.5	5.9	16,264
2005	26,166	615,792,256	52,832	24,113	5.0	6.0	16,282
2006	26,411	652,739,791	54,415	24,835	4.6	5.5	17,121
2007	26,527	704,958,974	54,439	24,846	4.8	5.8	17,244
2008	27,112	655,611,846	39,489	18,023	7.1	7.8	17,244
2009	27,288	603,162,898	39,025	17,811	9.9	10.8	17,344
2010	26,119	633,321,043	39,425	17,994	9.4	9.6	17,344
2011	26,397	663,593,789	41,311	18,855	6.6	7.6	17,344
2012	26,234	707,745,823	40,604	18,532	6.1	7.3	17,336

Sources:

- (1) Wooster Planning Division estimates 2002-2009; U.S. Census Bureau 2000, 2010
- (2) Wooster Finance Department estimates 2003-2012 based on Income Tax receipts
- (3) Finance Department estimates 2003-2006; Money.ccn.com 2007; City-data.com 2008; Ohiocities.com 2009; U.S. Census Bureau - American Fact Finder 2010-2012
- (4) Finance Department estimate
- (5) For years 2002 - 2011 Ohio Department of Jobs and Family Services for year 2012 U. S. Department Labor Bureau of Labor Statistics
- (6) City Engineer's annual report

**CITY OF WOOSTER, OHIO
ECONOMIC INDICATORS
FULL-TIME EQUIVALENTS - TOP TEN EMPLOYERS
2002 COMPARED TO 2013**

Schedule 4.2

Employer	Nature of Activity	2012						2003					
		Employees			% of Total			Employees			% of Total		
		Rank	Employment	Rank	Employment	Rank	Employment	Rank	Employment	Rank	Employment	Rank	Employment
Luk, Inc	Auto Parts Fabricator	1	1,116	1	8.3%	4	750	4	5.6%				
The County of Wayne	Government	2	799	2	5.9%	3	850	3	6.3%				
The City of Wooster	Government/Hospital	3	744	3	5.5%	5	750	5	5.6%				
College of Wooster	Education	4	674	4	5.0%	6	550	6	4.1%				
Artiflex Mfg (Gerstenslagers)	Auto Parts Fabricator	5	552	5	4.1%	2	850	2	6.3%				
Wooster City Schools	Education	6	525	6	3.9%	10	500	10	3.7%				
Wooster Brush Company	Manuf. Paint Applicators	7	474	7	3.5%	7	550	7	4.1%				
The Ohio State University	Education	8	355	8	2.6%	0	0	0	0.0%				
Frito Lay Inc	Manuf. Food	9	350	9	2.6%	0	0	0	0.0%				
Cleveland Clinic Foundation	Medical Care	10	341	10	2.5%	0	0	0	0.0%				
Wal-Mart	Retail	n/a	n/a	n/a	0.0%	8	550	8	4.1%				
Rexroth Corporation	Hydraulics Manuf.	n/a	n/a	n/a	0.0%	9	550	9	4.1%				
Newell Rubbermaid	Rubber Plastics Manuf.	n/a	n/a	n/a	0.0%	1	1,300	1	9.7%				
Totals			5,930		44.1%		7,200		53.5%				

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Services:										
Safety services:										
Police Division	48.0	46.0	44.0	43.0	43.0	43.0	42.0	38.0	43.0	39.5
Fire Division	43.0	44.0	43.0	43.0	43.0	43.0	43.0	42.0	43.0	42.0
Traffic Control	4.0	3.0	4.0	4.0	4.0	4.0	4.0	2.0	2.0	2.0
Total Safety Services	95.0	93.0	91.0	90.0	90.0	90.0	89.0	82.0	88.0	83.5
Leisure services										
Environment and development	13.9	13.8	14.5	15.0	16.0	16.0	16.0	10.5	9.9	8.9
Transportation services	7.0	7.0	7.0	7.0	7.0	7.0	7.0	8.4	8.0	9.5
Administrative services	19.6	18.8	18.8	15.8	15.7	15.7	17.5	16.5	17.4	15.0
Total Governmental Services	19.9	21.9	20.6	22.3	20.5	19.5	19.5	16.4	19.0	15.9
	155.4	154.5	151.9	150.1	149.2	148.2	149.0	133.8	142.3	132.8
Business-type services (Note 2):										
Wooster Community Hospital	643.8	656.4	668.4	684.1	699.7	711.9	701.2	705.0	704.5	714.3
Water - Treatment & Distribution	18.9	19.2	19.2	20.0	20.0	20.4	20.4	14.0	13.8	14.1
Water Pollution Control - Collection & Treatment	18.5	19.5	19.8	19.8	19.8	20.1	20.1	13.5	13.3	16.1
Storm Drainage - Collection	5.0	5.3	5.3	5.2	5.3	5.6	5.6	5.3	5.3	2.5
Total Business-type Services	686.2	700.4	712.7	729.1	744.8	758.0	747.3	737.8	736.9	747.0
TOTAL PRIMARY GOVERNMENT	841.6	854.9	864.6	879.2	894.0	906.2	896.3	871.6	879.2	879.8

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)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Services:										
Safety services:										
Police Division	\$ 3,152,264	\$ 3,216,919	\$ 3,242,892	\$ 3,581,881	\$ 3,583,398	\$ 3,852,328	\$ 4,002,999	\$ 4,165,190	\$ 3,843,908	\$ 3,589,636
Fire Division	3,420,511	3,670,901	3,531,366	4,046,295	3,964,722	4,283,506	4,543,321	4,802,165	4,652,430	4,453,346
Traffic Control	199,500	116,095	107,035	124,536	293,242	307,776	329,298	369,395	22,168	171,060
Total Safety Services	6,772,275	7,003,915	6,881,293	7,752,712	7,841,362	8,443,610	8,875,618	9,336,750	8,518,506	8,214,042
Leisure services	1,075,973	953,089	1,033,837	1,149,171	1,139,285	1,198,999	1,269,621	1,168,784	787,909	624,161
Environment and development	530,283	548,348	477,700	517,431	562,977	612,657	571,283	735,705	693,737	633,279
Transportation services	824,402	771,288	1,073,655	1,031,270	1,196,464	1,277,077	1,438,617	1,331,312	810,013	844,354
Administrative services	1,868,767	1,765,478	1,650,716	1,759,297	1,980,805	2,047,382	2,072,359	2,129,818	1,797,454	1,657,026
Total Governmental Services	11,071,700	11,042,118	11,117,201	12,209,881	12,720,893	13,579,725	14,227,498	14,702,369	12,607,619	11,972,862
Business-type services:										
Wooster Community Hospital	34,758,499	43,842,989	45,148,128	48,478,606	51,485,501	58,958,152	62,360,148	65,458,439	67,688,194	72,242,621
Water - Treatment & Distribution	1,326,728	1,336,854	1,294,463	1,468,145	1,418,388	1,731,550	1,846,236	1,880,923	1,550,840	1,593,461
Water Pollution Control - Collection & Treatment	1,087,147	1,205,239	1,391,668	1,522,896	1,620,552	1,243,623	1,342,843	1,607,864	1,137,320	1,058,590
Storm Drainage - Collection	245,951	278,634	365,573	322,366	166,453	180,440	194,287	199,597	216,444	246,357
Total Business-type Services	37,418,325	46,663,716	48,199,832	51,792,013	54,690,894	62,113,765	65,743,514	69,146,823	70,592,798	75,141,029
TOTAL PRIMARY GOVERNMENT	\$ 48,490,025	\$ 57,705,834	\$ 59,317,033	\$ 64,001,894	\$ 67,411,787	\$ 75,693,490	\$ 79,971,012	\$ 83,849,192	\$ 83,200,417	\$ 87,113,891
Health Care Costs	\$ 5,506,476	\$ 6,283,395	\$ 5,708,933	\$ 7,313,301	\$ 6,897,434	\$ 7,889,208	\$ 7,971,233	\$ 8,296,742	\$ 8,118,420	\$ 8,098,972
Health Care Costs as percentage of personal services costs	11.4%	10.9%	9.6%	11.4%	10.2%	10.4%	10.0%	9.9%	9.8%	9.3%
City without Wooster Community Hospital Annual Change	\$ 13,731,526	\$ 13,862,845	\$ 14,168,905	\$ 15,523,288	\$ 15,926,288	\$ 16,735,338	\$ 17,610,864	\$ 18,390,753	\$ 15,512,223	\$ 14,871,270
	3.4%	1.0%	2.2%	9.6%	2.6%	5.1%	5.2%	4.4%	(15.7%)	(4.1%)

Source: City Finance Department

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

**Schedule 5.3
Governmental Activities**

Service Indicators	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<i>Safety Services:</i>										
Police (000's)	\$4,573	\$4,830	\$4,719	\$5,002	\$5,188	\$5,606	\$5,599	\$5,723	\$5,264	\$4,780
Calls for Service	18,382	18,144	17,579	22,568	22,032	21,304	19,451	18,499	18,893	18,893
Traffic	3,233	2,823	2,342	3,249	2,808	2,348	2,050	3,221	3,063	4,093
Total Units of Service	21,615	20,967	19,921	25,817	24,840	23,652	21,501	21,720	21,956	22,986
Cost per Unit	\$211.57	\$230.36	\$236.89	\$193.75	\$208.86	\$237.02	\$260.41	\$263.49	\$239.75	\$207.95
Incidents per Citizen	0.8503	0.8126	0.7613	0.9775	0.9364	0.8724	0.7879	0.8316	0.8318	0.8762
Cost per Citizen	\$179.89	\$187.19	\$180.34	\$189.39	\$195.57	\$206.77	\$205.18	\$219.11	\$199.42	\$182.21
Fire (000's)	\$4,114	\$4,362	\$4,541	\$4,881	\$4,935	\$5,411	\$5,766	\$5,937	\$5,740	\$5,647
Fire Responses	984	900	897	820	745	804	748	699	638	664
Squad Responses	2,936	2,846	3,070	3,111	3,029	3,002	2,987	3,004	3,107	3,206
Total Responses	3,920	3,746	3,967	3,931	3,774	3,806	3,735	3,703	3,745	3,870
Cost per Response	\$1,049	\$1,164	\$1,145	\$1,242	\$1,308	\$1,422	\$1,544	\$1,603	\$1,533	\$1,459
Response per Citizen	0.1542	0.1452	0.1516	0.1488	0.1423	0.1404	0.1369	0.1418	0.1419	0.1475
Cost per Citizen	\$161.83	\$169.08	\$173.54	\$184.76	\$186.08	\$199.61	\$211.34	\$227.35	\$220.86	\$220.86
Street Lights (000's)	\$231	\$214	\$217	\$221	\$271	\$254	\$265	\$244	\$366	\$350
Cost per Acre	\$22.69	\$20.52	\$20.81	\$20.18	\$24.56	\$23.02	\$24.01	\$22.11	\$33.16	\$31.71
Traffic Control (000's)	\$615	\$286	\$434	\$327	\$515	\$565	\$676	\$975	\$415	\$613
Cost Per Citizen	\$24.19	\$11.08	\$16.60	\$12.38	\$19.41	\$20.84	\$24.77	\$37.33	\$15.72	\$23.37
<i>Health Services:</i>										
Health Dept (000's)	\$141	\$132	\$138	\$143	\$149	\$149	\$148	\$140	\$140	\$137
Health Dept Cost per Citizen	\$5.55	\$5.13	\$5.27	\$5.41	\$5.62	\$5.50	\$5.42	\$5.36	\$5.30	\$5.22
<i>Leisure Services:</i>										
Public Properties & Parks (000's)	\$825	\$746	\$870	\$865	\$882	\$991	\$907	\$777	\$465	\$566
Acres of Parks	450	450	530	530	605	605	605	649	649	640
Square Feet per Citizen	771	760	882	874	993	972	966	1,082	1,071	1,063
Cost per Square Foot	\$0.04	\$0.04	\$0.04	\$0.04	\$0.03	\$0.04	\$0.03	\$0.03	\$0.02	\$0.02
Cost per Citizen	\$32.45	\$28.92	\$33.24	\$32.75	\$33.23	\$36.55	\$33.25	\$29.74	\$17.62	\$21.58

(continued)

CITY OF WOOSTER, OHIO
SERVICE INDICATORS
LAST TEN YEARS

Schedule 5.3
Governmental Activities

Service Indicators	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Field House/Ice Rink (000's)	\$58	\$68	\$74	\$93	\$97	\$99	\$97	\$80	\$98	\$92
Natorium (000's)	\$7	\$5	\$5	\$5	\$6	\$7	\$6	\$7	\$7	\$6
Community Center (000's)	\$404	\$356	\$343	\$363	\$418	\$401	\$394	\$329	\$236	\$261
Pools (000's)	\$503	\$389	\$411	\$424	\$421	\$496	\$421	\$276	\$300	\$321
Recreation Programs (000's)	\$665	\$575	\$595	\$626	\$583	\$628	\$629	\$704	\$461	\$495
Total Recreation (000's)	\$1,637	\$1,393	\$1,428	\$1,511	\$1,525	\$1,631	\$1,547	\$1,396	\$1,102	\$1,175
Total Recreation Revenue (000's)	\$535	\$474	\$436	\$428	\$471	\$477	\$476	\$527	\$466	\$541
Participations (000's)	176	162	243	257	241	206	222	213	185	117
Participations per Citizen	6.91	6.30	9.29	9.72	9.09	7.60	8.14	8.15	7.01	4.46
Cost per Participation	\$9.30	\$8.60	\$5.88	\$5.88	\$6.33	\$7.92	\$6.97	\$6.55	\$5.96	\$10.04
Revenue per Participation	\$3.04	\$2.93	\$1.79	\$1.67	\$1.95	\$2.32	\$2.14	\$2.47	\$2.52	\$4.62
Cost per Citizen	\$64.27	\$54.17	\$54.59	\$57.15	\$57.52	\$60.17	\$56.72	\$53.42	\$41.75	\$44.79
<i>Environment and Development</i>										
Zoning (000's)	\$180	\$195	\$154	\$163	\$191	\$181	\$85	\$149	\$98	\$110
Housing & Bldg Insp. (000's)	\$438	\$437	\$436	\$457	\$496	\$534	\$562	\$582	\$569	\$512
Total Zoning & Inspection										
Costs (000's)	\$618	\$632	\$590	\$620	\$687	\$715	\$647	\$731	\$667	\$622
Cost /dwelling Unit	\$56.03	\$56.60	\$52.27	\$54.41	\$60.04	\$62.48	\$56.54	\$61.83	\$56.42	\$52.61
Shade Trees (000's)	\$241	\$124	\$139	\$255	\$228	\$246	\$231	\$184	\$174	\$169
Shade Tree Cost per Acre	\$23.67	\$11.95	\$13.37	\$23.26	\$20.66	\$22.29	\$20.93	\$16.67	\$15.77	\$15.23
<i>Transportation Services:</i>										
Parking (000's)	\$32	\$23	\$28	\$24	\$22	\$35	\$13	\$5	\$4	\$3
Public Transit-Taxi Program(000's)	\$106	\$113	\$104	\$134	\$225	\$324	\$252	\$223	\$222	\$214
Street Maintenance (000's)	\$2,839	\$2,692	\$3,177	\$2,661	\$2,879	\$2,934	\$3,250	\$4,766	\$2,913	\$2,979
Street Cleaning (000's)	\$161	\$161	\$175	\$153	\$196	\$170	\$187	\$167	\$100	\$4
Snow & Ice Removal (000's)	\$200	\$187	\$215	\$156	\$176	\$448	\$84	\$321	\$201	\$333
Total Transportation (000's)	\$3,338	\$3,176	\$3,699	\$3,128	\$3,498	\$3,911	\$3,786	\$5,482	\$3,440	\$3,533
Cost per mile of street	\$26,544	\$25,160	\$28,262	\$23,072	\$25,223	\$27,643	\$26,551	\$39,512	\$24,177	\$24,936
Feet of street per citizen	25.29	24.92	24.57	24.34	24.24	23.71	23.56	24.61	24.35	24.51
<i>Administrative Services:</i>										
Engineering (000's)	\$224	\$219	\$145	\$162	\$151	\$186	\$170	\$242	\$174	\$64
Cost per dollar general capital assets (w/o hospital)	\$0.0030	\$0.0029	\$0.0019	\$0.0018	\$0.0016	\$0.0018	\$0.0015	\$0.0024	\$0.0016	\$0.0006

(continued)

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

**Schedule 5.3
Governmental Activities**

Service Indicators	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Law (000's)	\$306	\$298	\$292	\$286	\$284	\$322	\$339	\$387	\$345	\$346
Cost per budget dollar	\$0.0034	\$0.0032	\$0.0027	\$0.0027	\$0.0025	\$0.0026	\$0.0026	\$0.0028	\$0.0025	\$0.0024
Finance (000's)	\$1,030	\$968	\$914	\$1,685	\$1,638	\$1,966	\$430	\$306	\$246	\$205
Cost per dollar of assets	\$0.0044	\$0.0040	\$0.0036	\$0.0062	\$0.0056	\$0.0065	\$0.0014	\$0.0010	\$0.0009	\$0.0006
Information Technology (000's)	\$440	\$434	\$555	\$789	\$772	\$771	\$712	\$656	\$487	\$451
Cost per Employee	\$2,224.47	\$2,185.91	\$2,828.68	\$4,046.07	\$3,958.97	\$3,974.23	\$3,670.10	\$3,381.44	\$2,735.96	\$2,750.00
Personnel (000's)	\$289	\$261	\$330	\$291	\$330	\$319	\$284	\$415	\$238	\$203
Cost per Employee	\$1,461.07	\$1,312.93	\$1,680.67	\$1,489.82	\$1,692.31	\$1,644.33	\$1,463.92	\$2,139.18	\$1,337.08	\$1,237.80
Director of Administration (000's)	\$340	\$254	\$317	\$325	\$360	\$390	\$353	\$499	\$317	\$317
Cost per Employee	\$1,718.91	\$1,281.68	\$1,619.05	\$1,664.83	\$1,846.15	\$2,010.31	\$1,819.59	\$2,572.16	\$1,780.90	\$1,932.93
Facilities Maintenance (000's)	\$371	\$346	\$764	\$351	\$449	\$511	\$493	\$536	\$464	\$382
Cost per Citizen	\$14.59	\$13.41	\$29.20	\$13.29	\$16.93	\$18.85	\$18.07	\$20.52	\$17.58	\$14.56
Mayor (000's)	\$141	\$157	\$152	\$178	\$121	\$114	\$97	\$92	\$94	\$117
Council (000's)	\$61	\$63	\$88	\$100	\$113	\$106	\$91	\$95	\$98	\$109

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**

Function/Program:	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	530	530	605	605	605	649	649	640
Playgrounds	9	9	9	9	10	8	8	8	8	8
Pools	3	3	3	3	3	3	3	3	3	3
Baseball/softball diamonds	4	4	4	5	6	5	5	5	5	5
Soccer/football fields	10	10	10	11	15	15	15	15	15	15
Community centers	2	2	2	2	1	1	1	1	1	1
Water										
Water mains (miles)	120.9	122.7	124.1	126.2	130.4	131.1	134.7	134.7	134.7	135.3
Fire hydrants	1,342	1,354	1,365	1,376	1,376	1,376	1,376	1,376	1,376	1,413
Storage capacity (thousands of gallons)	3,700	3,700	3,700	3,700	3,700	3,700	3,700	5,455	5,455	5,455
Wastewater										
Sanitary sewers (miles)	115.0	115.4	116.2	117.9	118.8	118.9	120.4	120.6	120.6	120.8
Storm sewers (miles)	114.7	112.7	113.6	116.3	117.6	118.1	120.0	120.3	120.3	121.0
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)	122.9	125.4	127.2	129.8	132.0	132.7	133.1	133.1	133.1	133.1
Highways (miles)	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	13.1
Streetlights	60	60	60	60	62	62	148	148	148	148
Traffic signals	428	435	450	460	460	460	460	460	460	460

Source: Various City Departments

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

*This increase is from the Beall Ave Streetscape project

**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)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Land	\$ 201,830	\$ 201,830	\$ 201,830	\$ 220,006	\$ 295,866	\$ 295,866	\$ 295,866	\$ 295,866	\$ 295,866	\$ 295,866
Construction in progress	830,004	688,432	990,118	2,676,797	1,236,870	2,985,098	2,420,612	0	429,482	282,734
Total assets not being depreciated	1,031,834	890,262	1,191,948	2,896,803	1,532,736	3,280,964	2,716,478	295,866	725,348	578,600
<i>Assets being depreciated:</i>										
Buildings	12,059,089	12,133,214	12,140,123	11,501,423	11,501,423	11,505,863	11,511,191	11,511,191	11,511,191	11,476,193
Accumulated depreciation	(2,396,286)	(2,643,273)	(2,893,361)	(2,545,668)	(2,789,803)	(3,034,381)	(3,279,093)	(3,522,396)	(3,765,128)	(3,972,571)
Infrastructure	17,164,881	18,069,981	18,669,722	18,360,621	20,436,482	20,436,482	23,406,653	26,160,739	26,201,982	26,499,839
Accumulated depreciation	(6,939,549)	(6,945,622)	(7,412,908)	(7,357,605)	(7,781,494)	(8,275,858)	(8,833,758)	(9,580,815)	(10,283,312)	(10,573,204)
Equipment	3,360,850	3,370,850	3,448,329	3,434,769	3,507,064	3,701,872	3,742,729	3,761,721	3,784,798	3,633,883
Accumulated depreciation	(1,742,701)	(1,980,952)	(2,203,910)	(2,285,937)	(2,545,013)	(2,810,682)	(3,025,409)	(3,143,894)	(3,280,311)	(3,225,049)
Net depreciated capital assets	21,506,284	22,004,198	21,747,995	21,107,603	22,328,659	21,523,296	23,522,313	25,186,546	24,169,220	23,839,091
TOTAL CAPITAL ASSETS	33,616,654	34,464,307	35,450,122	36,193,616	36,977,705	38,925,181	41,377,051	41,729,517	42,223,319	42,188,515
TOTAL ACCUMULATED DEPRECIATION	(11,078,536)	(11,569,847)	(12,510,179)	(12,189,210)	(13,116,310)	(14,120,921)	(15,138,260)	(16,247,105)	(17,328,751)	(17,770,824)
NET CAPITAL ASSETS	\$ 22,538,118	\$ 22,894,460	\$ 22,939,943	\$ 24,004,406	\$ 23,861,395	\$ 24,804,260	\$ 26,238,791	\$ 25,482,412	\$ 24,894,568	\$ 24,417,691
CAPITAL EXPENDITURES	\$ 1,526,701	\$ 1,428,742	\$ 1,089,068	\$ 2,213,052	\$ 694,016	\$ 2,321,052	\$ 2,340,812	\$ 318,644	\$ 468,125	\$ 569,990
DEPRECIATION	\$ 1,071,357	\$ 1,061,534	\$ 1,049,475	\$ 930,064	\$ 990,724	\$ 1,055,553	\$ 1,080,790	\$ 1,097,687	\$ 1,081,646	\$ 1,064,277

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)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Land	\$ 151,160	\$ 151,160	\$ 151,160	\$ 201,067	\$ 201,067	\$ 201,067	\$ 201,067	\$ 201,067	\$ 201,067	\$ 201,067
Construction in progress	1,119,846	1,049,753	3,583,735	14,193,766	317,954	957,558	760,181	2,280,194	285,505	240,035
Total assets not being depreciated	1,271,006	1,200,913	3,734,895	14,394,833	519,021	1,158,625	961,248	2,481,261	486,572	441,102
<i>Assets being depreciated:</i>										
Buildings	5,076,693	5,142,088	5,148,997	5,151,497	5,381,246	5,393,265	5,486,971	5,486,971	5,486,971	5,360,017
Accumulated depreciation	(2,981,287)	(3,146,467)	(3,314,063)	(3,480,667)	(3,393,312)	(3,510,221)	(3,604,055)	(3,694,826)	(3,781,216)	(3,756,792)
Infrastructure	16,796,373	16,879,526	17,554,351	17,755,316	34,982,841	36,898,049	37,632,509	38,799,425	41,452,390	41,818,179
Accumulated depreciation	(8,849,610)	(9,343,556)	(9,866,553)	(10,326,123)	(8,962,120)	(10,370,044)	(11,731,937)	(13,142,935)	(14,661,216)	(16,195,064)
Equipment	5,581,617	5,640,110	5,688,385	5,846,001	4,936,881	5,061,188	5,071,585	5,191,457	5,241,567	5,033,171
Accumulated depreciation	(3,532,663)	(3,934,112)	(4,291,206)	(4,675,290)	(3,867,302)	(4,186,165)	(4,460,633)	(4,624,841)	(4,781,023)	(4,683,732)
Net depreciated capital assets	12,091,123	11,237,589	10,919,911	10,270,734	29,078,234	29,286,072	28,394,440	28,015,251	28,957,473	27,575,779
TOTAL CAPITAL ASSETS	28,725,689	28,862,637	32,126,628	43,147,647	45,819,989	48,511,127	49,152,313	51,959,114	52,667,500	52,652,469
TOTAL ACCUMULATED DEPRECIATION	(15,363,560)	(16,424,135)	(17,471,822)	(18,482,080)	(16,222,734)	(18,066,430)	(19,796,625)	(21,462,602)	(23,223,455)	(24,635,588)
NET CAPITAL ASSETS	\$ 13,362,129	\$ 12,438,502	\$ 14,654,806	\$ 24,665,567	\$ 29,597,255	\$ 30,444,697	\$ 29,355,688	\$ 30,496,512	\$ 29,444,045	\$ 28,016,881
CAPITAL EXPENDITURES	\$ 1,546,639	\$ 527,517	\$ 3,284,726	\$ 11,727,086	\$ 6,204,104	\$ 2,884,606	\$ 355,556	\$ 2,805,701	\$ 695,003	\$ 345,117
DEPRECIATION	\$ 997,446	\$ 1,437,773	\$ 1,123,040	\$ 1,141,129	\$ 1,272,771	\$ 1,855,222	\$ 1,793,237	\$ 1,676,302	\$ 1,760,852	\$ 1,750,983

Source: Respective comprehensive annual financial reports

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

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Construction in progress	\$ 307,890	\$ 150,955	\$ 281,858	\$ 1,000,450	\$ 778,123	\$ 528,280	\$ 11,583	\$ 166,132	\$ 783,897	\$ 493,968
Total assets not being depreciated	307,890	150,955	281,858	1,000,450	778,123	528,280	11,583	166,132	783,897	493,968
<i>Assets being depreciated:</i>										
Infrastructure	7,676,592	8,623,646	9,550,976	9,703,340	11,333,973	11,333,973	12,272,051	12,406,221	12,431,437	13,246,138
Accumulated depreciation	(2,505,704)	(2,616,154)	(2,764,127)	(2,892,298)	(3,048,607)	(3,277,976)	(3,487,993)	(3,733,220)	(3,976,741)	(4,229,387)
Equipment	342,688	345,188	388,657	401,776	405,373	429,144	433,868	445,424	465,931	476,579
Accumulated depreciation	(226,453)	(252,802)	(278,071)	(305,941)	(334,573)	(360,798)	(383,606)	(398,357)	(422,393)	(449,520)
Net depreciated capital assets	5,287,123	6,099,878	6,897,435	6,906,877	8,356,166	8,124,343	8,834,320	8,720,068	8,498,234	9,043,810
TOTAL CAPITAL ASSETS	8,327,170	9,119,789	10,221,491	11,105,566	12,517,469	12,291,397	12,717,502	13,017,777	13,681,265	14,216,685
TOTAL ACCUMULATED DEPRECIATION	(2,732,157)	(2,868,956)	(3,042,198)	(3,198,239)	(3,383,180)	(3,638,774)	(3,871,599)	(4,131,577)	(4,399,134)	(4,678,907)
NET CAPITAL ASSETS	\$ 5,595,013	\$ 6,250,833	\$ 7,179,293	\$ 7,907,327	\$ 9,134,289	\$ 8,652,623	\$ 8,845,903	\$ 8,886,200	\$ 9,282,131	\$ 9,537,778
CAPITAL EXPENDITURES	\$ 1,795,884	\$ 862,723	\$ 1,137,978	\$ 1,031,616	\$ 555,911	\$ 544,208	\$ 397,976	\$ 197,831	\$ 463,490	\$ 524,226
DEPRECIATION	\$ 166,923	\$ 239,970	\$ 224,050	\$ 213,091	\$ 249,117	\$ 260,832	\$ 263,651	\$ 266,730	\$ 267,558	\$ 279,772

Source: Respective comprehensive annual financial reports

CITY OF WOOSTER, OHIO
WOOSTER COMMUNITY HOSPITAL
SIGNIFICANT FINANCIAL AND STATISTICAL INFORMATION
LAST TEN YEARS

Schedule 5.6
Business-type Services
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
ADMISSIONS	5,389	5,574	5,318	5,690	5,700	5,707	5,630	5,313	5,802	6,023
PATIENT DAYS:										
Adult & Peds	18,181	19,320	18,777	19,771	21,203	20,643	19,499	14,899	16,130	16,272
Newborn Days	2,179	2,169	2,174	2,274	2,438	2,482	2,544	2,338	2,498	2,565
Adjusted Patient Days	46,224	47,490	48,062	50,261	52,601	53,011	53,067	49,038	50,188	50,762
AVERAGE LENGTH OF STAY:										
Total	3.4	3.5	3.5	3.5	3.7	3.6	3.4	3.2	3.1	3.0
Avg LOS-Medicare	4.1	4.2	4.4	4.1	4.5	4.2	4.0	3.5	3.5	3.3
Avg LOS-Other	2.8	2.8	2.8	2.9	3.0	3.0	3.0	3.0	3.0	3.0
BIRTHS	977	1,004	984	1,008	1,080	1,066	1,057	988	1,051	1,085
EMERGENCY DEPARTMENT										
ED Visits	24,341	23,906	25,484	27,239	28,764	29,529	31,090	30,951	31,772	33,280
ED Admits	3,321	3,492	3,349	3,906	3,861	4,310	4,542	5,160	5,614	5,870
RADIOLOGY OUTPATIENT VISITS	39,672	40,364	40,666	42,208	45,433	45,478	45,279	43,564	43,530	44,810
LAB OUTPATIENT PROCEDURES	256,574	283,395	278,567	277,885	293,177	300,510	322,212	333,646	347,166	339,684
SURGERY:										
Inpatient	1,092	1,259	1,155	1,096	1,314	1,342	1,484	1,067	1,151	1,078
Outpatient	3,852	4,308	4,310	4,082	3,941	3,879	3,317	3,087	3,104	2,822
OUTPATIENT REGISTRATION	84,385	86,373	92,380	95,228	96,562	94,942	99,846	99,846	107,992	111,410
HOME HEALTH ADMISSIONS	729	783	860	980	871	890	812	796	873	852
COST PER ADJUSTED DISCHARGE	\$4,414	\$4,816	\$5,178	\$5,348	\$5,864	\$5,993	\$5,840	\$5,992	\$5,872	\$5,750
TOTAL FTE'S (Hospital including Home Health and Contract)	643.8	656.4	668.4	684.1	699.7	711.9	701.2	701.2	704.5	722.6

Source: Wooster Community Hospital Monthly Board Reports

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Dave Yost • Auditor of State

CITY OF WOOSTER

WAYNE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 20, 2013**