

City of Wooster

* * * *

Report Letters

December 31, 2008



Mary Taylor, CPA
Auditor of State

Members of Council
City of Wooster
538 North 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, 2008 through December 31, 2008. 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 "Robert R. Hinkle".

Robert R. Hinkle, CPA
Chief Deputy Auditor

September 29, 2009

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CITY OF WOOSTER, WAYNE COUNTY, OHIO

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August 21, 2009

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

**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 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 as of and for the year ended December 31, 2008, which collectively comprise the City of Wooster's basic financial statements and have issued our report thereon dated August 21, 2009. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City of Wooster's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Wooster's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Wooster's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control over financial reporting that we consider a significant deficiency.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying Schedule of Findings as item 2008-001 to be significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We believe none of the significant deficiencies described above are material weaknesses.

We also noted certain internal control matters that we reported to the management of the City of Wooster in a separate letter dated August 21, 2009.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Wooster's financial statements are free of 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*. We did, however, note certain noncompliance or other matters not requiring inclusion in this report that we reported to management of the City of Wooster in a separate letter dated August 21, 2009.

The City's response to the finding identified in our audit is described in the accompanying Schedule of Findings. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Mayor, Members of City Council, management, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than those specified parties.

Rea & Associates, Inc.



August 21, 2009

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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Compliance

We have audited the compliance of the City of Wooster with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2008. The City of Wooster's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Wooster's management. Our responsibility is to express an opinion on the City of Wooster's compliance based on our audit.

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 of Wooster'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. Our audit does not provide a legal determination of the City of Wooster's compliance with those requirements.

In our opinion, the City of Wooster complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

Internal Control over Compliance

The management of the City of Wooster is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Wooster's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 of Wooster's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type, each major fund, and the aggregate remaining fund information of the City of Wooster as of and for the year ended December 31, 2008, and have issued our report thereon dated August 21, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the City of Wooster's 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 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of City Council, management, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Hea & Associates, Inc.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	PASS THROUGH ENTITY NUMBER	FEDERAL CFDA NUMBER	EXPENDITURES
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
(Passed through the State Department of Development)			
Community Development Block Grants	A-C-07-202-1	14.228	\$ 107,852
	A-C-07-202-2	14.239	135,306
	A-F-06-202-1	14.228	0
	A-F-07-202-1	14.228	46,296
			<u>289,454</u>
Total U.S. Department of Housing and Urban Development			289,454
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<u>(Health Resources and Services Administration)</u>			
(Passed through the Ohio Department of Health)			
National Bioterrorism Hospital Preparedness Program		93.889	<u>26,972</u>
Total U.S. Department of Health and Human Services			26,972
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
(Passed through the Ohio Department of Transportation)			
Federal Highway Administration Highway Planning and Construction		20.205	<u>354,917</u>
Total U.S. Department of Transportation			354,917
Total Federal Receipts and Expenditures			<u>\$ 671,343</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTE TO THE FEDERAL SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 1: Basis of Presentation

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 AND QUESTIONED COSTS
OMB CIRCULAR A-133, Section .505
DECEMBER 31, 2008

1. SUMMARY OF AUDITOR'S RESULTS
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(d) (1) (i)	Type of Financial Statement Opinion	Unqualified
(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)?	Yes
(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	Unqualified
(d) (1) (vi)	Are there any reportable findings under Section .510?	No
(d) (1) (vii)	Major Programs (list):	20.205 Highway Planning and 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

<i>Finding Number</i>	2008-001
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Significant Deficiency

The city does not have an adequate process in place to properly record the fair value of investments at December 31, 2008. The city performs the adjustment annually but fails to reconcile the balance to the 3rd party statement provided by their investment advisors.

During the 2008 audit, the lack of review procedures with the fair market value resulted in cash being overstated by \$549,064. Based on the nature of the account, the adjustment was made to the financial statements.

Management Response: The city is developing proper review and reconciliation procedures to ensure that the fair value of investments is properly reported.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None noted.

**CITY OF WOOSTER
SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2008**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected, Significantly Different Corrective Action Taken or Finding No Longer Valid Explain
2007-01	Restatement of prior period's net assets	Yes	

City of Wooster, Ohio
Fiscal year ended December 31, 2008
Comprehensive Annual Financial Report



**CITY OF WOOSTER, OHIO
Comprehensive Annual Financial Report
For the year ended December 31, 2008**

Prepared by Finance Department

CITY OFFICIALS
As of January 1, 2009

MAYOR

Robert A. Breneman
Term Expires 12-31-11

CITY COUNCIL

David Silvestri
President Pro Tem
First Term Expires 12-31-11

Mike Buytendyk
Term Expires 12-31-11
First Term – At Large

Ed Schuch
Term Expires 12-31-11
First Term – Ward 1

Keith Topovski
Term Expires 12-31-09
First Term – Ward 2

Jon Ulbright
Term Expires – 12-31-09
Second Term – At Large

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

Jeff Steiner
Term Expires 12-31-09
First Term – Ward 4
Appointed January 7, 2008

DIRECTOR OF FINANCE

Andrei A. Dordea, CPA – 6 years of service

DIRECTOR OF LAW

Richard Benson – 18 years of service

DIRECTOR OF ADMINISTRATION

Michael Sigg – 9 years of service

WOOSTER COMMUNITY HOSPITAL ADMINISTRATOR

William Sheron – 14 years of service

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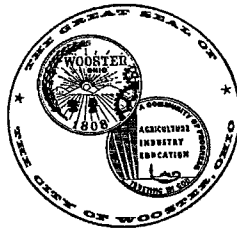
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Robert F. Breneman
Mayor

Andrei A. Dordea, CPA
Director of Finance

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

CITY OF WOOSTER

August 28, 2009

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, 2008.

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 unqualified ("clean") opinion for the City of Wooster's financial statements for the year ended December 31, 2008. The independent auditor's report is located in the front of the financial section of this report on page 13.

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

Profile of the Government

The City of Wooster, incorporated in 1817, is located in the north central part of the State of Ohio. The City's 17,244 square mile area is home to a population of 27,112. Located within Wayne County, Wooster is a home rule municipal corporation under the laws of the State of Ohio and, as such, operates under its own charter. The current charter was adopted in 1972 and has undergone two amendments since that time. The city government consists of a Mayor, a seven-member Council and a Council President. All of these officials are elected for four-year terms. The Mayor, three Council members and the Council President are elected on an at-large basis. The four remaining Council members are elected from their respective wards within the City.

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

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

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

Local Economy

The Economic Segment Mix and The Change of Economic Segment Mix as Measured by Total Income Tax Receipts for the Tax Years 2002 through 2008

Change%	2002	2003	2004	2005	2006	2007	2008	02/08
Industrial	34.2 %	33.0%	33.0%	31.6%	28.2%	28.0%	27.4%	-19.9%
Construction	4.9	4.7	4.1	4.1	5.1	4.0	3.5	-28.6
Retail	8.6	9.0	8.6	9.1	8.1	7.4	7.8	-9.3
Oil	2.2	2.3	2.4	2.8	2.7	2.8	3.2	45.5
Services	11.1	12.0	11.7	12.3	11.9	12.5	13.0	17.1
Education/Govt.	17.4	17.8	18.5	18.0	18.0	18.7	20.1	15.5
Financial	3.9	4.3	4.6	5.0	4.9	4.6	4.5	15.4
Restaurants	2.2	2.3	2.0	2.2	1.9	2.3	2.2	0.0
Medical	7.1	7.1	7.1	8.2	6.9	7.0	7.9	11.3
Miscellaneous	8.4	7.5	9.5	10.1	12.2	12.7	10.4	23.8
% Chg. in \$ by Yr.	-0.08%	-1.19%	0.81%	5.43%	6.31%	8.55%	-7.18 %	

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 2008 were: Rabatin Rentals Ltd \$11 million (new construction); TechniGraphics \$4 million (new construction); the College of Wooster \$3 million (building renovations); Goodwill Industries of Wayne County \$1.2 million (new addition); Wayne Towne Enterprises \$1 million (building renovations); Wayne County Public Library \$841 thousand (interior alterations and garage addition); City Square Steak House \$800 thousand (building renovations); Wooster Community Hospital \$650 thousand (building alterations); and Boys' Village \$500 thousand (interior alterations.)

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.

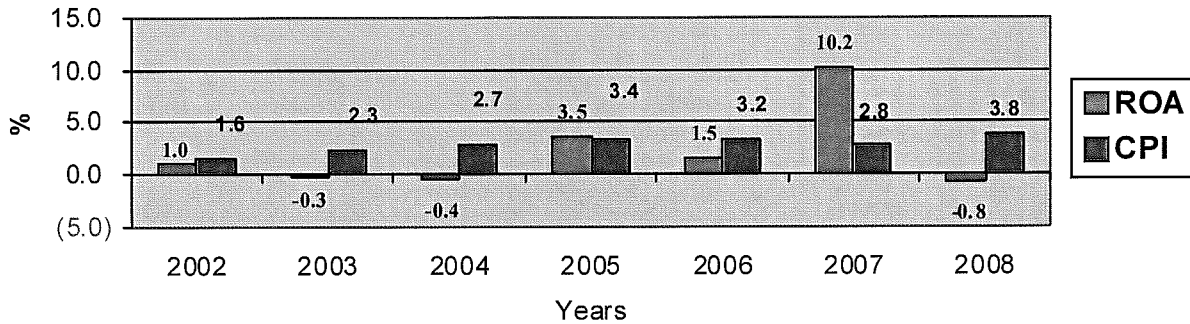
Financial Management Initiatives

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:

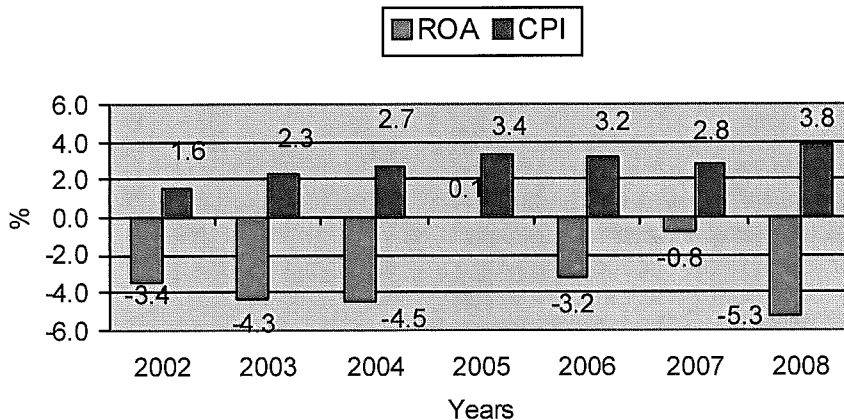
- (1) The governmental funds shall be budgeted to have a rate of return on all assets greater than or equal to the rate of inflation;
- (2) Council will not provide new services unless new revenue is available or there is a cost reduction in another service;
- (3) By 1999, the General Fund shall have 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:

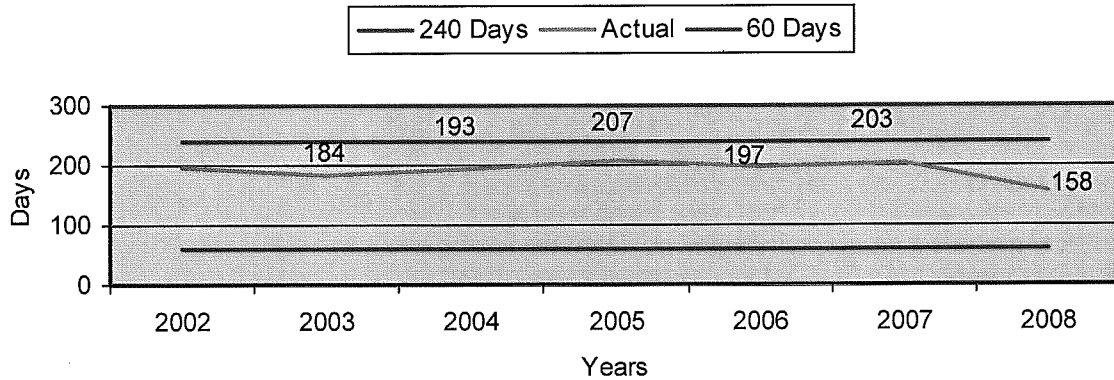
Total Return on Assets (Governmental Operations) vs CPI



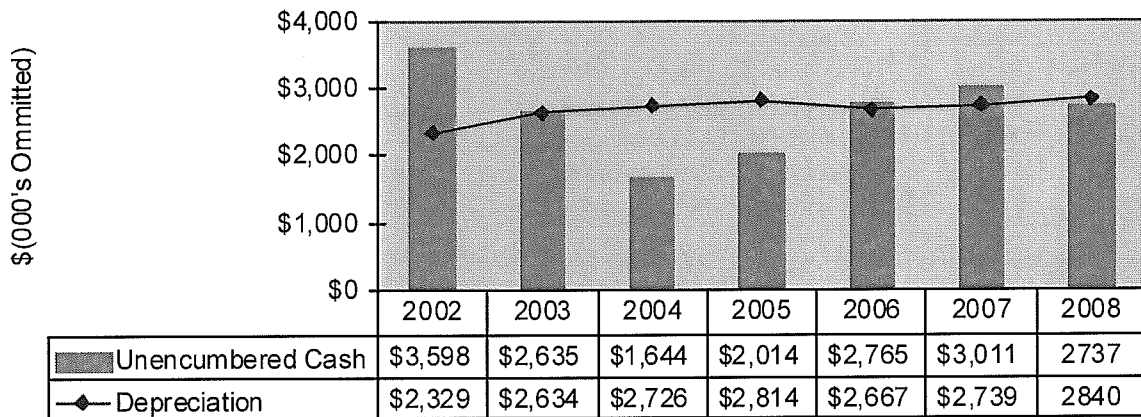
Return on Assets From Operations (Governmental Operations) vs CPI



Days in Unencumbered General Fund Cash



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



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

Major Initiatives

For the second year in a row, Wooster Community Hospital was named one of the nation's top 100 hospitals by Thomson Healthcare. Thomson studies more than 3,000 hospitals of all sizes nationwide and the award recognizes the top 100 hospitals that have achieved excellence in clinical outcomes, patient safety, financial performance, and efficiency. Additionally, Wooster Community Hospital was recognized as one of the top 20 across the nation of more than 1,100 similarly sized hospitals. This is the 16th Edition of the Thomson 100 Top Hospitals and appeared in the March 30, 2009, edition of *Modern Healthcare* magazine. Further, Wooster Community Hospital's Cancer Program was granted the 2008 CoC Outstanding Achievement Award from The Commission on Cancer (CoC) of the American College of Surgeons (ACOS), one of only 95 facilities recognized from more than 1,400 CoC accredited programs across the nation.

Construction of Kiddie City at Knights Field Park was completed in May of 2008. The facility features a miniature city with buildings, marked streets, street lights, traffic lights, bridges, tunnels and a small play structure. It is open for tricycles, big wheels and small electric cars used by preschoolers. The Ohio Parks and Recreation Association awarded Kiddie City the "2008 Best New Facility" award for projects under \$500,000. The miniature city was constructed for less than \$50,000 through the use of both monetary and labor donations. Knights Field Park, which includes a state of the art playground, zero-depth sprayground, and Kiddie City, has now become a "destination park" for families with small children and attracted over 1,600 children during the summer of 2008.

The City of Wooster celebrated its bicentennial in 2008 with a city hall renovation project and many special events. The exterior of the municipal building was repainted and new landscaping was installed along with the Legacy Park project which allowed patrons to purchase personalized pavers to be used in the walkway in front of the building. Historic trolley tours, Chautauqua Wooster, walking tours of Wooster Cemetery, a bicentennial parade, and the July 4th fireworks display were just a few of the many events attended in celebration of Wooster's 200th birthday.

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, 2007. This was the twenty-eighth 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.

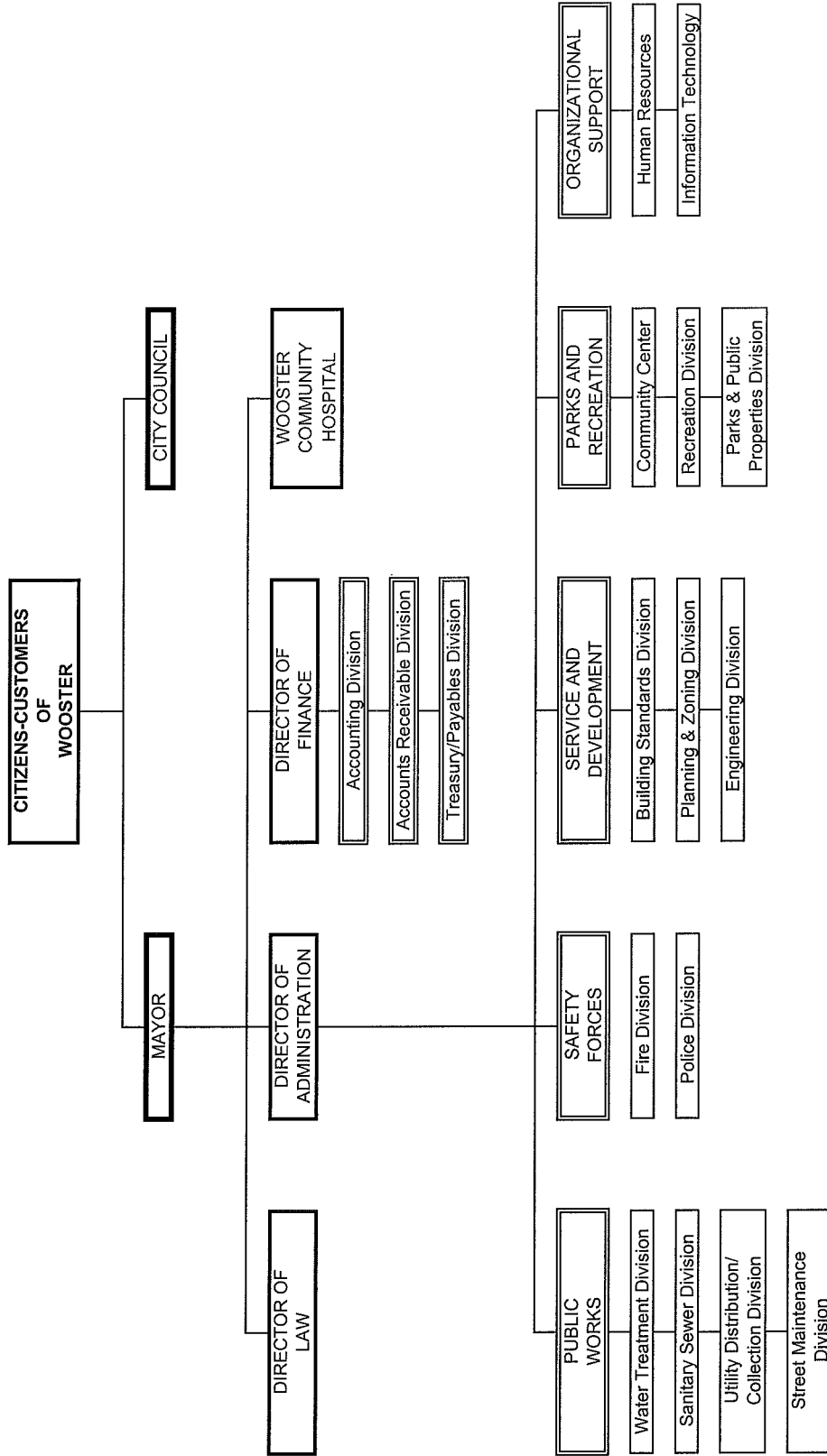
Respectfully submitted,

Robert F. Breneman
Mayor

Andrei A. Dordea, CPA
Director of Finance

**CITY OF WOOSTER, OHIO
ORGANIZATION CHART**

As of December 31, 2008



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wooster
Ohio

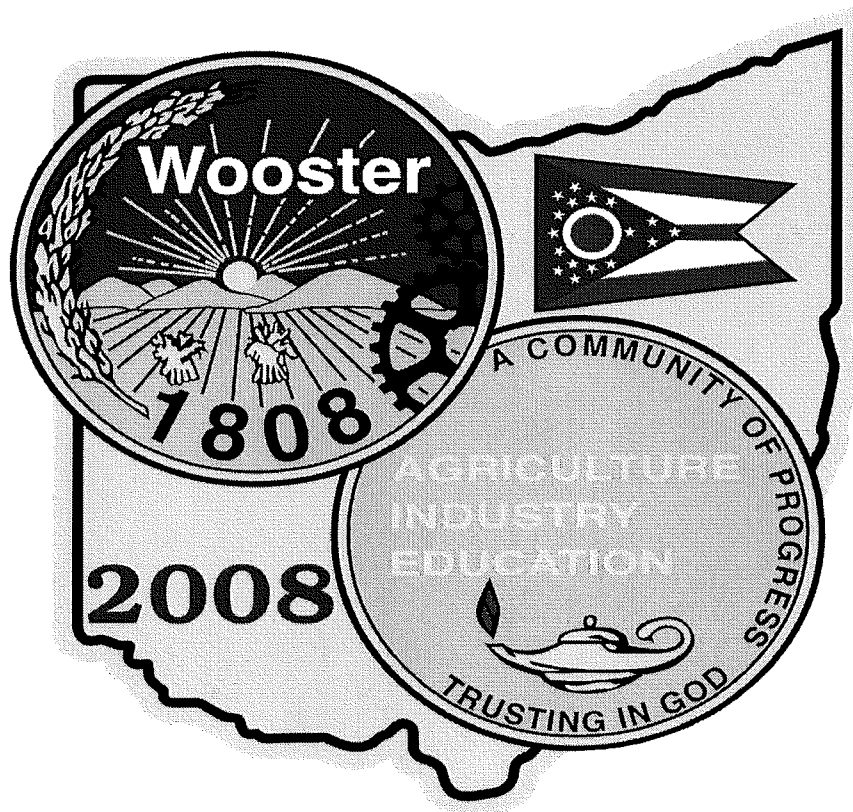
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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



President

Executive Director





Rea & Associates, Inc.

ACCOUNTANTS AND BUSINESS CONSULTANTS

Focused on Your Future.

August 21, 2009

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

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wooster, Wayne County, Ohio, as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Wooster's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wooster, Wayne County, Ohio, as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 21, 2009, on our consideration of the City of Wooster's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis and the budgetary comparison information on pages 15 through 27 and page 68 are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

Rea & Associates, Inc.

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the City of Wooster's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2008. Descriptions and definitions follow the highlights below. Please read the MD&A in conjunction with our letter of transmittal, which begins on page 5, and the City's basic financial statements, which begin immediately following the MD&A.

FINANCIAL HIGHLIGHTS

- The City's net assets (total assets minus total liabilities) increased \$4.17 million as a result of this year's operations.
- The City-wide total return on assets was 1.39%.
- Total expenses of all City services were \$126.17 million in 2008 compared to \$113.57 million in 2007.
- Net assets of our business-type activities increased by \$4.75 million. Of these amounts, Wooster Community Hospital's net assets increased by \$7.50 million while the City's utility service and economic development funds net assets decreased by \$2.75 million.
- The return on total assets for the business-type activities was 2.10% with the Hospital returning 4.93% on its total assets and the City's utility and economic development services returning (3.74%).
- Net assets of the governmental activities decreased by \$0.58 million. The return on total assets for the governmental activities was (0.78%).
- The capital improvements fund ended the year with a cash balance of \$4.30 million. Depreciation expense for all governmental capital assets for 2008 was \$2.84 million. The City budgeted \$3.86 million (including carry-over projects) from the capital improvements fund (for governmental capital projects) in 2008.
- Net governmental capital assets increased by \$2.58 million in 2008.

USING THIS ANNUAL REPORT

The major portion of this annual report consists of a series of financial statements and explanatory notes. The Statement of Net Assets and the Statement of Activities (on pages 29 and 30 & 31) provide information about the services provided by the City of Wooster as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 32. For governmental activities, these statements demonstrate how these services were financed in the short term as well as what remains for future spending. Individual fund financial statements also report the City's operations in more detail than the government-wide statements.

Reporting the City as a Whole

The Statement of Net Assets and the Statement of Activities

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

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

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

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

- **Governmental activities:** most of the City's basic services are reported here, including the police, fire, street maintenance, parks and recreation, and general administration (City Council, Mayor and Clerk of Council, Director of Administration, Law, Finance, Engineer and Information Technology). Income taxes, property taxes, state and federal grants, and several user fees finance most of these activities.
- **Business-type activities:** 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 activities begins on page 21. The fund financial statements begin on page 30 and provide detailed information about the most significant funds-not the City as a whole. Some funds are required to be established by State law. However, City Council establishes many other funds to help it control and manage money for particular purposes (e.g., Economic Development Capital Improvements Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (e.g., grants received from the U.S. Department of Housing and Urban Development). The City's three categories of funds, governmental, proprietary and fiduciary, use different accounting techniques.

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

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

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

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

THE CITY AS A WHOLE

The City's combined net assets increased from \$244.98 million to \$249.15 million. The primary reason for this increase can be attributed to the strong financial performance of the Wooster Community Hospital. Our analysis below focuses on the assets, liabilities and net assets (Table 1) and changes in net assets (Table 2) of the City's governmental and business-type activities.

Table 1
Net Assets (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2008	2007	2008	2007	2008
Current Assets	\$32,335	\$33,033	\$99,236	\$106,031	\$131,571	\$139,064
Noncurrent receivables	2,172	1,957	490	450	2,662	2,407
Net capital assets	36,344	38,923	119,701	119,433	156,045	158,356
	<u>70,851</u>	<u>73,913</u>	<u>219,427</u>	<u>225,914</u>	<u>144,764</u>	<u>299,827</u>
Current Liabilities	(6,139)	(9,691)	(11,265)	(13,078)	(17,404)	(\$22,769)
Noncurrent liabilities	(4,488)	(4,577)	(23,403)	(23,327)	(27,891)	(\$27,904)
	<u>(10,627)</u>	<u>(14,268)</u>	<u>(34,668)</u>	<u>(36,405)</u>	<u>(45,295)</u>	<u>(50,673)</u>
Net Assets						
Invested in capital assets, net of related debt	31,480	32,690	96,419	95,403	127,899	\$128,093
Restricted	13,170	12,793	2,013	2,217	15,183	\$15,010
Unrestricted (deficit)	15,574	14,162	86,327	91,889	101,901	\$106,051
Total net assets	<u>\$60,224</u>	<u>\$59,645</u>	<u>\$184,759</u>	<u>\$189,509</u>	<u>\$244,983</u>	<u>\$249,154</u>

Unrestricted net assets of governmental activities, the portion of net assets that can be used to finance day-to-day governmental operations (without constraints established by debt covenants, enabling legislation, or other legal requirements), decreased 9.06% from \$15.57 million at December 31, 2007 to \$14.16 million at December 31, 2008. Restricted net assets, those restricted mainly for capital projects and special purposes such as street cleaning or maintenance, increased \$0.83 million (6.33%). Investment in governmental capital assets net of related debt remained unchanged at \$31.48 million.

The net assets of our business-type activities increased by \$4.75 million or 2.57% (\$184.76 million to \$189.51 million) in 2008. The majority of this increase was in the hospital fund which increased by \$7.50 million. The City is required to use these business-type net assets for sustaining services of the hospital, water, sanitary sewer, storm sewer and refuse funds.

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

Overall, the City's financial position improved as evidenced by the 1.67% increase in total net assets.

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 assets" demonstrate the fact that the City has not financed its working capital with an increasing proportion of debt.

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

Working Capital (\$ in thousands)	2002	2003	2004	2005	2006	2007	2008
Entity Wide Summary	\$ 92,021	\$ 98,878	\$ 99,549	\$ 95,154	\$ 94,031	\$ 113,539	\$ 116,295
Governmental	\$ 16,365	\$ 17,089	\$ 16,413	\$ 18,136	\$ 17,709	\$ 25,569	\$ 23,342
Business-type	\$ 75,656	\$ 81,789	\$ 83,136	\$ 77,018	\$ 76,322	\$ 87,970	\$ 92,953

Current Ratio	2002	2003	2004	2005	2006	2007	2008
Entity Wide Summary	4.52	5.77	6.30	5.39	5.55	7.52	6.11
Governmental	3.03	3.31	3.78	3.56	3.15	5.17	3.41
Business-type	5.19	7.14	7.45	6.28	7.14	8.81	8.11

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

Liabilities to Net Assets	2002	2003	2004	2005	2006	2007	2008
Entity Wide Summary	21%	18%	16%	16%	19%	18%	20%
Governmental	22%	24%	21%	22%	23%	18%	24%
Business-type	20%	16%	14%	14%	18%	19%	19%

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

ROA from operations	2002	2003	2004	2005	2006	2007	2008
Entity Wide Summary	3%	2%	1%	3%	1%	1%	-1%
Governmental	-3%	-4%	-4%	0%	-3%	-1%	-5%
Business-type	4%	4%	3%	4%	2%	2%	0%

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

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

Total Return on Assets	2002	2003	2004	2005	2006	2007	2008
Entity Wide Summary	6%	3%	3%	5%	4%	5%	1%
Governmental	2%	0%	0%	3%	2%	10%	-1%
Business-type	7%	5%	4%	5%	4%	4%	2%

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

Capital Asset Change	2002	2003	2004	2005	2006	2007	2008
Entity Wide Summary	5%	6%	3%	14%	15%	1%	1%
Governmental	1%	4%	0%	2%	3%	2%	7%
Business-type	7%	7%	5%	19%	19%	1%	0%

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

Days In Receivable	2002	2003	2004	2005	2006	2007	2008
Entity Wide Summary	60	67	70	69	69	71	66
Governmental	109	111	126	123	136	119	130
Business-type	50	57	59	58	57	61	55

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

Personal Service %	2002	2003	2004	2005	2006	2007	2008
Entity Wide Summary	56%	59%	60%	60%	60%	59%	60%
Governmental	60%	60%	61%	59%	62%	61%	60%
Business-type	54%	58%	60%	60%	60%	59%	60%

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

Table 2

Changes in Net Assets (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2008	2007	2008	2007	2008
Program revenues:						
Charges for Services	\$1,960	\$1,628	\$99,303	\$106,536	\$101,263	\$108,164
Operating Grants and Contributions	2,084	1,910	130	323	2,214	2,233
Capital Grants and Contributions	566	358	59	-	625	358
General revenues:						
Income Taxes (net of refunds)	9,656	8,526	-	-	9,656	8,526
Property Taxes	2,540	2,217	-	-	2,540	2,217
Other Taxes	1,419	1,750	-	-	1,419	1,750
Grants and Contributions	1,680	1,705	-	-	1,680	1,705
Interest and Investment Earnings	1,370	1,186	3,210	3,604	4,580	4,790
Other revenues	459	465	173	132	632	597
Total Revenues:	21,734	19,745	102,875	110,595	124,609	130,340
Governmental program expenses including indirect expenses:						
Safety Services	10,909	11,836	-	-	10,909	11,836
Health and Social Services	149	149	-	-	149	149
Leisure Services	2,431	2,622	-	-	2,431	2,622
Environment and Development	1,313	1,336	-	-	1,313	1,336
Transportation Services	3,328	3,684	-	-	3,328	3,684
Administrative Services	452	470	-	-	452	470
Interest on Long Term Debt	214	227	-	-	214	227
Business-type services:						
Wooster Community Hospital	-	-	83,153	92,828	83,153	92,828
Water	-	-	4,170	4,552	4,170	4,552
Water Pollution Control	-	-	5,747	6,559	5,747	6,559
Storm Drainage	-	-	483	555	483	555
Refuse Collection	-	-	1,203	1,351	1,203	1,351
CDBG development loan	-	-	16	-	16	-
Total expenses	18,796	20,324	94,772	105,845	113,568	126,169
Excess (deficiency) before transfers/special item	2,938	(579)	8,103	4,750	11,041	4,171
Special Item – cash donation for streetscape	4,300	-	-	-	4,300	-
Change in Net Assets	7,238	(579)	8,103	4,750	15,341	4,171
Net Assets Beginning	52,986	60,224	176,656	184,759	229,642	244,983
Net Assets Ending	\$60,224	\$59,645	\$184,759	\$189,509	\$244,983	\$249,154

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

Explanations for larger fluctuations between years are as follows:

- Charges for services revenue was higher in 2008 primarily due to increased hospital service volume.
- Income tax revenue was lower this year as a result of two events. The city experienced a one time increase in 2007 tax revenues by implementing mandatory income tax filings. Additionally, the City experienced a softening of the local economy during 2008.
- Other taxes increased in 2008 because of an increase in estate tax revenues.
- Wooster Community Hospital expenses increased in 2008 as a result of increased service volume.
- Expenses relating to our Water Pollution Control operations increased 14.13% primarily because of interest expense on our debt associated with our recently completed plant improvements and increased chemical costs associated with waste water treatment.
- Storm Drainage expenses increased in 2008 because of our combined sewer overflow remediation program.
- Refuse expenses increased during 2008 as a result of a new contract with our refuse provider, which was bid during 2008.

Governmental Activities

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

Table 3

Statement of Activities (accrual)

Governmental Activities (in thousands)	Total Cost of Services		Net Cost of Services	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
Safety Services	\$10,909	\$11,836	\$10,148	\$11,203
Transportation Services	3,328	3,683	984	1,892
Leisure Services	2,431	2,622	1,928	2,129
Environment and Development Services	1,313	1,336	715	788

- Total cost of services in safety services program experienced a 8.50% increase in 2008. A myriad of factors contributed to this increase, including benefit expenses, vehicle operating expenses, equipment expenses and depreciation expense.
- Transportation services expenses increased 10.70% because of increased costs associated with our snow removal program and increased rider count with our subsidised taxi program.

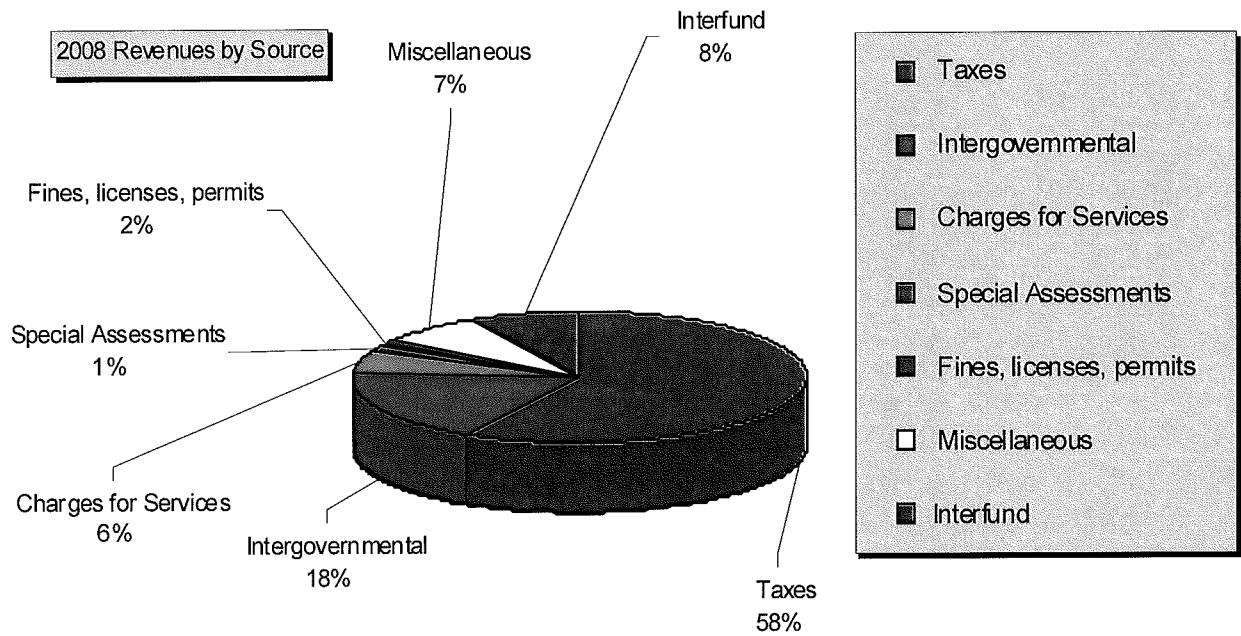
**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

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 2007 and 2008.

(in thousands)

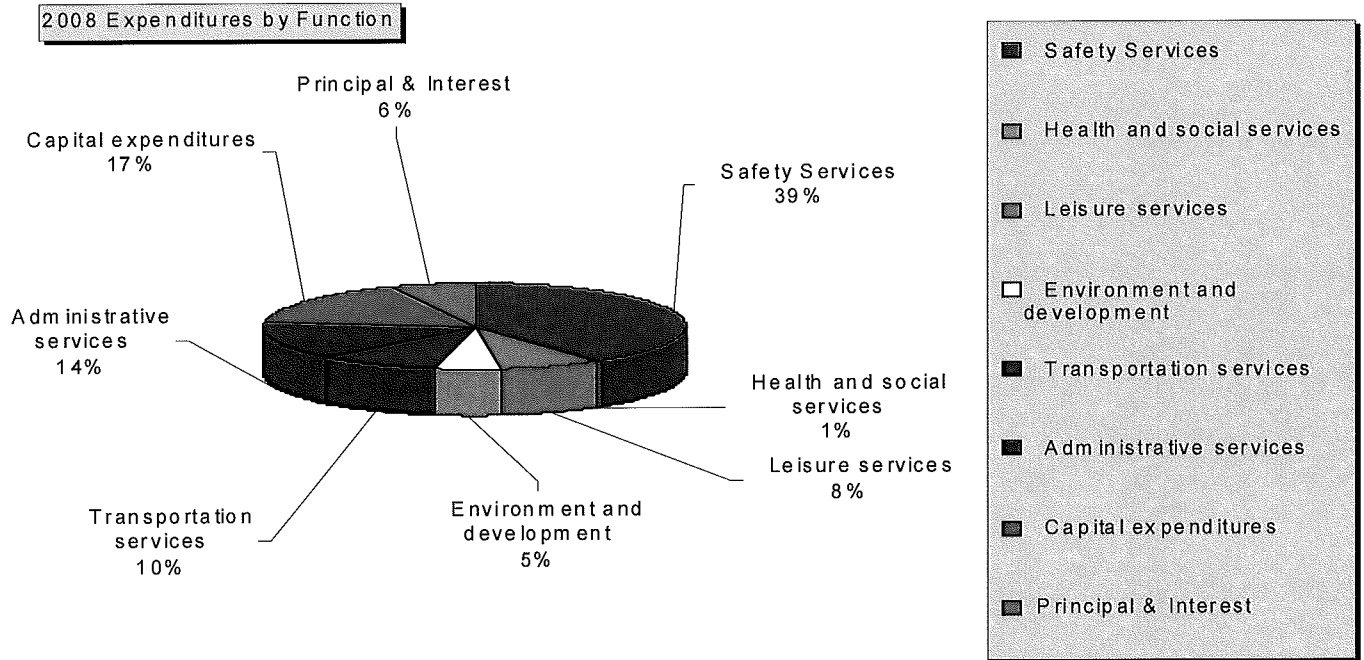
<u>Revenues by Source:</u>	<u>2007</u>	<u>2008</u>	<u>% Change</u>
Taxes	\$13,726	\$12,441	-9.4
Intergovernmental	3,506	3,772	7.6
Charges for Services	1,254	1,276	1.8
Special Assessments	255	238	-6.7
Fines, licenses, permits	727	369	-49.2
Miscellaneous	1,788	1,644	-8.1
Interfund	1,443	1,580	9.5
Total Revenues	\$22,699	\$21,320	-6.1



**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

(in thousands)

<u>Expenditures by Function:</u>	<u>2007</u>	<u>2008</u>	<u>% Change</u>
Safety Services	\$9,530	\$10,251	7.6
Health and social services	149	149	0.0
Leisure services	1,886	2,007	6.4
Environment and development	1,234	1,263	2.4
Transportation services	2,164	2,460	13.7
Administrative services	3,280	3,600	9.8
Capital expenditures	2,693	4,422	64.2
Debt service:			
Principal	1,372	1,420	3.5
Interest	214	199	-7.0
Total Expenditures	\$22,522	\$25,771	14.4



**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

Fund balance in the General Fund decreased by \$1.69 million in 2008 due to decreased tax revenues in 2008 compared to 2007 and approximately \$1.80 million General Fund transfer to the Capital Improvements Fund.

The Capital Improvements Fund experienced an increase in fund balance of \$358,523 in 2008. This was in part promulgated by the City's financial policy to have a cash balance in the Capital Improvement Fund, at a minimum, equal to the value of the annual depreciation of governmental fund assets. In addition, funds were transferred to cover the cost of a major repaving project that will be partially reimbursed by the State of Ohio.

Business-type Funds

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

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

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

Water and sanitary sewer rates increased 6% on November 1, 2008.

Table 4 - Proprietary Funds Statements

(in thousands)	Hospital	Water	Water Pollution Control	Storm Drainage	Refuse	Non-major Enterprise Funds
Total Assets	\$152,268	\$26,746	\$36,484	\$9,322	\$407	\$687
Net Assets	141,871	20,081	18,905	7,665	299	687
Change in Net Assets	7,503	(303)	(2,858)	354	24	28
Return on Ending Total Assets	4.9%	-1.1%	-7.8%	3.8%	5.9%	4.1%
Return on Ending Net Assets	5.3%	-1.5%	-15.1%	4.6%	8.0%	4.1%

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual revenues for the General Fund came in 0.05% lower than budget in 2008. Following are highlights for significant variances between the final budget and actual results:

- Taxes were 2.29% under budget primarily due to a softening of the local economy.
- Fines, licenses and permits were 47.76% under budget primarily due to the decreased building activity in the area.

Actual expenditures for the General Fund were 6.35% lower than budgeted for 2008. This was primarily due to conservative financial management.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2008 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 \$300.24 million. (See Table 5). This amount represents a net increase (including additions and deductions) of \$12.80 million, or 4.45%, over last year.

Table 5

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

	Governmental Activities		Business-type Activities		Totals	
	2007	2008	2007	2008	2007	2008
Land	\$2,010	\$2,024	\$3,348	\$3,348	\$5,358	\$5,372
Buildings	7,074	7,223	87,977	88,937	95,051	96,160
Improvements	62,403	62,862	68,873	74,142	131,276	137,004
Equipment	10,546	11,589	41,123	42,574	51,669	54,163
Construction-in-progress	2,176	4,648	1,912	2,894	4,088	7,542
Subtotal	84,209	88,346	203,233	211,895	287,442	300,241
Accumulated Depreciation	(47,865)	(49,423)	(83,532)	(92,462)	(131,397)	(141,885)
Totals	<u>\$36,344</u>	<u>\$38,923</u>	<u>\$119,701</u>	<u>\$119,433</u>	<u>\$156,045</u>	<u>\$158,356</u>

The City's 2009 capital budget anticipates a spending level of \$8.44 million for capital projects, exclusive of the hospital. Of this amount, \$3.8 million is budgeted for the various infrastructure improvements, \$3.78 million is budgeted for a new fire station, and \$860,000 is budgeted for various capital equipment. The Hospital's 2009 Capital Budget anticipates a capital projects spending level of \$19.16 million. This includes \$11.94 million for a 2-floor patient tower expansion and \$2.0 million for an emergency department. More detailed information about the City's capital assets is presented in Note 6 to the basic financial statements.

Debt

At year-end, the City had \$31.48 million in bonds, notes and loans outstanding versus \$28.15 million last year representing an increase of 11.83% as shown in Table 6 below. This increase in debt was to fund the Beall Avenue streetscape project, water pollution control plant upgrades, intermediate zone water tank, and Quinby Street waterline.

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

Table 6
Outstanding Debt, at Year-end

(in thousands)	Governmental Activities		Business-type Activities		Totals	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
General obligation bonds and notes, special assessment bonds and notes (backed by the City)	\$3,864	\$3,445	\$0	\$0	\$3,864	\$3,445
General obligation bonds and notes (backed by specific revenues and the City of Wooster)	0	0	23,282	24,030	23,282	24,030
Totals	<u>\$3,864</u>	<u>\$3,445</u>	<u>\$23,282</u>	<u>\$24,030</u>	<u>\$27,146</u>	<u>\$27,475</u>

At December 31, 2008 the City's general obligation bonds are rated Aa3 by Moody's and A+ by Standard and Poor's. Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 15 to the basic financial statements.

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 five-year table that demonstrates the changes in employment of those employers that employed 500 or more individuals as of December 31, 2002. Figures are rounded to the nearest 50.

Employer	Nature of Activity	2004	2005	2006	2007	2008
Worthington Industries	Auto Parts Fabricator	600	550	500	550	550
The County of Wayne	Government	700	850	850	850	850
The City of Wooster	Government/Hospital Auto Parts	850	850	875	900	1,050
Luk, Inc	Fabricator	850	1,000	1,000	1,000	1,000
The College of Wooster	Education	600	600	600	650	700
Rexroth Corporation	Hydraulics Manufacturer	350	n/a	n/a	n/a	n/a
Wal-Mart	Retail	550	350	500	500	500
Wooster Brush Company	Manufacturer of Paint Applicators	600	550	550	550	500
Wooster City Schools	Education	450	400	500	500	650
Total of Above		5,550	5,150	5,375	5,500	5,800

**CITY OF WOOSTER, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

BUDGETS

The Mayor proposed and Council adopted an original budget for the year 2009, 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 2008 and the final budget are caused by encumbrances carried forward from the prior year and amendments to the original appropriation ordinance. (See Note 3.)

REQUESTS FOR INFORMATION

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



CITY OF WOOSTER, OHIO
STATEMENT OF NET ASSETS
DECEMBER 31, 2008

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Equity in city treasury cash	\$ 25,497,638	\$ 87,512,427	\$ 113,010,065
Net receivables	7,405,203	16,223,495	23,628,698
Inventory	130,191	1,546,857	1,677,048
Prepaid expenses	0	748,052	748,052
Total current assets	<u>33,033,032</u>	<u>106,030,831</u>	<u>139,063,863</u>
Noncurrent assets:			
Net receivables	1,956,504	450,194	2,406,698
Capital assets (net of accumulated depreciation):			
Land	2,024,288	3,347,916	5,372,204
Buildings	2,629,270	51,463,551	54,092,821
Improvements/Infrastructure	25,435,622	50,934,226	76,369,848
Equipment	4,186,019	10,793,140	14,979,159
Construction in progress	4,647,905	2,894,618	7,542,523
Net capital assets	<u>38,923,104</u>	<u>119,433,451</u>	<u>158,356,555</u>
Total noncurrent assets	<u>40,879,608</u>	<u>119,883,645</u>	<u>160,763,253</u>
Total assets	<u>\$ 73,912,640</u>	<u>\$ 225,914,476</u>	<u>\$ 299,827,116</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 1,211,792	\$ 3,348,624	\$ 4,560,416
Accrued wages and benefits	1,016,725	4,202,814	5,219,539
Other accrued liabilities	353,484	1,192,860	1,546,344
Compensated absences, current	547,923	2,225,934	2,773,857
Current portion of long term bonds and notes	4,165,503	1,233,400	5,398,903
Current portion special assessment debt with government commitment	148,342	0	148,342
Current portion long term loans	22,471	874,080	896,551
Unearned revenue	2,225,000	0	2,225,000
Total current liabilities	<u>9,691,240</u>	<u>13,077,712</u>	<u>22,768,952</u>
Noncurrent liabilities			
Bonds and notes	1,919,409	19,732,411	21,651,820
Special assessment debt with governmental commitment	990,741	0	990,741
Loans	198,134	2,190,051	2,388,185
Compensated absences	1,468,444	1,404,829	2,873,273
Total noncurrent liabilities	<u>4,576,728</u>	<u>23,327,291</u>	<u>27,904,019</u>
Total liabilities	<u>14,267,968</u>	<u>36,405,003</u>	<u>50,672,971</u>
NET ASSETS			
Invested in capital assets , net of related debt	32,689,785	95,403,509	128,093,294
Restricted for:			
Capital projects	6,919,786	0	6,919,786
Debt service	1,223,786	0	1,223,786
Street construction and maintenance	1,831,602	0	1,831,602
Other purposes	2,817,957	2,217,088	5,035,045
Unrestricted	14,161,756	91,888,876	106,050,632
Total net assets	<u>59,644,672</u>	<u>189,509,473</u>	<u>249,154,145</u>
Total liabilities and net assets	<u>\$ 73,912,640</u>	<u>\$ 225,914,476</u>	<u>\$ 299,827,116</u>

See accompanying notes to the basic financial statements

**CITY OF WOOSTER, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008**

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	\$ 10,494,378	\$ 1,341,608	\$ 579,932	\$ 53,269	\$ 0
Health and social services	148,865	0	0	0	0
Leisure services	2,258,037	364,016	477,594	15,309	0
Environment and development	1,280,442	55,669	315,438	232,682	0
Transportation services	3,338,133	345,166	188,534	1,599,737	3,094
Administrative services	3,835,471	(3,366,981)	66,621	8,738	354,917
Central services	440,106	(437,634)	0	0	0
Interest expense	227,073	0	0	0	0
Total governmental activities	<u>22,022,505</u>	<u>(1,698,156)</u>	<u>1,628,119</u>	<u>1,909,735</u>	<u>358,011</u>
Business-type activities:					
Wooster Community Hospital	92,730,580	97,133	96,929,809	236,593	0
Water	4,288,755	263,576	4,046,528	2,400	0
Water pollution control	5,402,375	1,156,879	3,391,446	0	0
Storm drainage	451,252	103,698	882,850	0	0
Refuse collection	1,274,073	76,870	1,281,821	83,977	0
CDBG development loans	0	0	3,618	0	0
Total business-type activities	<u>104,147,035</u>	<u>1,698,156</u>	<u>106,536,072</u>	<u>322,970</u>	<u>0</u>
Total primary government	<u>\$ 126,169,540</u>	<u>\$ 0</u>	<u>\$ 108,164,191</u>	<u>\$ 2,232,705</u>	<u>\$ 358,011</u>

General revenues:

Taxes:
City income taxes
Property taxes
Estate taxes
Other taxes
Grants and contributions
Interest and investment earnings
Miscellaneous
Total general revenues
Change in net assets
Net assets -- beginning
Net assets -- ending

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (11,202,785)	\$ 0	\$ (11,202,785)
(148,865)	0	(148,865)
(2,129,150)	0	(2,129,150)
(787,991)	0	(787,991)
(1,891,934)	0	(1,891,934)
(38,214)	0	(38,214)
(2,472)	0	(2,472)
(227,073)	0	(227,073)
<u>(16,428,484)</u>	<u>0</u>	<u>(16,428,484)</u>
0	4,338,689	4,338,689
0	(503,403)	(503,403)
0	(3,167,808)	(3,167,808)
0	327,900	327,900
0	14,855	14,855
0	3,618	3,618
<u>0</u>	<u>1,013,851</u>	<u>1,013,851</u>
<u>(16,428,484)</u>	<u>1,013,851</u>	<u>(15,414,633)</u>
8,526,252	0	8,526,252
2,216,877	0	2,216,877
1,575,947	0	1,575,947
174,686	0	174,686
1,704,720	0	1,704,720
1,185,663	3,603,849	4,789,512
465,296	132,166	597,462
<u>15,849,441</u>	<u>3,736,015</u>	<u>19,585,456</u>
(579,043)	4,749,866	4,170,823
60,223,715	184,759,607	244,983,322
<u>\$ 59,644,672</u>	<u>\$ 189,509,473</u>	<u>\$ 249,154,145</u>

**CITY OF WOOSTER, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2008**

	General Fund	Street Construction Maintenance and Repair Fund	Capital Improvements Fund	Debt Service Fund
Assets:				
Equity in city treasury cash	\$ 11,361,486	\$ 1,192,599	\$ 4,300,856	\$ 914,770
Taxes receivable	3,281,576	0	0	0
Accounts receivable	38,770	18,089	0	0
Due from other governments	1,907,975	578,225	0	0
Due from other funds	486,237	0	0	0
Accrued interest receivable	96,457	10,484	20,055	5,862
Inventory	54,408	61,917	0	0
Long term receivables	0	0	0	0
Special assessments receivable	0	0	0	1,691,625
Total assets	<u>\$ 17,226,909</u>	<u>\$ 1,861,314</u>	<u>\$ 4,320,911</u>	<u>\$ 2,612,257</u>
Liabilities:				
Accounts payable	\$ 280,381	\$ 17,718	\$ 279,071	\$ 0
Accrued salaries, wages and benefits	998,147	1,104	0	0
Due to other governments	0	0	0	286,161
Due to other funds	0	0	0	0
Deferred revenue	3,654,122	497,414	0	1,691,625
Total liabilities	<u>4,932,650</u>	<u>516,236</u>	<u>279,071</u>	<u>1,977,786</u>
Fund balances:				
Reserved for encumbrances	2,592,872	359,091	1,563,774	0
Reserved for long term receivables	0	0	0	0
Unreserved, reported in:				
General fund	9,701,387	0	0	0
Special revenue funds	0	985,987	0	0
Capital projects funds	0	0	2,478,066	0
Debt service funds	0	0	0	634,471
Total fund balances	<u>12,294,259</u>	<u>1,345,078</u>	<u>4,041,840</u>	<u>634,471</u>
Total liabilities and fund balances	<u>\$ 17,226,909</u>	<u>\$ 1,861,314</u>	<u>\$ 4,320,911</u>	<u>\$ 2,612,257</u>

See accompanying notes to the basic financial statements

**CITY OF WOOSTER, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2008**

Other Governmental Funds	Total Governmental Funds
\$ 7,693,704	\$ 25,463,415
322,099	3,603,675
5,090	61,949
147,287	2,633,487
0	486,237
759,613	892,471
13,867	130,192
478,500	478,500
0	1,691,625
<u>\$ 9,420,160</u>	<u>\$ 35,441,551</u>
\$ 549,538	\$ 1,126,708
1,104	1,000,355
0	286,161
486,237	486,237
1,067,148	6,910,309
<u>2,104,027</u>	<u>9,809,770</u>
9,796,791	14,312,528
478,500	478,500
0	9,701,387
761,460	1,747,447
(3,720,618)	(1,242,552)
0	634,471
<u>7,316,133</u>	<u>25,631,781</u>
<u>\$ 9,420,160</u>	<u>\$ 35,441,551</u>

Total Governmental Fund Balances	\$ 25,631,781
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	38,923,104
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	
Special assessments receivable	\$ 1,691,625
Delinquent property taxes receivable	248,311
Due from other governments	1,262,301
Hud Home loan receivable	709,018
Income tax receivable	<u>774,055</u>
	4,685,310
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Accrued interest payable	\$ (67,323)
Current portion - G.O. bonds	(4,165,503)
Current portion - OPWC loans	(22,471)
Bonds	(1,919,409)
Loans	(198,134)
Compensated absences, current	(547,923)
Compensated absences, non-current	(1,468,444)
Special assessment debt	<u>(1,139,083)</u>
	(9,460,967) (9,528,290)
Internal service fund net assets are not included in fund statements but are included in the Statement of Net Assets,	
Liabilities excluding compensated absences	\$ (24,152)
Assets	<u>58,771</u>
	34,619
Retainage on capital assets is included in the Statement of Net Assets, but not included on the fund statements.	(77,302)
Internal service fund costs spread to other governmental funds should not be included in fund assets	<u>(24,550)</u>
Net Assets of Governmental Activities	<u>\$ 59,644,672</u>

**CITY OF WOOSTER, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

	General Fund	Street Construction Maintenance and Repair Fund	Capital Improvements Fund	Debt Service Fund
Revenues :				
Taxes	\$ 11,858,301	\$ 0	\$ 0	\$ 0
Intergovernmental	1,796,969	1,150,109	354,917	0
Charges for services	1,275,498	0	0	0
Special assessments	0	0	0	237,584
Fines, licenses, permits	349,205	0	0	0
Interfund services provided	1,643,980	0	0	0
Interest income	575,151	57,517	126,319	40,496
Miscellaneous	319,138	50,851	19,999	0
Total Revenues	<u>17,818,242</u>	<u>1,258,477</u>	<u>501,235</u>	<u>278,080</u>
Expenditures :				
Current operations :				
Safety services	9,637,052	204,816	0	0
Health and social services	148,865	0	0	0
Leisure services	2,006,716	0	0	0
Environment and development	889,766	0	0	0
Transportation services	1,283,459	1,091,069	0	262
Administrative services	3,524,050	0	7,023	0
Capital expenditures	0	55,112	1,933,089	0
Debt service :				
Principal	173,621	12,529	0	148,456
Interest	54,543	5,921	0	70,513
Total Expenditures	<u>17,718,072</u>	<u>1,369,447</u>	<u>1,940,112</u>	<u>219,231</u>
Excess revenues over(under) expenditures	<u>100,170</u>	<u>(110,970)</u>	<u>(1,438,877)</u>	<u>58,849</u>
Other financing sources (uses) :				
Issuance of debt	0	0	0	0
Transfers in	0	0	1,797,400	0
Transfers (out)	(1,797,400)	0	0	0
Total other financing sources (uses)	<u>(1,797,400)</u>	<u>0</u>	<u>1,797,400</u>	<u>0</u>
Net changes in fund balances	(1,697,230)	(110,970)	358,523	58,849
Fund balances at beginning of year	<u>13,991,489</u>	<u>1,456,048</u>	<u>3,683,317</u>	<u>575,622</u>
Fund balances at end of year	<u>\$ 12,294,259</u>	<u>\$ 1,345,078</u>	<u>\$ 4,041,840</u>	<u>\$ 634,471</u>

**CITY OF WOOSTER, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008**

		Net Change in Fund Balances - Total Governmental Funds	\$ (450,299)
<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>	<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
\$ 582,942	\$ 12,441,243	Governmental funds report capital outlays as expenditures.	
470,223	3,772,218	However, in the Statement of Activities, the costs of those assets are allocated	
0	1,275,498	over their estimated useful lives as depreciation expense. This is	
0	237,584	the amount by which capital outlay exceeded depreciation in the current period.*	1,587,531
20,057	369,262	Revenues in the Statement of Activities that do not provide current financial	
0	1,643,980	resources are not reported as revenues in the funds.	50,257
386,179	1,185,662	Repayment of bond principal is an expenditure in the governmental funds,	
4,821	394,809	but the repayment reduces long-term liabilities in the Statement of Net Assets	1,419,808
<u>1,464,222</u>	<u>21,320,256</u>	In the Statement of Activities, interest is accrued on outstanding bonds,	
		whereas in governmental funds, an interest expenditure is reported when due.	(27,916)
408,793	10,250,661	Some expenses reported in the Statement of Activities, such as compensated	
0	148,865	absences do not require the use of current financial resources and therefore	
0	2,006,716	are not reported as expenditures in governmental funds.†	(79,916)
373,462	1,263,228	Issuance of debt is reported as an other financing source in the governmental funds,	
86,103	2,460,893	but the issuance increases long-term liabilities in the Statement of Net Assets.	(4,000,000)
68,567	3,599,640	Some expenditures reported in the governmental funds, such as labor and	
2,433,386	4,421,587	materials for street construction are not reported as expenses in the	
		Statement of Activities, but instead are included in net capital assets.	921,492
1,085,202	1,419,808	Change in Net Assets of Governmental Activities	\$ (579,043)
68,180	199,157		
<u>4,523,693</u>	<u>25,770,555</u>		
<u>(3,059,471)</u>	<u>(4,450,299)</u>		
4,000,000	4,000,000	*Does not include internal service fund depreciation of \$5,601	
0	1,797,400	†Does not include internal service fund compensated absences of \$4,344	
0	(1,797,400)		
<u>4,000,000</u>	<u>4,000,000</u>		
940,529	(450,299)		
6,375,604	26,082,080		
<u>\$ 7,316,133</u>	<u>\$ 25,631,781</u>		

CITY OF WOOSTER, OHIO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2008

	Business-type Activities			
	Wooster Community Hospital	Water	Water Pollution Control	Storm Drainage
Assets				
Current Assets				
Equity in city treasury cash	\$ 80,482,076	\$ 827,290	\$ 5,029,963	\$ 398,031
Receivables - net of allowances:				
Accounts	14,214,426	526,031	428,158	98,959
Accrued interest	647,889	48,177	76,121	4,132
Due from other governments	0	0	0	0
Inventory	1,353,161	116,117	10,988	66,591
Prepaid expenses	748,052	0	0	0
Total Current Assets	<u>97,445,604</u>	<u>1,517,615</u>	<u>5,545,230</u>	<u>567,713</u>
Noncurrent assets				
Long term receivables	0	0	310,289	0
Net capital assets	54,822,591	25,228,146	30,628,433	8,754,281
Total Noncurrent assets	<u>54,822,591</u>	<u>25,228,146</u>	<u>30,938,722</u>	<u>8,754,281</u>
Total Assets	<u>\$ 152,268,195</u>	<u>\$ 26,745,761</u>	<u>\$ 36,483,952</u>	<u>\$ 9,321,994</u>
Liabilities				
Current Liabilities				
Accounts Payable	\$ 2,390,471	\$ 564,528	\$ 283,830	\$ 1,770
Contracts Payable	320,526	0	0	0
Accrued salaries, wages and benefits	4,005,272	109,282	77,219	11,041
Other accrued liabilities	596,327	0	0	0
Interest payable	0	32,662	240,091	3,254
Current portion of long term debt	0	1,161,436	810,349	135,695
Current portion of compensated absences	2,077,021	88,012	55,092	5,809
Total Current Liabilities	<u>9,389,617</u>	<u>1,955,920</u>	<u>1,466,581</u>	<u>157,569</u>
Noncurrent Liabilities				
Long term debt	0	4,478,582	15,956,305	1,487,575
Compensated absences	1,007,212	230,165	155,846	11,606
Total Noncurrent Liabilities	<u>1,007,212</u>	<u>4,708,747</u>	<u>16,112,151</u>	<u>1,499,181</u>
Total Liabilities	<u>10,396,829</u>	<u>6,664,667</u>	<u>17,578,732</u>	<u>1,656,750</u>
Net Assets				
Invested in capital assets, net of related debt	54,822,591	19,588,128	13,861,779	7,131,011
Restricted for				
Other purpose	1,529,908	0	0	0
Unrestricted	85,518,867	492,966	5,043,441	534,233
Total net assets	<u>141,871,366</u>	<u>20,081,094</u>	<u>18,905,220</u>	<u>7,665,244</u>
Total liabilities and net assets	<u>\$ 152,268,195</u>	<u>\$ 26,745,761</u>	<u>\$ 36,483,952</u>	<u>\$ 9,321,994</u>

See accompanying notes to the basic financial statements

Business-type Activities			Governmental Activities
Refuse	Nonmajor Enterprise Funds	Totals	Internal Service
\$ 231,729	\$ 543,338	\$ 87,512,427	\$ 58,771
174,314	0	15,441,888	0
1,350	3,938	781,607	0
0	0	0	0
0	0	1,546,857	0
0	0	748,052	0
<u>407,393</u>	<u>547,276</u>	<u>106,030,831</u>	<u>58,771</u>
0	139,905	450,194	0
0	0	119,433,451	15,029
0	139,905	119,883,645	15,029
<u>\$ 407,393</u>	<u>\$ 687,181</u>	<u>\$ 225,914,476</u>	<u>\$ 73,800</u>
\$ 108,025	\$ 0	\$ 3,348,624	\$ 7,782
0	0	320,526	0
0	0	4,202,814	16,370
0	0	596,327	0
0	0	276,007	0
0	0	2,107,480	0
0	0	2,225,934	13,077
<u>108,025</u>	<u>0</u>	<u>13,077,712</u>	<u>37,229</u>
0	0	21,922,462	0
0	0	1,404,829	36,571
0	0	23,327,291	36,571
<u>108,025</u>	<u>0</u>	<u>36,405,003</u>	<u>73,800</u>
0	0	95,403,509	0
0	687,181	2,217,089	0
299,368	0	91,888,875	0
<u>299,368</u>	<u>687,181</u>	<u>189,509,473</u>	<u>0</u>
<u>\$ 407,393</u>	<u>\$ 687,181</u>	<u>\$ 225,914,476</u>	<u>\$ 73,800</u>

**CITY OF WOOSTER, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Business-type Activities			
	Wooster Community Hospital	Water	Water Pollution Control	Storm Drainage
Operating Revenues :				
Charges for services	\$ 96,929,809	\$ 4,046,529	\$ 3,391,446	\$ 882,850
Interfund services provided	0	0	0	0
Miscellaneous	0	98,436	27,827	4,832
Total operating revenues	<u>96,929,809</u>	<u>4,144,965</u>	<u>3,419,273</u>	<u>887,682</u>
Operating expenses:				
Personal services	58,958,152	1,763,382	1,224,119	113,017
Operations and maintenance	27,371,293	1,223,511	1,585,535	20,127
Depreciation	6,498,269	1,055,553	1,855,222	260,832
Interfund services used	0	263,576	1,156,879	103,699
Total operating expenses	<u>92,827,714</u>	<u>4,306,022</u>	<u>5,821,755</u>	<u>497,675</u>
Operating income (loss)	<u>4,102,095</u>	<u>(161,057)</u>	<u>(2,402,482)</u>	<u>390,007</u>
Non-operating revenues (expenses):				
Interest & investment earnings	3,164,671	103,822	282,206	21,595
Intergovernmental	0	0	0	0
Operating subsidies	236,593	0	0	0
Miscellaneous	0	580	270	0
Interest expense	0	(246,309)	(737,498)	(57,276)
Net non-operating revenues (expenses)	<u>3,401,264</u>	<u>(141,907)</u>	<u>(455,022)</u>	<u>(35,681)</u>
Change in net assets	<u>7,503,359</u>	<u>(302,964)</u>	<u>(2,857,504)</u>	<u>354,326</u>
Total net assets at beginning of year	<u>134,368,007</u>	<u>20,384,058</u>	<u>21,762,724</u>	<u>7,310,918</u>
Total net assets at end of year	<u>\$ 141,871,366</u>	<u>\$ 20,081,094</u>	<u>\$ 18,905,220</u>	<u>\$ 7,665,244</u>

See accompanying notes to the basic financial statements

Business-type Activities			Governmental Activities
Refuse	Nonmajor Enterprise Funds	Totals	Internal Service
\$ 1,281,821	\$ 3,618	\$ 106,536,073	\$ 0
0	0	0	437,634
2,620	0	133,715	2,472
<u>1,284,441</u>	<u>3,618</u>	<u>106,669,788</u>	<u>440,106</u>
0	0	62,058,670	250,284
1,274,073	0	31,474,539	184,221
0	0	9,669,876	5,601
76,869	0	1,601,023	0
<u>1,350,942</u>	<u>0</u>	<u>104,804,108</u>	<u>440,106</u>
<u>(66,501)</u>	<u>3,618</u>	<u>1,865,680</u>	<u>0</u>
6,761	24,794	3,603,849	0
0	0	0	0
83,977	0	320,570	0
0	0	850	0
0	0	(1,041,083)	0
<u>90,738</u>	<u>24,794</u>	<u>2,884,186</u>	<u>0</u>
24,237	28,412	4,749,866	0
<u>275,131</u>	<u>658,769</u>	<u>184,759,607</u>	<u>0</u>
<u>\$ 299,368</u>	<u>\$ 687,181</u>	<u>\$ 189,509,473</u>	<u>\$ 0</u>

**CITY OF WOOSTER, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Business-type Activities		
	Wooster Community Hospital	Water	Water Pollution Control
Cash flows from operating activities:			
Cash received from customers	\$ 97,211,080	\$ 3,972,515	\$ 3,427,909
Cash paid to suppliers	(27,932,144)	(768,082)	(1,428,222)
Cash paid to employees	(58,453,134)	(1,746,026)	(1,269,764)
Cash received from interfund services provided	0	0	0
Cash paid for internal services used	0	(263,576)	(1,156,879)
Other revenue (expense)	0	98,436	27,827
Net cash provided (used) by operating activities	<u>10,825,802</u>	<u>1,293,267</u>	<u>(399,129)</u>
Cash flows from capital and related financing activities:			
Proceeds from capital debt	0	1,681,191	1,054,552
Proceeds from sale of assets	0	581	271
Acquisitions of capital assets	(3,466,493)	(2,403,122)	(2,886,403)
Principal paid on capital debt	0	(1,062,236)	(787,300)
Interest paid on capital debt	0	(235,561)	(497,408)
Net cash provided (used) for capital and related financing activities	<u>(3,466,493)</u>	<u>(2,019,147)</u>	<u>(3,116,288)</u>
Cash flows from investing activities:			
Interest from investments	3,300,710	109,507	343,768
Net cash provided (used) by investing activities	<u>3,300,710</u>	<u>109,507</u>	<u>343,768</u>
Cash flows from non-capital financing activities:			
Operating subsidies	324,621	0	0
Net cash provided (used) by non-capital financing activities	<u>324,621</u>	<u>0</u>	<u>0</u>
Net increase (decrease) in cash and cash equivalents	10,984,640	(616,373)	(3,171,649)
Cash and cash equivalents at beginning of year	69,497,436	1,443,663	8,201,612
Cash and cash equivalents at end of year	<u>\$ 80,482,076</u>	<u>\$ 827,290</u>	<u>\$ 5,029,963</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 4,102,095	\$ (161,057)	\$ (2,402,482)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	6,498,269	1,055,553	1,855,222
Changes in assets and liabilities:			
Receivables - net of allowances	281,271	(74,014)	36,463
Inventory	(22,640)	(24,984)	1,889
Prepaid expenses	(153,218)	0	0
Accounts and other payables	(122,856)	480,413	155,424
Accrued expenses	599,221	17,356	(45,645)
Other accrued liabilities	(356,340)	0	0
Net cash provided (used) by operating activities	<u>\$ 10,825,802</u>	<u>\$ 1,293,267</u>	<u>\$ (399,129)</u>
Noncash investing, capital, and financing activities:			
Purchase of equipment on accounts	0	19,184	0

See accompanying notes to the basic financial statements

Business-type Activities				Governmental
Storm Drainage	Refuse	Nonmajor Enterprise Funds	Totals	Internal Service
\$ 883,042	\$ 1,245,806	\$ 3,618	\$ 106,743,970	\$ 584
(20,679)	(1,263,133)	0	(31,412,260)	(191,057)
(113,020)	0	0	(61,581,944)	(242,205)
0	0	0	0	437,634
(103,699)	(76,869)	0	(1,601,023)	0
4,832	2,620	7,089	140,804	2,472
<u>650,476</u>	<u>(91,576)</u>	<u>10,707</u>	<u>12,289,547</u>	<u>7,428</u>
0	0	0	2,735,743	0
0	0	0	852	0
(649,871)	0	0	(9,405,889)	0
(138,353)	0	0	(1,987,889)	0
(58,933)	0	0	(791,902)	0
<u>(847,157)</u>	<u>0</u>	<u>0</u>	<u>(9,449,085)</u>	<u>0</u>
26,889	9,383	26,465	3,816,722	0
<u>26,889</u>	<u>9,383</u>	<u>26,465</u>	<u>3,816,722</u>	<u>0</u>
0	83,977	0	408,598	0
<u>0</u>	<u>83,977</u>	<u>0</u>	<u>408,598</u>	<u>0</u>
(169,792)	1,784	37,172	6,657,184	7,428
567,823	229,945	506,166	80,446,645	51,343
<u>\$ 398,031</u>	<u>\$ 231,729</u>	<u>\$ 543,338</u>	<u>\$ 87,512,427</u>	<u>\$ 58,771</u>
\$ 390,007	\$ (66,501)	\$ 3,618	\$ 1,865,680	\$ 0
260,832	0	0	9,669,876	5,601
192	(36,015)	7,089	214,986	584
(2,107)	0	0	(47,842)	0
0	0	0	(153,218)	0
1,555	10,940	0	525,476	(6,836)
(3)	0	0	570,929	8,079
0	0	0	(356,340)	0
<u>\$ 650,476</u>	<u>\$ (91,576)</u>	<u>\$ 10,707</u>	<u>\$ 12,289,547</u>	<u>\$ 7,428</u>
0	0	0		0

CITY OF WOOSTER, OHIO
STATEMENT OF ASSETS & LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2008

	Total Agency Funds
Assets:	
Equity in city treasury cash	\$ 437,885
Accrued interest receivable	1,124
Total assets	<u>\$ 439,009</u>
Liabilities:	
Accounts payable	\$ 9,873
Due to agency recipient	429,136
Total liabilities	<u>\$ 439,009</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, 2008**

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**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

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

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

Basis of Presentation - Fund Accounting

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

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

Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008**

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

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

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

FUND FINANCIAL STATEMENTS

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

GOVERNMENTAL FUNDS

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

The major governmental funds are:

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

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008**

Revenue Recognition

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

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

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

Expenditure Recognition

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

PROPRIETARY FUNDS

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

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

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008**

The major proprietary funds are:

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

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

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

FIDUCIARY FUNDS

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

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.

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

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, 2008 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 \$6,079,703 allowance for uncollectibles represents estimates of uncollectible patient receivables in the accounts (user charge) classification and third party contractual adjustments for hospital fund receivables.

Other receivables at December 31, 2008 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 loans, and accrued interest, in the HUD Home non-major special revenue fund, deferred special assessments receivable in the Debt Service fund, and long-term receivables in the Water Pollution Control and Economic/Downtown Development Loan funds.

Reimbursements

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

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008**

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 \$2,157,341 in charity care in 2008.

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.

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

Buildings/interior: 5-50 years

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

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

Reservations of Fund Balance

Reserved fund balances indicate that a portion of the fund balance is not available for current appropriation or use. Fund balances are reserved for encumbrances outstanding and carried forward and added to the subsequent year's appropriation. A fund balance reserve is also reported for long term advances outstanding.

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.

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008**

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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. Restricted net assets, including "restricted for other purposes" reported on the statement of net assets represent amounts which limitations are imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes primarily include amounts to provide public safety and environment and development services. The City did not report any significant net asset balances restricted by enabling legislation for year ending December 31, 2008.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are 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.
- 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 2007 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 \$90,827. The State Capital Grant Fund had a deficit fund balance in the amount of \$563,703. Both negative balances were due to the timing of the reimbursements for grant expenditures.

**CITY OF WOOSTER, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 3 – INTER-FUND TRANSACTIONS

<u>Purpose</u>	<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Transfers:			
Provide Capital Funding	Capital Improvements	General	\$1,797,400
Due to/from:			
Advance in anticipation of grant receipts	CDBG	General	\$113,060
Advance in anticipation of grant receipts	State Capital Grant	General	\$373,177

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

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 4,421,587
Depreciation (net of internal service fund depreciation of \$5,601)	<u>(2,834,056)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 1,587,531</u>

NOTE 5 - DEPOSITS AND INVESTMENTS

Policies and Practices

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

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

Investment securities purchased by the City will be delivered by either book entry or physical delivery. The purchase and sale of all securities may be on a delivery versus payment basis. The primary agent shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity and other pertinent

**CITY OF WOOSTER, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2008**

information. Deposit type securities (i.e., certificates of deposit) shall be collateralized as required by O.R.C. for any amount exceeding FDIC or FSLIC coverage. Other investments shall be collateralized by the actual security held in safekeeping by the primary agent.

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

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

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

Cash Management

As of December 31, 2008, the City of Wooster had approximately \$113.6 million in cash and investments. Through a series of contractual agreements, all but a small amount of cash is invested at all times. The allocation of these investment resources is included in the following table.

Allocation of Investment Resources

Agency Notes	50.77%
Municipal Bonds	0.29%
Certificates of Deposit	38.29%
Commercial Paper	8.96%
Overnight	1.69%
	100.00%

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

Interest Rate Risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by shortening the weighted average maturity of its investment portfolio during periods of rising interest rates. At December 31, 2007 the weighted average maturity of the City's investment portfolio was approximately 555 days with a weighted yield to maturity of 4.285%. By the end of 2008, the weighted average maturity of the City's investment portfolio was approximately 486 days with a weighted yield to maturity of 2.973%. The following table represents the fair values and weighted average maturity of various investment types as of December 31, 2008. Certificates of Deposit totaling \$32,036,680 with a weighted average maturity of 162 days were not included because they are considered a non-negotiable investment.

Investment Type	Fair Value	Weighted Average Maturity (Days)
U.S. Agencies	\$ 42,482,339	900
Star Ohio	19,177,828	1
Other Money Market	10,646,822	1
Commercial Paper	7,500,000	69
Municipal Bonds	239,895	2,211
	<u>\$ 80,046,884</u>	
Portfolio Weighted Average Maturity		486

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

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2008, bank balances totaled \$32,963,181. Of the bank balances, \$2,152,680 was insured by federal deposit insurance and \$30,810,501 was covered by pooled and/or pledged collateral, as allowed by the Ohio Revised Code, but not necessarily held in the City's name; the City has petty cash of \$6,205. The City has no written policy limiting the dollar amount of holdings by any single counterparty. Of the bank balances, \$32,036,680 consists of Certificates of Deposit and \$10,705,094 is made up of Money Market accounts, which earn competitive interest rates.

Net increase in the fair value of applicable investments during 2008 per Governmental Accounting Standards Board Statement No. 31:

Fair value at December 31, 2008	\$ 40,461,739
Proceeds of investments sold in 2008	45,030,000
Cost of investments purchased in 2008	(32,463,650)
Fair Value at December 31, 2007	<u>(52,514,463)</u>
Change in fair value of investments during 2008	<u>\$ 513,626</u>

CITY OF WOOSTER, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 6 - CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended December 31, 2008 was as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
<i>Assets not being depreciated:</i>				
Land	\$ 2,009,563	\$ 14,725	\$ 0	\$ 2,024,288
Construction in progress	2,175,854	3,338,214	(866,163)	4,647,905
Subtotal	4,185,417	3,352,939	(866,163)	6,672,193
<i>Assets being depreciated:</i>				
Buildings	7,074,196	148,367	0	7,222,563
Improvements/infrastructure	62,402,796	1,594,543	(1,134,802)	62,862,537
Equipment	10,546,397	1,188,966	(146,544)	11,588,819
Subtotal	80,023,389	2,931,876	(1,281,346)	81,673,919
<i>Accumulated depreciation:</i>				
Buildings	(4,344,597)	(248,696)	0	(4,593,293)
Improvements/infrastructure	(36,665,602)	(1,896,107)	1,134,794	(37,426,915)
Equipment	(6,854,484)	(694,854)	146,538	(7,402,800)
Subtotal	(47,864,683)	(2,839,657)	1,281,332	(49,423,008)
Net depreciated capital assets	32,158,706	92,219	(14)	32,250,911
Net capital assets	\$ 36,344,123	\$ 3,445,158	\$ (866,177)	\$ 38,923,104

Depreciation was charged to functions as follows:

Governmental activities:	
Safety services	\$ 676,097
Leisure services	265,269
Environment and development	7,485
Transportation services	1,663,084
Administrative services	224,722
Total governmental activities depreciation expense	<u>\$2,839,657</u>

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
<i>Assets not being depreciated:</i>				
Land	\$ 3,347,916	\$ 0	\$ 0	\$ 3,347,916
Construction in progress	1,912,001	4,810,133	(3,827,516)	2,894,618
Subtotal	5,259,917	4,810,133	(3,827,516)	6,242,534
<i>Assets being depreciated:</i>				
Buildings	87,976,745	965,341	(5,234)	88,936,852
Improvements/infrastructure	68,873,105	5,441,095	(172,374)	74,141,823
Equipment	41,123,729	2,036,020	(585,313)	42,574,439
Subtotal	197,973,576	8,442,456	(762,921)	205,653,114
<i>Accumulated depreciation:</i>				
Buildings	(33,972,411)	(3,501,938)	1,047	(37,473,302)
Improvements/infrastructure	(21,106,711)	(2,273,257)	172,371	(23,207,597)
Equipment	(28,453,096)	(3,894,681)	566,479	(31,781,298)
Subtotal	(83,532,218)	(9,669,876)	739,897	(92,462,197)
Net depreciated capital assets	114,441,361	(1,227,420)	(23,024)	113,190,917
Net capital assets	\$ 119,701,278	\$ 3,582,713	\$ (3,850,540)	\$ 119,433,451

Depreciation was charged to functions as follows:

<i>Business-type activities:</i>	
Wooster Community Hospital	\$6,498,269
Water	1,055,553
Water Pollution Control	1,855,222
Storm Drainage	260,832
Total business-type activities depreciation expense	<u>\$9,669,876</u>

NOTE 7 - PROPERTY TAX

Property taxes include amounts levied against all real and public utility property and tangible personal property, which are used in businesses located in the City. Real property taxes are levied before the first day of October on the assessed value listed as of the prior January 1st. The due date for the 2007 levy is February 2008 for all or one-half of taxes due. The remaining balance of the 2007 levy is due in July 2008. The lien of the county for taxes levied each year attaches on the first day of January and continues until such taxes and any penalty, interest or other charges accruing thereon are paid.

Assessed values (\$1,461,563,000) are established by the County Auditor at 35% of appraised market value for real property, 100% for public utilities, and 25% for tangible personal property. A revaluation of all property is required to be completed no less than every six years. A revaluation was completed in 2008. The City's tax rate applicable to 2007 was \$4.20 on each \$1,000 of tax valuation.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies and railroads.

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008**

The tax on general business and railroad property will be eliminated by 2009, and the tax on telephone and telecommunications property will be eliminated by 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In 2007-2010, the City will be fully reimbursed for the lost revenue. In 2011-2017, the reimbursements will be phased out.

NOTE 8 - PENSIONS AND OTHER POST EMPLOYMENT BENEFITS

Employees and Plans

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

Benefit Provisions

OPERS

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

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

OP&F

The City of Wooster contributes to the Ohio Police and Fire Pension Fund; a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

**CITY OF WOOSTER, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2008**

Contributions to Plans

Employee Contributions

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2008, employees covered under OPERS were required to contribute 10.0% of their gross wages to the plan. Members of the Wooster Employees Association bargaining unit had 5.5% of the 10.0% paid by the City; Management employees had 2% of their pensions paid by the City. Members of OP&F were required to contribute 10% of their gross wages to their plan.

Employer Contributions

The 2008 employer contribution rate for local government employer units was 14.00% of covered payroll, of which 7.00% was allocated to pensions January 1 through December 31, 2008; and 7.00% January 1 through December 31, 2008 was allocated to healthcare. The OPERS portion of the City's employer contributions used to fund post-employment benefits was \$2,720,736 in 2008. The City is obligated to pay 24.0% of each firefighter's covered payroll and 19.5% of each police officer's covered payroll. The board defined allocation in 2008 for healthcare was 6.75% of covered payroll for both police and fire. The OP&F portion of the City's employer contributions used to fund post-employment benefits in 2007 was \$327,584. The net pension obligation increased by \$18,205. The net pension obligation balance at the end of the year was \$327,584.

In 2008, the employees and the city made 92.20% of required contributions to OPERS and 75.53% of required contributions to OP&F. The remaining 7.80% of contributions to OPERS and 24.47% of contributions to OP&F were paid in January, 2009 and March, 2009 respectively, when both amounts were due and payable. The City's required contributions for the years ending December 31 were as follows:

<u>Year</u>	<u>OPERS</u>	<u>OP&F</u>
1999	\$2,979,632	\$798,993
2000	2,989,123	878,110
2001	3,445,256	865,105
2002	3,849,302	914,681
2003	4,062,316	931,003
2004	4,341,125	980,208
2005	4,514,979	971,642
2006	4,856,153	1,047,194
2007	3,559,939	1,065,437
2008	5,441,477	1,125,090

Post Employment Benefits Other Than Pensions

OPERS provide post-retirement health care coverage under the Traditional Pension and Combined Plans to age and service retirants with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in Governmental Accounting Standards Board Statement No. 12. The Ohio Revised Code provides statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. (See "Contributions to Plans", above.)

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

On September 9, 2004 the Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs. Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses. In addition to the HCCP, OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. As an additional component of the HCPP, member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008 which will allow additional funds to be allocated to the health care plan.

The assumptions and calculations below were based on the system's latest actuarial review performed as of December 31, 2007. OPERS use an entry age normal actuarial cost method of valuation in determining the present value of benefits liabilities and normal cost. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12% corridor. The investment assumption rate for 2007 was 6.50%. An annual increase of 4.00% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.00% base increase, were assumed to range from .50% to 6.30%. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .50% to 4% for the next seven years. In subsequent years (8 and beyond) health care costs were assumed to increase at 4% (the projected wage inflation rate).

OPEB is advance-funded on an actuarially determined basis. The Traditional Pension and Combined Plans had 374,979 active contribution participants as of December 31, 2008. The number of active contributing participants for both plans used in the December 31, 2006, actuarial valuation was 364,076. The actuarial value of the retirement System's net assets available for OPEB at December 31, 2007, was \$12.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$29.8 billion and \$17.0 billion, respectively.

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

OP&F health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 6.75% of covered payroll in 2007 and 6.75% of covered payroll in 2008. In addition, since July 1, 1992 most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions. The number of participants eligible to receive health care benefits as of December 31, 2007, the date of the last actuarial valuation available, is 14,295 for police and 10,583 for firefighters. OP&F's total health care expense for the year ending December 31, 2007 was \$93,205,319, which was net of member contributions of \$56,031,875.

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 9 - OTHER EMPLOYEE BENEFITS

Compensated Absences

Accumulated Unpaid Vacation and Compensatory Time

Each bargaining unit and the management staff earn vacation at different rates, which are based upon length of service. Vacation accumulation is limited to two and three years, respectively. Any unused excess is eliminated from the employee's leave balance. In the case of death, termination, or retirement an employee (or 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 \$2,952,549 at December 31, 2008.

Accumulated Unpaid Sick Leave

Each bargaining unit and the management staff earn sick leave at different rates. Employees with at least 10 years service upon retirement are paid for thirty-three percent (City) and twenty-five percent (Hospital) of their accumulated sick leave, not to exceed various ceilings depending on bargaining unit or management staff status. This obligation amounted to \$3,630,763 for the City and Hospital at December 31, 2008, for those employees who are eligible, or are expected to become eligible, to retire with at least 10 years of service at retirement. Employees are expected to become eligible after 5 years of service in safety forces, and 7 or 10 years for all others.

NOTE 10 - OTHER COMMITMENTS

Justice Center Contract

The City has a continuous agreement with Wayne County to share in the costs of operating the Justice Center. The agreement calls for the City to pay 29% of the operating costs of the Justice Center (subject to annual updates based on actual use) except for staffing of shared areas for which costs are shared equally. The 2008 contract cost for the Justice Center was \$625,080.

Operating Leases

The Wooster Community Hospital leases medical and office equipment under noncancelable operating leases. Total costs for such leases were \$247,400 for the year ended December 31, 2008. All leases end in 2011. The future minimum payments for these leases are as follows:

Year Ending December 31	Amount
2009	\$ 73,519
2010	73,519
2011	<u>25,685</u>
Total	<u>\$ 172,723</u>

City Construction Commitments

The Engineering Division designed the Intermediate Water Zone Tank to meet current demands on the Intermediate and High Pressure Systems. The tank is 110 feet high, 52 feet in diameter at the base and 74 feet in diameter at the top of the tank. The construction bid was won by CB&I Constructors in August

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

2007 at a bid price of \$1,820,000. At year end, the balance of the contract stood at \$1,158,511.71. The construction began in May 2008 and will continue into 2009.

Improvements to the existing Buckeye Street and Mechanicsburg Road Water Pumping Stations were planned and bid in 2007. The projects include piping modifications, pump replacements, structural and electrical modifications and yard piping modifications. Bogner Construction began construction in the spring and will continue into 2009. Construction costs so far total \$603,050.17, leaving a contract balance of \$160,976.82 at the end of 2008.

Beall Avenue Reconstruction and Streetscape is phase three of an ongoing streetscape program. New utilities and roadway will be constructed complete with curb and gutters, turn lanes, storm sewer, water line, sanitary sewer and a boulevard section through the College of Wooster. The City completed engineering plans, acquired right-of-ways and secured funding in the Fall of 2006. The engineer's estimate for construction of this project is \$7,130,000 million and \$6,897,265.92 remained outstanding at the end of the year. This project is being funded through multiple sources, including existing cash balances, federal and state grants, as well as private donation. Construction began in November 2007 for the physical relocation of the telephone, electric, and cable lines along Beall Avenue by the installation of underground conduit. Work will continue along Beall Avenue throughout 2009.

In preparation for the upcoming BiOhio Research Division in conjunction with the OARDC, bids were sought for improvements to Secrest Road. These improvements include a new roadway, concrete curb and gutter, sidewalk and bikeway, storm sewer and water lines. The engineer's estimated cost for this project is \$2,960,000 million. The contract was awarded to Stout Excavating with a bid of \$2,354,202.82. At the end of 2008, there was \$1,993,205.88 remaining on the contract. This project is being entirely funded by grant funds from the Ohio Department of Development, Job Ready Sites Program.

The Cleveland Road/Portage Road resurfacing project consists of replacing waterlines along both Portage and Cleveland Roads and includes fire hydrants and water services. The engineer's estimate was \$930,000.00. Seventeen bids were opened in December 2008 with G.E. Baker submitting the low bid of \$680,496.59. Partial funding for this project is being provided by the Ohio Public Works Department and Ohio EPA in the amount of \$200,000. The balance of the contract outstanding at year's end was \$680,496.59.

The State Route 3/State Route 302 resurfacing project includes pavement planning, pavement repair, resurfacing with asphalt and/or concrete and minor bridge rehabilitation. The project was designed by the Engineering Division and Ohio Department of Transportation with partial funding being provided by ODOT in the amount of \$505,000. The engineer's estimated cost for the project is \$1,346,000. Kokosing Construction was awarded the contract in December 2008 with a bid price of \$1,225,520.36, which was also the outstanding balance at the end of the year.

NOTE 11 - CONTINGENCIES

Enterprise and Special Assessment Bonded Debt

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

Litigation

The City carries a policy of general liability coverage as a member of the Public Entities Pool. The maximum exposure to the City is the deductible of \$25,000 per case. At this time there is but one case

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008**

pending against the City. That case involves a dispute between a subcontractor and the general contractor on a city project. The city is a party solely because it is holding the funds in dispute. As the funds at issue are already appropriated, there is no unanticipated risk to the general city government.

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 four pending malpractice claims and one general liability claim.

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, 2007, the audits of these grants and programs were complete through 2005 and the City's compliance with applicable requirements has been established. The City's compliance with applicable requirements for 2006-2008 will be established at a future date. The City does not expect any disallowance of grant expenditures.

Other Contingencies

Donated Property

During 1989, City Council accepted a donation of real property (The Freedlander Building) from a downtown merchant. Council then turned over the property to the Wooster Growth Corporation (WGC). The WGC then contracted with a management group to lease the property. A condition of the City's agreement with the WGC guarantees return of proceeds of any sale of the property to the City of Wooster.

Low Income Housing

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

NOTE 12 - CONDUIT DEBT OBLIGATIONS

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

As of December 31, 2008 there were two series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$8,170,000, and one series of Adjustable Rate Demand Health Care Facilities Bonds with a principal amount payable of \$6,325,000. The aggregate amount of all conduit debt obligations at December 31, 2008 was \$14,495,000.

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 13 - 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 belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Insurance

For occurrences prior to January 1, 2006, PEP retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, and provides up to \$1,750,000 per claim and \$10,000,000 in aggregate per year.

For occurrences on or after January 1, 2006, PEP retains casualty risk up to \$350,000 per claim, including loss adjustment expenses. PEP pays a percentage of its contribution to APEEP. APEEP reinsures claim exceeding \$350,000, and provides up to \$2,650,000 per claim and \$10,000,000 in aggregate per year.

If losses exhaust PEP's retained earnings, APEEP covers PEP losses up to \$5,000,000 per year, subject to an aggregate of \$10,000,000. Governments can elect additional coverage, from \$3,000,000 to \$13,000,000, General Reinsurance Corporation.

Property Insurance

Travelers reinsures specific losses exceeding \$250,000, and provides up to \$600,000,000 per occurrence. APEEP reinsures members for a specific loss exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined PEP members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600,000,000 per occurrence limit.

The aforementioned casualty and property reinsurance agreements do not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective PEP member.

**CITY OF WOOSTER, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2008**

Coverage Table

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

There were no significant reductions in insurance coverage from the prior year in any category of risk. Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2008 and 2007 (the latest information available):

<u>Casualty & Property Coverage</u>	<u>2008</u>	<u>2007</u>
Assets	\$35,769,535	\$37,560,071
Liabilities	(15,310,206)	(17,340,825)
Net Assets - unrestricted	<u>\$20,459,329</u>	<u>\$20,219,246</u>

At December 31, 2008 and 2007, respectively, casualty coverage liabilities noted above include approximately \$12.9 million and \$15.0 million of estimated incurred claims payable. The Casualty Coverage assets and retained earnings above also include approximately \$12.9 million and \$15.0 million of unpaid claims to be billed to approximately 445 member governments in the future, as of December 31, 2008 and 2007, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The City's share of these unpaid claims collectible in future years is approximately \$536,000. This payable includes the subsequent year's contribution due if the Government terminates participation, as described in the last paragraph below.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

**CITY OF WOOSTER, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2008**

<u>Contributions to PEP</u>	
2006	\$ 264,701
2007	272,694
2008	268,116

After completing one year of membership, members may withdraw on each anniversary of the date they joined PEP provided they provide written notice to PEP 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

Self-insured Health Care

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

The City pays all claims. The third-party administrator submits weekly preliminary check registers for all processed claims. The City issues payment to the plan administrator who in turn issues individual claim checks. The City carries stop-loss insurance against catastrophic losses. The premiums for these policies are billed monthly by the third-party administrator on a per enrolled employee basis. Third party administrators estimated the claims liability reported in the fund at December 31, 2008. 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, 2008, the outstanding claims liability was \$1,282,159, of which \$1,095,653 is attributed to the Hospital and \$186,506 is attributed to the City.

Changes in the fund's claims liability amounts 2004 to 2008 are:

	2004	2005	2006	2007	2008
Balance at beginning of year	\$ 991,894	\$1,286,952	\$2,128,433	\$1,627,607	\$1,809,811
Current year claims	7,320,904	8,493,624	9,391,185	9,485,549	10,193,138
Claim payments	(7,025,846)	(7,652,143)	(9,892,011)	(9,303,345)	(10,720,790)
Balance at end of year	<u>\$1,286,952</u>	<u>\$2,128,433</u>	<u>\$1,627,607</u>	<u>\$1,809,811</u>	<u>\$1,282,159</u>

**CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 14 – SUBSEQUENT EVENTS

In April 2009, the City issued \$5,700,000 in bond anticipation notes. The Beall Avenue Streetscape project accounted for \$3,220,000 of the aforesaid issuance. \$2,480,000 was utilized to refund all of the City's outstanding Waterworks System Improvement Bonds, Series 1996.

In June 2009, the City let bids on the demolition of a 129,000 square foot downtown building, known as the Freedlander Building. The building is owned by Wooster Growth Corporation, the City's Community Improvement Corporation. Funding for the demolition is provided by community development block grant funds and state grants. Cost of demolition is estimated at \$700,000.

In January 2009, the City was awarded a \$500,000 grant from the Ohio Department of Public Works Clean Ohio Program to purchase 100 acres of land for development into a park. The sale is scheduled to close mid-July 2009.

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, compensated absences are generally liquidated by the General Fund.

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 \$7,893.79. 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, 2008, the estimated sick leave payable upon termination is recorded as a long term liability. Compensated absences are reported as a governmental fund liability only if they have matured. Compensated absences are considered to be mature when an employee retires prior to the end of the fiscal period but has not yet been paid for accumulated leave balances as of year end. Vacation accrual in excess of one year is also considered a long-term liability. The General fund, Permissive Tax fund, and Street Construction Maintenance and Repair fund have been used to liquidate compensated absences of governmental activities in the past.

CITY OF WOOSTER, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

Debt service requirements to maturity

The City's legal debt margin within the 10 1/2% limitation was approximately \$56.6 million at December 31, 2008. Principal and interest requirements to retire the City's long-term obligations are as follows:

Business-type Activities:

Year	G.O. Bonds		OWDA Loans		OPWC Loan	Totals
	Principal	Interest	Principal	Interest	Principal	
2009	\$ 1,233,400	\$ 239,369	\$ 852,929	\$ 514,181	\$ 21,150	2,861,029
2010	1,278,400	183,613	892,355	501,990	21,150	2,877,508
2011	1,341,000	124,905	918,795	475,551	21,150	2,881,401
2012	168,600	63,070	946,025	448,320	21,150	1,647,165
2013	173,600	56,160	974,071	420,274	21,151	1,645,256
2014-2018	982,000	163,440	5,321,358	1,650,369	105,753	8,222,920
2019-2023	100,900	8,775	5,373,278	824,435	104,558	6,411,946
2024-2028	0	0	3,049,052	189,651	81,332	3,320,035
2029-2033	0	0	26,785	450	0	27,235
Subtotal	<u>5,277,900</u>	<u>839,332</u>	<u>18,354,648</u>	<u>5,025,221</u>	<u>397,394</u>	<u>29,894,495</u>

Governmental Activities:

Year	G.O. Bonds		Special Assessments		OPWC Loans	Totals
	Principal	Interest	Principal	Interest	Principal	
2009	165,503	164,579	148,342	60,640	22,470	561,534
2010	171,712	79,208	91,368	52,677	22,471	417,436
2011	172,921	72,851	90,883	47,759	22,471	406,885
2012	183,046	66,288	97,307	42,885	22,471	411,997
2013	184,255	43,202	100,375	37,628	22,471	387,931
2014-2018	1,040,028	176,443	407,155	115,239	71,846	1,810,711
2019-2023	167,447	20,872	203,654	21,844	36,405	450,222
Subtotal	<u>2,084,912</u>	<u>623,443</u>	<u>1,139,084</u>	<u>378,672</u>	<u>220,605</u>	<u>4,446,716</u>
Total	<u>\$ 7,362,812</u>	<u>\$ 1,462,775</u>			<u>\$ 617,999</u>	<u>\$ 34,341,211</u>

CITY OF WOOSTER, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2008

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

BUSINESS-TYPE ACTIVITIES:

Wooster Community Hospital Fund:

	Original Amount	Balance January 1, 2008	Increases	(Decreases)	Balance December 31, 2008	Amount Due in 2009
Compensated Absences	0	2,962,918	2,983,147	(2,861,833)	3,084,232	2,077,021
WCH Fund Total	0	2,962,918	2,983,147	(2,861,833)	3,084,232	2,077,021

Water Fund:

5.4-5.75% 1995 G.O. Bonds	704,045	488,700	0	(25,800)	462,900	28,400
4.9-5% 1996 G.O. Bonds	9,000,000	3,215,000	0	(735,000)	2,480,000	780,000
3.0-3.85% 2001 G.O. Bonds	3,000,000	1,200,000	0	(300,000)	900,000	300,000
2003 0% OPWC Loan-Quinby Waterlines(1/1/2004-7/1/2008)	12,924	1,436	0	(1,436)	0	0
2007 0% OPWC Loan - Intermediate Zone Water Tank	8,994	8,994	200,130	0	209,124	10,456
2007 3.36% O.W.D.A. Loans	106,933	106,933	1,481,061	0	1,587,994	42,580
Compensated Absences	0	286,601	211,705	(180,129)	318,177	159,186
Water Fund Total	12,832,896	5,307,664	1,892,896	(1,242,365)	5,958,195	1,320,622

Water Pollution Control Fund:

3.25% 2005 O.W.D.A. Loan-Sewer Plant Upgrade (7/1/2007-1/1/2022)	544,231	5,563,988	364,744	(325,983)	5,602,749	336,633
2.67% 2006 O.W.D.A. Loan - Sewer Plant Equipment (7/1/2007-1/1/2027)	6,487,821	10,935,415	689,807	(461,317)	11,163,905	473,716
Compensated Absences	0	228,963	134,696	(152,721)	210,938	128,152
WPC Fund Total	7,032,052	16,728,366	1,189,247	(940,021)	16,977,592	938,501

Storm Water Fund:

Variable Rate 2003 G.O. Bonds	1,685,000	1,560,000	0	(125,000)	1,435,000	125,000
2003 0% OPWC Loan-Quinby Storm Drainage(1/1/2004-7/1/2008)	7,977	2,659	0	(2,659)	0	0
2003 0% OPWC Loan-Mulberry Ave Storm Drainage(1/1/2004-7/1/2023)	39,508	37,114	0	(2,394)	34,720	2,394
2007 0% OPWC Loan - Grant Area Storm Drainage (01/01/2008-7/31/2027)	136,514	161,850	0	(8,300)	153,550	8,300
Compensated Absences	0	17,638	60,973	(61,196)	17,415	6,156
Storm Water Fund Total	1,868,989	1,779,261	60,973	(193,549)	1,640,885	141,850
Business-type Activities Total	21,733,947	26,778,209	6,126,263	(5,243,768)	27,660,704	4,477,994

GOVERNMENTAL ACTIVITIES:

Old Mansfield/Portager/Downtown 5.2-5.25% 1992 G.O. Bonds

General portion	1,300,000	89,587	0	(89,587)	0	0
Special Assessment portion	596,807	10,413	0	(10,413)	0	0

Downtown/Oldman/Madisonburg 5.4-5.75% 1995 G.O. Bonds

Special Assessment portion	1,245,955	571,300	0	(79,200)	492,100	86,600
Buena Vista 6% S.A. Bonds (12/1/1998-12/1/2020)	13,234	9,100	0	(608)	8,492	644
0% OPWC Loan (1/9/1998-1/1/2014)	34,304	17,152	0	(1,716)	15,436	1,715
0% OPWC Loan (9/15/1998-1/1/2018)	129,317	56,038	0	(8,621)	47,417	8,621
Oak Hill 6% S.A. Bond (12/31/1999-12/31/2014)	106,048	60,954	0	(7,262)	53,692	7,697
E Liberty 6% S.A. Bond (12/31/1999-12/31/2014)	299,405	172,090	0	(20,502)	151,588	21,732
Burbank/Friendsville 6% S.A. Note (12/31/2000-12/31/2015)	26,167	16,731	0	(1,690)	15,041	1,792
Burbank/Riffel 6% S.A. Note (12/31/2000-12/31/2010)	44,486	16,156	0	(5,075)	11,081	5,379

2.0-4.2% 2003 Municipal Building Renovation (12/01/2004-12/01/2018)

2.0-4.2% 2003 Milltown City Portion-SCM&R (12/01/2004-12/01/2018)	1,770,000	1,360,000	0	(105,000)	1,255,000	110,000
2.0-4.2% 2003 Milltown City Portion-Perm Tax (12/01/2004-12/01/2018)	203,600	156,616	0	(12,529)	144,087	12,529
2.0-4.2% 2003 Milltown Special Assessment (12/01/2004-12/01/2018)	305,400	234,923	0	(18,793)	216,130	18,794
0% OPWC Loan E Milltown (7/1/2007-1/1/2020)	141,000	108,462	0	(8,677)	99,785	8,677
1.99% 2008 Bond Anticipation Notes Beall Avenue (4/17/08-4/17/09)	182,022	169,887	0	(12,135)	157,752	12,135
4.87% Bonds Milltown Road Reconstruction (12/01/2008-12/01/2022)	1,000,000	1,000,000	4,000,000	(1,000,000)	4,000,000	4,000,000

General portion

492,643	492,643	0	(22,971)	469,672	24,180	
Special Assessment portion	322,357	322,357	0	(15,029)	307,328	15,820
Compensated Absences	0	1,934,617	1,240,070	(1,158,322)	2,016,365	547,923

Governmental Funds Total

8,212,745	6,799,026	5,240,070	(2,578,130)	9,460,966	4,884,238	
Total All Long-Term Liabilities	29,946,692	33,577,235	11,366,333	(7,821,898)	37,121,670	9,362,232

Required Supplementary Information

**CITY OF WOOSTER, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL AND MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

	General Fund			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive(Negative)</u>
Revenues :				
Taxes	\$ 12,133,500	\$ 12,136,420	\$ 11,858,301	\$ (278,119)
Intergovernmental	1,873,313	1,873,313	1,796,969	(76,344)
Charges for services	1,207,400	1,207,713	1,275,498	67,785
Fines, licenses, permits	668,513	668,513	349,205	(319,308)
Interfund services provided	1,273,080	1,273,080	1,643,980	370,900
Interest income	500,000	500,000	575,151	75,151
Miscellaneous	165,272	167,272	319,138	151,866
Total Revenues	<u>17,821,078</u>	<u>17,826,311</u>	<u>17,818,242</u>	<u>(8,069)</u>
Expenditures :				
Safety services	11,556,540	11,636,075	11,190,684	445,391
Health and social services	150,000	150,000	148,865	1,135
Leisure services	2,464,966	2,389,875	2,257,911	131,964
Environment & development	1,130,787	1,127,887	1,014,351	113,536
Transportation services	1,966,422	2,006,423	1,697,058	309,365
Administrative services	4,330,638	4,377,085	4,002,075	375,010
Total Expenditures	<u>21,599,353</u>	<u>21,687,345</u>	<u>20,310,944</u>	<u>1,376,401</u>
Excess revenues over(under) expenditures	(3,778,275)	(3,861,034)	(2,492,702)	1,368,332
Transfers out	(1,678,000)	(1,797,400)	(1,797,400)	0
Encumbrances	0	0	2,592,872	2,592,872
Fund balances at beginning of year	13,991,489	13,991,489	13,991,489	0
Fund balances at end of year	<u>\$ 8,535,214</u>	<u>\$ 8,333,055</u>	<u>\$ 12,294,259</u>	<u>\$ 3,961,204</u>

	Street Construction Maintenance & Repair Fund			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive(Negative)</u>
Revenues :				
Intergovernmental	\$ 1,134,904	\$ 1,134,904	\$ 1,150,109	\$ 15,205
Interest income	40,000	40,000	57,517	17,517
Miscellaneous	19,633	19,633	50,851	31,218
Total Revenues	<u>1,194,537</u>	<u>1,194,537</u>	<u>1,258,477</u>	<u>63,940</u>
Expenditures :				
Safety services	310,575	299,575	270,740	28,835
Transportation services	1,516,988	1,527,988	1,457,798	70,190
Total Expenditures	<u>1,827,563</u>	<u>1,827,563</u>	<u>1,728,538</u>	<u>99,025</u>
Excess revenues over(under) expenditures	(633,026)	(633,026)	(470,061)	162,965
Encumbrances	0	0	359,091	359,091
Fund balances at beginning of year	1,456,048	1,456,048	1,456,048	0
Fund balances at end of year	<u>\$ 823,022</u>	<u>\$ 823,022</u>	<u>\$ 1,345,078</u>	<u>\$ 522,056</u>

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

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.

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

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

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

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

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

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

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

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

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

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

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

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

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.

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

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

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

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

CAPITAL PROJECTS FUNDS

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

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

STATE CAPITAL GRANT FUND - This fund is used to account for various capital projects financed by grants awarded by the State of Ohio

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.

ENTERPRISE FUNDS

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

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

AGENCY FUNDS

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

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

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

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

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

**CITY OF WOOSTER, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2008**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in city treasury cash	\$ 1,502,731	\$ 6,190,973	\$ 7,693,704
Taxes receivable	322,099	0	322,099
Accounts receivable	5,090	0	5,090
Due from other governments	147,287	0	147,287
Accrued interest receivable	721,547	38,066	759,613
Inventory	13,867	0	13,867
Long term receivables	478,500	0	478,500
Total assets	<u>\$ 3,191,121</u>	<u>\$ 6,229,039</u>	<u>\$ 9,420,160</u>
Liabilities:			
Accounts payable	\$ 90,206	\$ 459,332	\$ 549,538
Accrued salaries, wages and benefits	1,104	0	1,104
Due to other funds	113,060	373,177	486,237
Deferred revenue	1,067,148	0	1,067,148
Total liabilities	<u>1,271,518</u>	<u>832,509</u>	<u>2,104,027</u>
Fund balances:			
Reserved for encumbrances	679,643	9,117,148	9,796,791
Reserved for long term receivables	478,500	0	478,500
Unreserved (deficit)	761,460	(3,720,618)	(2,959,158)
Total fund balances	<u>1,919,603</u>	<u>5,396,530</u>	<u>7,316,133</u>
Total liabilities and fund balances	<u>\$ 3,191,121</u>	<u>\$ 6,229,039</u>	<u>\$ 9,420,160</u>

**CITY OF WOOSTER, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2008**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues :			
Taxes	\$ 582,942	\$ 0	\$ 582,942
Intergovernmental	470,223	0	470,223
Fines, licenses, permits	20,057	0	20,057
Interest income	147,412	238,767	386,179
Miscellaneous	4,821	0	4,821
Total Revenues	<u>1,225,455</u>	<u>238,767</u>	<u>1,464,222</u>
Expenditures :			
Current operations :			
Safety services	408,793	0	408,793
Environment and development	373,462	0	373,462
Transportation services	86,103	0	86,103
Administrative services	68,567	0	68,567
Capital expenditures	362,896	2,070,490	2,433,386
Debt service :			
Principal	85,202	1,000,000	1,085,202
Interest	30,280	37,900	68,180
Total Expenditures	<u>1,415,303</u>	<u>3,108,390</u>	<u>4,523,693</u>
Excess revenues over(under) expenditures	<u>(189,848)</u>	<u>(2,869,623)</u>	<u>(3,059,471)</u>
Other financing sources (uses) :			
Issuance of debt	<u>0</u>	<u>4,000,000</u>	<u>4,000,000</u>
Net change in fund balances	(189,848)	1,130,377	940,529
Fund balances at beginning of year	<u>2,109,451</u>	<u>4,266,153</u>	<u>6,375,604</u>
Fund balances at end of year	<u>\$ 1,919,603</u>	<u>\$ 5,396,530</u>	<u>\$ 7,316,133</u>

**CITY OF WOOSTER, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2008**

	State Highway Fund	Permissive Tax Fund	Enforcement and Education Fund	Mandatory Drug Fines Fund
Assets:				
Equity in city treasury cash	\$ 283,595	\$ 929,930	\$ 38,472	\$ 37,590
Taxes receivable	0	0	0	0
Accounts receivable	5,090	0	0	0
Due from other governments	46,883	29,117	0	0
Accrued interest receivable	2,294	7,401	290	271
Inventory	13,867	0	0	0
Long term receivables	0	0	0	0
Total assets	<u>\$ 351,729</u>	<u>\$ 966,448</u>	<u>\$ 38,762</u>	<u>\$ 37,861</u>
Liabilities:				
Accounts payable	\$ 1,185	\$ 19,936	\$ 0	\$ 0
Accrued salaries, wages and benefits	0	1,104	0	0
Due to other funds	0	0	0	0
Deferred revenue	40,330	0	0	0
Total liabilities	<u>41,515</u>	<u>21,040</u>	<u>0</u>	<u>0</u>
Fund balances:				
Reserved for encumbrances	2,000	378,670	0	0
Reserved for long term receivables	0	0	0	0
Unreserved (deficit)	308,214	566,738	38,762	37,861
Total fund balances	<u>310,214</u>	<u>945,408</u>	<u>38,762</u>	<u>37,861</u>
Total liabilities and fund balances	<u>\$ 351,729</u>	<u>\$ 966,448</u>	<u>\$ 38,762</u>	<u>\$ 37,861</u>

Local Law Enforcement Block Grant Fund	Community Development Block Grant Fund	Economic Development Fund	HUD Home Fund	Law Enforcement Trust Fund
\$ 19	\$ 0	\$ 2,216	\$ 0	\$ 45,008
0	0	4,299	0	0
0	0	0	0	0
0	71,287	0	0	0
(4)	0	73	709,018	363
0	0	0	0	0
0	0	0	478,500	0
<u>\$ 15</u>	<u>\$ 71,287</u>	<u>\$ 6,588</u>	<u>\$ 1,187,518</u>	<u>\$ 45,371</u>
\$ 0	\$ 49,054	\$ 4,299	\$ 0	\$ 0
0	0	0	0	0
0	113,060	0	0	0
0	0	0	709,018	0
<u>0</u>	<u>162,114</u>	<u>4,299</u>	<u>709,018</u>	<u>0</u>
0	198,172	100,000	0	0
0	0	0	478,500	0
15	(288,999)	(97,711)	0	45,371
<u>15</u>	<u>(90,827)</u>	<u>2,289</u>	<u>478,500</u>	<u>45,371</u>
<u>\$ 15</u>	<u>\$ 71,287</u>	<u>\$ 6,588</u>	<u>\$ 1,187,518</u>	<u>\$ 45,371</u>

(continued)

CITY OF WOOSTER, OHIO
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2008

	Police Pension Fund	Fire Pension Fund	Shade Tree Fund	Christmas Run Park Restoration Fund
Assets:				
Equity in city treasury cash	\$ 45,520	\$ 37,944	\$ 8,690	\$ 33,467
Taxes receivable	158,900	158,900	0	0
Accounts receivable	0	0	0	0
Due from other governments	0	0	0	0
Accrued interest receivable	774	545	66	298
Inventory	0	0	0	0
Long term receivables	0	0	0	0
Total assets	<u>\$ 205,194</u>	<u>\$ 197,389</u>	<u>\$ 8,756</u>	<u>\$ 33,765</u>
Liabilities:				
Accounts payable	\$ 0	\$ 0	\$ 6,232	\$ 0
Accrued salaries, wages and benefits	0	0	0	0
Due to other funds	0	0	0	0
Deferred revenue	158,900	158,900	0	0
Total liabilities	<u>158,900</u>	<u>158,900</u>	<u>6,232</u>	<u>0</u>
Fund balances:				
Reserved for encumbrances	0	0	801	0
Reserved for long term receivables	0	0	0	0
Unreserved	46,294	38,489	1,723	33,765
Total fund balances	<u>46,294</u>	<u>38,489</u>	<u>2,524</u>	<u>33,765</u>
Total liabilities and fund balances	<u>\$ 205,194</u>	<u>\$ 197,389</u>	<u>\$ 8,756</u>	<u>\$ 33,765</u>

Federal Equitable Sharing Fund	Lillian Long Estate Fund	Investment Fund	Recreation Supplement Fund	Total Nonmajor Special Revenue Funds
\$ 13,227	\$ 11,532	\$ 9,500	\$ 6,021	\$ 1,502,731
0	0	0	0	322,099
0	0	0	0	5,090
0	0	0	0	147,287
68	90	0	0	721,547
0	0	0	0	13,867
0	0	0	0	478,500
<u>\$ 13,295</u>	<u>\$ 11,622</u>	<u>\$ 9,500</u>	<u>\$ 6,021</u>	<u>\$ 3,191,121</u>
\$ 0	\$ 0	\$ 9,500	\$ 0	\$ 90,206
0	0	0	0	1,104
0	0	0	0	113,060
0	0	0	0	1,067,148
<u>0</u>	<u>0</u>	<u>9,500</u>	<u>0</u>	<u>1,271,518</u>
0	0	0	0	679,643
0	0	0	0	478,500
13,295	11,622	0	6,021	761,460
<u>13,295</u>	<u>11,622</u>	<u>0</u>	<u>6,021</u>	<u>1,919,603</u>
<u>\$ 13,295</u>	<u>\$ 11,622</u>	<u>\$ 9,500</u>	<u>\$ 6,021</u>	<u>\$ 3,191,121</u>

**CITY OF WOOSTER, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

	State Highway Fund	Permissive Tax Fund	Enforcement and Education Fund	Mandatory Drug Fines Fund
Revenues :				
Taxes	\$ 0	\$ 173,539	\$ 0	\$ 0
Intergovernmental	93,252	109,329	0	1,713
Fines, licenses, permits	0	0	1,299	18,758
Interest income	12,951	49,579	1,768	1,788
Miscellaneous	0	403	0	0
Total Revenues	<u>106,203</u>	<u>332,850</u>	<u>3,067</u>	<u>22,259</u>
Expenditures :				
Current operations :				
Safety services	18,589	0	0	24,138
Environment and development	0	0	0	0
Transportation services	68,078	18,025	0	0
Administrative services	0	0	0	0
Capital expenditures	8,675	323,925	0	0
Debt service :				
Principal	1,715	83,487	0	0
Interest	0	30,280	0	0
Total Expenditures	<u>97,057</u>	<u>455,717</u>	<u>0</u>	<u>24,138</u>
Excess revenues over(under) expenditures	<u>9,146</u>	<u>(122,867)</u>	<u>3,067</u>	<u>(1,879)</u>
Net change in fund balance	9,146	(122,867)	3,067	(1,879)
Fund balances at beginning of year	<u>301,068</u>	<u>1,068,275</u>	<u>35,695</u>	<u>39,740</u>
Fund balances at end of year	<u>\$ 310,214</u>	<u>\$ 945,408</u>	<u>\$ 38,762</u>	<u>\$ 37,861</u>

Local Law Enforcement Block Grant Fund	Community Development Block Grant Fund	Economic Development Fund	HUD Home Fund	Law Enforcement Trust Fund
\$ 0	\$ 0	\$ 79,954	\$ 0	\$ 0
0	231,732	0	0	0
0	0	0	0	0
45	0	313	0	2,076
0	0	0	0	2,959
<u>45</u>	<u>231,732</u>	<u>80,267</u>	<u>0</u>	<u>5,035</u>
1,295	0	0	0	0
0	277,916	89,314	0	0
0	0	0	0	0
0	0	0	0	0
0	30,296	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>1,295</u>	<u>308,212</u>	<u>89,314</u>	<u>0</u>	<u>0</u>
<u>(1,250)</u>	<u>(76,480)</u>	<u>(9,047)</u>	<u>0</u>	<u>5,035</u>
(1,250)	(76,480)	(9,047)	0	5,035
1,265	(14,347)	11,336	478,500	40,336
<u>\$ 15</u>	<u>\$ (90,827)</u>	<u>\$ 2,289</u>	<u>\$ 478,500</u>	<u>\$ 45,371</u>

(continued)

CITY OF WOOSTER, OHIO
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2008

	Police Pension Fund	Fire Pension Fund	Shade Tree Fund	Christmas Run Park Restoration Fund
Revenues :				
Taxes	\$ 164,746	\$ 164,703	\$ 0	\$ 0
Intergovernmental	17,099	17,098	0	0
Fines, licenses, permits	0	0	0	0
Interest income	3,855	3,499	330	1,500
Miscellaneous	0	0	950	0
Total Revenues	185,700	185,300	1,280	1,500
Expenditures :				
Current operations :				
Safety services	182,386	182,385	0	0
Environment and development	0	0	6,232	0
Transportation services	0	0	0	0
Administrative services	0	0	0	0
Capital expenditures	0	0	0	0
Debt service :				
Principal	0	0	0	0
Interest	0	0	0	0
Total Expenditures	182,386	182,385	6,232	0
Excess revenues over(under) expenditures	3,314	2,915	(4,952)	1,500
Net change in fund balance	3,314	2,915	(4,952)	1,500
Fund balances at beginning of year	42,980	35,574	7,476	32,265
Fund balances at end of year	\$ 46,294	\$ 38,489	\$ 2,524	\$ 33,765

Federal Equitable Sharing Fund	Lillian Long Estate Fund	Investment Fund	Recreation Supplement Fund	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 582,942
0	0	0	0	470,223
0	0	0	0	20,057
613	534	68,561	0	147,412
0	0	6	503	4,821
<u>613</u>	<u>534</u>	<u>68,567</u>	<u>503</u>	<u>1,225,455</u>
0	0	0	0	408,793
0	0	0	0	373,462
0	0	0	0	86,103
0	0	68,567	0	68,567
0	0	0	0	362,896
0	0	0	0	85,202
0	0	0	0	30,280
<u>0</u>	<u>0</u>	<u>68,567</u>	<u>0</u>	<u>1,415,303</u>
613	534	0	503	(189,848)
613	534	0	503	(189,848)
12,682	11,088	0	5,518	2,109,451
<u>\$ 13,295</u>	<u>\$ 11,622</u>	<u>\$ 0</u>	<u>\$ 6,021</u>	<u>\$ 1,919,603</u>

**CITY OF WOOSTER, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2008**

	Beall Avenue Streetscape Fund	State Capital Grant Fund	Economic Development Capital Improvement Fund	Total Nonmajor Capital Projects Funds
Assets:				
Equity in city treasury cash	\$ 5,995,282	\$ 0	\$ 195,691	\$ 6,190,973
Accrued interest receivable	38,066	0	0	38,066
Total assets	<u>\$ 6,033,348</u>	<u>\$ 0</u>	<u>\$ 195,691</u>	<u>\$ 6,229,039</u>
Liabilities:				
Accounts payable	\$ 268,806	\$ 190,526	\$ 0	\$ 459,332
Due to other funds	0	373,177	0	373,177
Total liabilities	<u>268,806</u>	<u>563,703</u>	<u>0</u>	<u>832,509</u>
Fund balances:				
Reserved for encumbrances	6,770,851	2,346,297	0	9,117,148
Unreserved (deficit)	<u>(1,006,309)</u>	<u>(2,910,000)</u>	<u>195,691</u>	<u>(3,720,618)</u>
Total fund balances	<u>5,764,542</u>	<u>(563,703)</u>	<u>195,691</u>	<u>5,396,530</u>
Total liabilities and fund balances	<u>\$ 6,033,348</u>	<u>\$ 0</u>	<u>\$ 195,691</u>	<u>\$ 6,229,039</u>

**CITY OF WOOSTER, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2008**

	Beall Avenue Streetscape Fund	State Capital Grant Fund	Economic Development Capital Improvement Fund	Total Nonmajor Capital Projects Funds
Revenues :				
Interest income	\$ 238,767	\$ 0	\$ 0	\$ 238,767
Total Revenues	<u>238,767</u>	<u>0</u>	<u>0</u>	<u>238,767</u>
Expenditures :				
Capital expenditures	1,506,787	563,703	0	2,070,490
Debt service:				
Principal	1,000,000	0	0	1,000,000
Interest	37,900	0	0	37,900
Total Expenditures	<u>2,544,687</u>	<u>563,703</u>	<u>0</u>	<u>3,108,390</u>
Excess revenues over(under) expenditures	<u>(2,305,920)</u>	<u>(563,703)</u>	<u>0</u>	<u>(2,869,623)</u>
Other financing sources (uses) :				
Issuance of debt	4,000,000	0	0	4,000,000
Total other financing sources (uses);	<u>4,000,000</u>	<u>0</u>	<u>0</u>	<u>4,000,000</u>
Net change in fund balance	<u>1,694,080</u>	<u>(563,703)</u>	<u>0</u>	<u>1,130,377</u>
Fund balances at beginning of year	<u>4,070,462</u>	<u>0</u>	<u>195,691</u>	<u>4,266,153</u>
Fund balances at end of year	<u>\$ 5,764,542</u>	<u>\$ (563,703)</u>	<u>\$ 195,691</u>	<u>\$ 5,396,530</u>

CITY OF WOOSTER, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

State Highway Fund				
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	91,772	91,772	93,252	1,480
Fines, licenses, permits	0	0	0	0
Interest income	7,500	7,500	12,951	5,451
Miscellaneous	0	0	0	0
Total Revenues	<u>99,272</u>	<u>99,272</u>	<u>106,203</u>	<u>6,931</u>
Expenditures :				
Safety services	28,726	28,976	28,264	712
Transportation services	211,595	216,341	70,793	145,548
Total Expenditures	<u>240,321</u>	<u>245,317</u>	<u>99,057</u>	<u>146,260</u>
Excess revenues over (under) expenditures	(141,049)	(146,045)	7,146	153,191
Encumbrances	0	0	2,000	2,000
Fund balances at beginning of year	<u>301,068</u>	<u>301,068</u>	<u>301,068</u>	<u>0</u>
Fund balances at end of year	<u>\$ 160,019</u>	<u>\$ 155,023</u>	<u>\$ 310,214</u>	<u>\$ 155,191</u>

Mandatory Drug Fines Fund				
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Intergovernmental	\$ 0	\$ 0	\$ 1,713	\$ 1,713
Fines, licences, permits	8,000	8,000	18,758	10,758
Interest income	1,720	1,720	1,788	68
Total Revenues	<u>9,720</u>	<u>9,720</u>	<u>22,259</u>	<u>12,539</u>
Expenditures :				
Safety services	38,000	38,000	24,138	13,862
Environment & development	0	0	0	0
Total Expenditures	<u>38,000</u>	<u>38,000</u>	<u>24,138</u>	<u>13,862</u>
Excess revenues over (under) expenditures	(28,280)	(28,280)	(1,879)	26,401
Encumbrances	0	0	0	0
Fund balances at beginning of year	<u>39,740</u>	<u>39,740</u>	<u>39,740</u>	<u>0</u>
Fund balances at end of year	<u>\$ 11,460</u>	<u>\$ 11,460</u>	<u>\$ 37,861</u>	<u>\$ 26,401</u>

Permissive Tax Fund			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 160,000	\$ 160,000	\$ 173,538	\$ 13,538
100,000	100,000	109,329	9,329
0	0	0	0
30,000	30,000	49,579	19,579
131	131	403	272
<u>290,131</u>	<u>290,131</u>	<u>332,849</u>	<u>42,718</u>
0	0	0	0
834,322	1,093,654	834,387	259,267
<u>834,322</u>	<u>1,093,654</u>	<u>834,387</u>	<u>259,267</u>
(544,191)	(803,523)	(501,538)	301,985
0	0	378,671	378,671
<u>1,068,275</u>	<u>1,068,275</u>	<u>1,068,275</u>	<u>0</u>
<u>\$ 524,084</u>	<u>\$ 264,752</u>	<u>\$ 945,408</u>	<u>\$ 680,656</u>

Enforcement Education Fund			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0
2,000	2,000	1,298	(702)
1,300	1,300	1,768	468
0	0	0	0
<u>3,300</u>	<u>3,300</u>	<u>3,066</u>	<u>(234)</u>
34,000	34,000	0	34,000
0	0	0	0
<u>34,000</u>	<u>34,000</u>	<u>0</u>	<u>34,000</u>
(30,700)	(30,700)	3,066	33,766
0	0	0	0
<u>35,696</u>	<u>35,696</u>	<u>35,696</u>	<u>0</u>
<u>\$ 4,996</u>	<u>\$ 4,996</u>	<u>\$ 38,762</u>	<u>\$ 33,766</u>

Local Law Enforcement Block Grant Fund			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0
40	40	45	5
<u>40</u>	<u>40</u>	<u>45</u>	<u>5</u>
0	1,171	1,295	(124)
0	0	0	0
<u>0</u>	<u>1,171</u>	<u>1,295</u>	<u>(124)</u>
40	(1,131)	(1,250)	(119)
0	0	0	0
<u>1,264</u>	<u>1,264</u>	<u>1,264</u>	<u>0</u>
<u>\$ 1,304</u>	<u>\$ 133</u>	<u>\$ 14</u>	<u>\$ (119)</u>

Community Development Block Grant Fund			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 653,000	\$ 653,000	\$ 231,732	\$ (421,268)
0	0	0	0
0	0	0	0
<u>653,000</u>	<u>653,000</u>	<u>231,732</u>	<u>(421,268)</u>
0	0	0	0
653,000	653,000	506,384	146,616
<u>653,000</u>	<u>653,000</u>	<u>506,384</u>	<u>146,616</u>
0	0	(274,652)	(274,652)
0	0	198,172	198,172
<u>(14,347)</u>	<u>(14,347)</u>	<u>(14,347)</u>	<u>0</u>
<u>\$ (14,347)</u>	<u>\$ (14,347)</u>	<u>\$ (90,827)</u>	<u>\$ (76,480)</u>

(Continued)

**CITY OF WOOSTER, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Economic Development Fund			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive(Negative)</u>
Revenues :				
Taxes	\$ 80,000	\$ 80,000	\$ 79,954	\$ (46)
Interest income	175	175	313	138
Miscellaneous	0	0	0	0
Total Revenues	<u>80,175</u>	<u>80,175</u>	<u>80,267</u>	<u>92</u>
Expenditures :				
Safety services	0	0	0	0
Environment & development	180,000	180,000	189,314	(9,314)
Total Expenditures	<u>180,000</u>	<u>180,000</u>	<u>189,314</u>	<u>(9,314)</u>
Other financing sources :				
Transfers in	100,000	100,000	0	(100,000)
Total Other financing sources	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>(100,000)</u>
Excess revenues over (under) expenditures	175	175	(109,047)	(109,222)
Encumbrances	0	0	100,000	100,000
Fund balances at beginning of year	<u>11,336</u>	<u>11,336</u>	<u>11,336</u>	<u>0</u>
Fund balances at end of year	<u>\$ 11,511</u>	<u>\$ 11,511</u>	<u>\$ 2,289</u>	<u>\$ (9,222)</u>

	Police Pension Fund			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive(Negative)</u>
Revenues :				
Taxes	\$ 164,339	\$ 164,339	\$ 164,746	\$ 407
Intergovernmental	19,362	19,362	17,098	(2,264)
Interest income	2,200	2,200	3,855	1,655
Miscellaneous	0	0	0	0
Total Revenues	<u>185,901</u>	<u>185,901</u>	<u>185,699</u>	<u>(202)</u>
Expenditures :				
Safety services	182,500	182,500	182,385	115
Environment and development	0	0	0	0
Total Expenditures	<u>182,500</u>	<u>182,500</u>	<u>182,385</u>	<u>115</u>
Excess revenues over (under) expenditures	3,401	3,401	3,314	(87)
Encumbrances	0	0	0	0
Fund balances at beginning of year	<u>42,981</u>	<u>42,981</u>	<u>42,981</u>	<u>0</u>
Fund balances at end of year	<u>\$ 46,382</u>	<u>\$ 46,382</u>	<u>\$ 46,295</u>	<u>\$ (87)</u>

HUD Home Fund				Law Enforcement Trust Fund			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	460	460	2,077	1,617
0	0	0	0	1,000	1,000	2,959	1,959
0	0	0	0	1,460	1,460	5,036	3,576
0	0	0	0	35,000	35,000	0	35,000
0	0	0	0	0	0	0	0
0	0	0	0	35,000	35,000	0	35,000
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	(33,540)	(33,540)	5,036	38,576
0	0	0	0	0	0	0	0
478,500	478,500	478,500	0	40,336	40,336	40,336	0
<u>\$ 478,500</u>	<u>\$ 478,500</u>	<u>\$ 478,500</u>	<u>\$ 0</u>	<u>\$ 6,796</u>	<u>\$ 6,796</u>	<u>\$ 45,372</u>	<u>\$ 38,576</u>

Fire Pension Fund				Shade Tree Fund			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 164,339	\$ 164,339	\$ 164,703	\$ 364	\$ 0	\$ 2,000	\$ 0	\$ (2,000)
19,362	19,362	17,098	(2,264)	0	0	0	0
2,200	2,200	3,498	1,298	700	700	330	(370)
0	0	0	0	0	0	950	950
185,901	185,901	185,299	(602)	700	2,700	1,280	(1,420)
182,500	182,500	182,385	115	0	0	0	0
0	0	0	0	6,000	9,778	7,033	2,745
182,500	182,500	182,385	115	6,000	9,778	7,033	2,745
3,401	3,401	2,914	(487)	(5,300)	(7,078)	(5,753)	1,325
0	0	0	0	0	0	801	801
35,574	35,574	35,574	0	7,476	7,476	7,476	0
<u>\$ 38,975</u>	<u>\$ 38,975</u>	<u>\$ 38,488</u>	<u>\$ (487)</u>	<u>\$ 2,176</u>	<u>\$ 398</u>	<u>\$ 2,524</u>	<u>\$ 2,126</u>

(Continued)

CITY OF WOOSTER, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

Christmas Run Park Restoration Fund				
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Intergovernmental	\$ 0	\$ 20,100	\$ 0	\$ (20,100)
Interest income	900	900	0	(900)
Miscellaneous	1,000	1,000	1,500	500
Total Revenues	<u>1,900</u>	<u>22,000</u>	<u>1,500</u>	<u>(20,500)</u>
Expenditures :				
Leisure services	30,000	53,321	0	53,321
Safety services	0	0	0	0
Total Expenditures	<u>30,000</u>	<u>53,321</u>	<u>0</u>	<u>53,321</u>
Excess revenues over (under) expenditures	(28,100)	(31,321)	1,500	32,821
Encumbrances	0	0	0	0
Fund balances at beginning of year	32,265	32,265	32,265	0
Fund balances at end of year	<u>\$ 4,165</u>	<u>\$ 944</u>	<u>\$ 33,765</u>	<u>\$ 32,821</u>

Investment Fund				
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Interest income	\$ 100,000	\$ 100,000	\$ 68,561	\$ (31,439)
Miscellaneous	0	0	6	6
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>68,567</u>	<u>(31,433)</u>
Expenditures :				
Leisure services	0	0	0	0
Administrative services	100,000	100,000	68,567	31,433
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>68,567</u>	<u>31,433</u>
Excess revenues over (under) expenditures	0	0	0	0
Fund balances at beginning of year	0	0	0	0
Fund balances at end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Federal Equitable Sharing Fund				Lillian Long Estate Fund			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7700	\$ 0	\$ (7,700)
440	440	613	173	390	390	534	144
0	0	0	0	0	0	0	0
<u>440</u>	<u>440</u>	<u>613</u>	<u>173</u>	<u>390</u>	<u>8,090</u>	<u>534</u>	<u>(7,556)</u>
0	0	0	0	11,000	18,940	0	18,940
12,000	12,000	0	12,000	0	0	0	0
<u>12,000</u>	<u>12,000</u>	<u>0</u>	<u>12,000</u>	<u>11,000</u>	<u>18,940</u>	<u>0</u>	<u>18,940</u>
(11,560)	(11,560)	613	12,173	(10,610)	(10,850)	534	11,384
0	0	0	0	0	0	0	0
<u>12,682</u>	<u>12,682</u>	<u>12,682</u>	<u>0</u>	<u>11,088</u>	<u>11,088</u>	<u>11,088</u>	<u>0</u>
<u>\$ 1,122</u>	<u>\$ 1,122</u>	<u>\$ 13,295</u>	<u>\$ 12,173</u>	<u>\$ 478</u>	<u>\$ 238</u>	<u>\$ 11,622</u>	<u>\$ 11,384</u>

Recreation Supplement Fund			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 0	\$ 0	\$ 0	\$ 0
500	500	503	3
<u>500</u>	<u>500</u>	<u>503</u>	<u>3</u>
5,000	5,000	0	5,000
0	0	0	0
<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
(4,500)	(4,500)	503	5,003
<u>5,518</u>	<u>5,518</u>	<u>5,518</u>	<u>0</u>
<u>\$ 1,018</u>	<u>\$ 1,018</u>	<u>\$ 6,021</u>	<u>\$ 5,003</u>



CITY OF WOOSTER, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
CAPITAL IMPROVEMENTS AND DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Capital Improvements Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Intergovernmental revenue	\$ 440,000	\$ 440,000	\$ 354,917	\$ (85,083)
Interest income	135,000	135,000	126,319	(8,681)
Miscellaneous	847,000	847,000	19,999	(827,001)
Total Revenue	<u>1,422,000</u>	<u>1,422,000</u>	<u>501,235</u>	<u>(920,765)</u>
Expenditures :				
Administrative services	2,922,375	3,861,495	3,503,886	(357,609)
Total Expenditures	<u>2,922,375</u>	<u>3,861,495</u>	<u>3,503,886</u>	<u>(357,609)</u>
Excess revenues over(under) expenditures	(1,500,375)	(2,439,495)	(3,002,651)	(563,156)
Operating transfers in	1,678,000	1,678,000	1,797,400	119,400
Encumbrances	0	0	1,563,775	1,563,775
Fund balances at beginning of year	<u>3,683,316</u>	<u>3,683,316</u>	<u>3,683,316</u>	<u>0</u>
Fund balances at end of year	<u>\$ 3,860,941</u>	<u>\$ 2,921,821</u>	<u>\$ 4,041,840</u>	<u>\$ 1,120,019</u>

	Debt Service Fund			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Special assessments	\$ 263,985	\$ 263,985	\$ 237,584	\$ (26,401)
Interest income	25,000	25,000	40,496	15,496
Total Revenue	<u>288,985</u>	<u>288,985</u>	<u>278,080</u>	<u>(10,905)</u>
Expenditures :				
Transportation services	219,500	219,500	219,231	269
Total Expenditures	<u>219,500</u>	<u>219,500</u>	<u>219,231</u>	<u>269</u>
Excess revenues over(under) expenditures	69,485	69,485	58,849	(10,636)
Fund balances at beginning of year	<u>575,622</u>	<u>575,622</u>	<u>575,622</u>	<u>0</u>
Fund balances at end of year	<u>\$ 645,107</u>	<u>\$ 645,107</u>	<u>\$ 634,471</u>	<u>\$ (10,636)</u>

CITY OF WOOSTER, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

Beall Avenue Streetscape Fund				
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental revenue	\$ 1,956,892	\$ 5,044,892	\$ 0	\$ (5,044,892)
Interest income	80,000	80,000	238,767	158,767
Total Revenues	<u>2,036,892</u>	<u>5,124,892</u>	<u>238,767</u>	<u>(4,886,125)</u>
Expenditures:				
Environment and development	0	0	0	0
Transportation services	<u>7,585,396</u>	<u>9,315,681</u>	<u>9,315,537</u>	<u>144</u>
Total Expenditures	<u>7,585,396</u>	<u>9,315,681</u>	<u>9,315,537</u>	<u>144</u>
Excess revenues over (under) expenditures	(5,548,504)	(4,190,789)	(9,076,770)	(4,885,981)
Other financing sources :				
Issuance of debt	<u>3,008,000</u>	<u>3,008,000</u>	<u>4,000,000</u>	<u>992,000</u>
Total Other financing sources	3,008,000	3,008,000	4,000,000	992,000
Encumbrances	0	0	6,770,851	0
Fund balances at beginning of year	<u>4,070,461</u>	<u>4,070,461</u>	<u>4,070,461</u>	<u>0</u>
Fund balances at end of year	<u><u>\$ 1,529,957</u></u>	<u><u>\$ 2,887,672</u></u>	<u><u>\$ 5,764,542</u></u>	<u><u>\$ (3,893,981)</u></u>

State Capital Grant Fund				
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental revenues	\$ 1,270,000	\$ 3,350,000	\$ 0	\$ (3,350,000)
Total Revenues	<u>1,270,000</u>	<u>3,350,000</u>	<u>0</u>	<u>(3,350,000)</u>
Expenditures:				
Transportation services	<u>1,270,000</u>	<u>3,350,000</u>	<u>2,910,000</u>	<u>440,000</u>
Total Expenditures	<u>1,270,000</u>	<u>3,350,000</u>	<u>2,910,000</u>	<u>440,000</u>
Excess revenues over (under) expenditures	0	0	(2,910,000)	(2,910,000)
Encumbrances	0	0	2,346,297	2,346,297
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>\$ (563,703)</u></u>	<u><u>\$ (563,703)</u></u>

Economic Development Capital Improvement Fund

Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 0	\$ 0	\$ 0	\$ 0
7,039	7,039	0	(7,039)
<u>7,039</u>	<u>7,039</u>	<u>0</u>	<u>(7,039)</u>
200,000	200,000	0	200,000
0	0	0	0
<u>200,000</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
(192,961)	(192,961)	0	192,961
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0
0	0	0	0
195,691	195,691	195,691	0
<u>\$ 2,730</u>	<u>\$ 2,730</u>	<u>\$ 195,691</u>	<u>\$ 192,961</u>

**CITY OF WOOSTER, OHIO
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 AGENCY FUNDS
 DECEMBER 31, 2008**

	Guaranteed Deposits	Clearing Fund	Wooster Growth Corp	Total Agency Funds
Assets:				
Equity in city treasury cash	\$ 196,789	\$ 29,483	\$ 211,613	\$ 437,885
Accrued interest receivable	0	0	1,124	1,124
Total assets	<u>\$ 196,789</u>	<u>\$ 29,483</u>	<u>\$ 212,737</u>	<u>\$ 439,009</u>
Liabilities:				
Accounts payable	\$ 0	\$ 5,978	\$ 3,895	\$ 9,873
Due to agency recipient	196,789	23,505	208,842	429,136
Total liabilities	<u>\$ 196,789</u>	<u>\$ 29,483</u>	<u>\$ 212,737</u>	<u>\$ 439,009</u>

CITY OF WOOSTER, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
Guaranteed Deposits				
Assets				
Equity in city treasury cash	\$ 199,382	\$ 12,200	\$ 14,793	\$ 196,789
Liabilities				
Accounts payable	\$ 0	\$ 14,793	\$ 14,793	\$ 0
Due to agency recipient	199,382	12,200	14,793	196,789
<i>Total Liabilities</i>	<u>\$ 199,382</u>	<u>\$ 26,993</u>	<u>\$ 29,586</u>	<u>\$ 196,789</u>
Clearing Fund				
Assets				
Equity in city treasury cash	\$ 16,823	\$ 54,895	\$ 42,235	\$ 29,483
Liabilities				
Accounts payable	\$ 0	\$ 43,801	\$ 37,823	\$ 5,978
Due to agency recipient	16,823	48,917	42,235	23,505
<i>Total Liabilities</i>	<u>\$ 16,823</u>	<u>\$ 92,718</u>	<u>\$ 80,058</u>	<u>\$ 29,483</u>
Wooster Growth Corporation				
Assets				
Equity in city treasury cash	\$ 372,424	\$ 338,464	\$ 499,275	\$ 211,613
Accrued interest receivable	3,129	12,468	14,473	1,124
<i>Total Assets</i>	<u>\$ 375,553</u>	<u>\$ 350,932</u>	<u>\$ 513,748</u>	<u>\$ 212,737</u>
Liabilities				
Accounts payable	\$ 40	\$ 198,914	\$ 195,059	\$ 3,895
Due to agency recipient	375,513	334,609	501,280	208,842
<i>Total Liabilities</i>	<u>\$ 375,553</u>	<u>\$ 533,523</u>	<u>\$ 696,339</u>	<u>\$ 212,737</u>
TOTAL - ALL AGENCY FUNDS				
Assets				
Equity in city treasury cash	\$ 588,629	\$ 405,559	\$ 556,303	\$ 437,885
Accrued interest receivable	3,129	12,468	14,473	1,124
<i>Total Assets</i>	<u>\$ 591,758</u>	<u>\$ 418,027</u>	<u>\$ 570,776</u>	<u>\$ 439,009</u>
Liabilities				
Accounts payable	\$ 40	\$ 251,530	\$ 253,653	\$ 9,873
Due to agency recipient	591,718	395,726	558,308	429,136
<i>Total Liabilities</i>	<u>\$ 591,758</u>	<u>\$ 647,256</u>	<u>\$ 811,961</u>	<u>\$ 439,009</u>

CITY OF WOOSTER, OHIO
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
ALL ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Wooster Community Hospital			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Charges for services	\$ 97,655,000	\$ 97,965,627	\$ 89,952,073	\$ (8,013,554)
Intergovernmental	0	0	0	0
Fines, licenses and permits	0	0	0	0
Interest income	3,683,658	3,683,658	3,215,912	(467,746)
Miscellaneous	126,000	126,000	136,566	10,566
Total Revenues	<u>101,464,658</u>	<u>101,775,285</u>	<u>93,304,551</u>	<u>(8,470,734)</u>
Expenses :				
Health and social services	102,761,288	108,917,060	92,017,038	16,900,022
Utility services	0	0	0	0
Total Expenses	<u>102,761,288</u>	<u>108,917,060</u>	<u>92,017,038</u>	<u>16,900,022</u>
Excess revenues over (under) expenses	(1,296,630)	(7,141,775)	1,287,513	8,429,288
Other financing sources (uses):				
Proceeds from debt issues	0	0	0	0
Excess revenues and other sources over (under) expenditures and other uses	(1,296,630)	(7,141,775)	1,287,513	8,429,288
Encumbrances	0	0	9,347,566	9,347,566
Fund balances at beginning of year	<u>70,522,977</u>	<u>70,522,977</u>	<u>70,522,977</u>	<u>0</u>
Fund balances at end of year	<u>\$ 69,226,347</u>	<u>\$ 63,381,202</u>	<u>\$ 81,158,056</u>	<u>\$ 17,776,854</u>

	Refuse Collection			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues :				
Charges for services	\$ 1,173,256	\$ 1,173,256	\$ 1,281,821	\$ 108,565
Intergovernmental	40,000	40,000	83,978	0
Fines, licenses and permits	3,500	3,500	2,590	(910)
Interest income	7,500	7,500	6,761	(739)
Miscellaneous	0	0	30	30
Total Revenue	<u>1,224,256</u>	<u>1,224,256</u>	<u>1,375,180</u>	<u>150,924</u>
Expenses :				
Utility services	1,260,600	1,405,787	1,373,947	31,840
Environment and Development	0	0	0	0
Total Expenses	<u>1,260,600</u>	<u>1,405,787</u>	<u>1,373,947</u>	<u>31,840</u>
Excess revenues over (under) expenses	(36,344)	(181,531)	1,233	182,764
Other financing sources (uses):				
Proceeds from debt issues	0	0	0	0
Encumbrances	0	0	23,005	23,005
Fund balances at beginning of year	<u>275,130</u>	<u>275,130</u>	<u>275,130</u>	<u>0</u>
Fund balances at end of year	<u>\$ 238,786</u>	<u>\$ 93,599</u>	<u>\$ 299,368</u>	<u>\$ 205,769</u>

Water				Water Pollution Control			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 4,199,000	\$ 4,199,138	\$ 4,045,768	\$ (153,370)	\$ 3,502,000	\$ 3,502,000	\$ 3,391,503	\$ (110,497)
200,000	200,000	0	(200,000)	500,000	500,000	0	(500,000)
50,450	50,450	10,507	(39,943)	13,500	13,500	5,174	(8,326)
120,000	120,000	103,822	(16,178)	450,000	450,000	282,207	(167,793)
70,300	70,300	89,269	18,969	12,132	12,132	22,867	10,735
<u>4,639,750</u>	<u>4,639,888</u>	<u>4,249,367</u>	<u>(390,521)</u>	<u>4,477,632</u>	<u>4,477,632</u>	<u>3,701,750</u>	<u>(775,882)</u>
0	0	0	0	0	0	0	0
8,822,700	12,655,045	9,601,031	3,054,014	6,972,342	10,656,644	8,976,579	1,680,065
<u>8,822,700</u>	<u>12,655,045</u>	<u>9,601,031</u>	<u>3,054,014</u>	<u>6,972,342</u>	<u>10,656,644</u>	<u>8,976,579</u>	<u>1,680,065</u>
(4,182,950)	(8,015,157)	(5,351,664)	2,663,492	(2,494,710)	(6,179,012)	(5,274,829)	904,183
6,628,200	6,628,200	1,690,295	0	25,000	25,000	1,079,515	1,054,515
2,445,250	(1,386,957)	(3,661,369)	2,663,492	(2,469,710)	(6,154,012)	(4,195,314)	1,958,698
0	0	2,761,761	2,761,761	0	0	825,659	825,659
1,851,020	1,851,020	1,851,020	0	8,550,559	8,550,559	8,550,559	0
<u>\$ 4,296,270</u>	<u>\$ 464,063</u>	<u>\$ 951,412</u>	<u>\$ 487,349</u>	<u>\$ 6,080,849</u>	<u>\$ 2,396,547</u>	<u>\$ 5,180,904</u>	<u>\$ 2,784,357</u>

Economic and Downtown Development Loans				Storm Drainage			
Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
\$ 4,500	\$ 4,500	\$ 3,618	\$ (882)	\$ 895,223	\$ 895,223	\$ 882,730	\$ (12,493)
0	0	0	0	70,400	70,400	0	0
0	0	0	0	2,050	2,050	924	(1,126)
18,400	18,400	24,794	6,394	28,500	28,500	21,595	(6,905)
0	0	0	0	1,435	1,435	4,027	2,592
<u>22,900</u>	<u>22,900</u>	<u>28,412</u>	<u>5,512</u>	<u>997,608</u>	<u>997,608</u>	<u>909,276</u>	<u>(88,332)</u>
0	0	0	0	1,507,948	2,123,541	1,125,043	998,498
525,000	525,000	228,230	296,770	0	0	0	0
<u>525,000</u>	<u>525,000</u>	<u>228,230</u>	<u>296,770</u>	<u>1,507,948</u>	<u>2,123,541</u>	<u>1,125,043</u>	<u>998,498</u>
(502,100)	(502,100)	(199,818)	302,282	(510,340)	(1,125,933)	(215,767)	910,166
39,572	39,572	35,320	(4,252)	281,600	281,600	0	(281,600)
0	0	200,000	200,000	0	0	40,820	40,820
511,774	511,774	511,774	0	710,608	710,608	710,608	0
<u>\$ 49,246</u>	<u>\$ 49,246</u>	<u>\$ 547,276</u>	<u>\$ 498,030</u>	<u>\$ 481,868</u>	<u>\$ (133,725)</u>	<u>\$ 535,661</u>	<u>\$ 669,386</u>

**CITY OF WOOSTER, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND EQUITY - BUDGET AND ACTUAL (BUDGETARY BASIS)
INTERNAL SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Municipal Garage			
	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interfund services provided	\$ 561,268	\$ 561,268	\$ 427,153	\$ (134,115)
Miscellaneous	0	20,000	2,472	(17,528)
Total Revenues	<u>561,268</u>	<u>581,268</u>	<u>429,625</u>	<u>(151,643)</u>
Expenditures:				
Transportation services	<u>528,030</u>	<u>587,065</u>	<u>500,155</u>	<u>86,910</u>
Total Expenditures	<u>528,030</u>	<u>587,065</u>	<u>500,155</u>	<u>86,910</u>
Excess revenues over(under) expenditures	33,238	(5,797)	(70,530)	(64,733)
Encumbrances	0	0	69,994	69,994
Fund equity at beginning of year	<u>21,330</u>	<u>21,330</u>	<u>21,330</u>	<u>0</u>
Fund equity at end of year	<u>\$ 54,568</u>	<u>\$ 15,533</u>	<u>\$ 20,794</u>	<u>\$ 5,261</u>

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.

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

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

CITY OF WOOSTER, OHIO
NET ASSETS
LAST NINE YEARS

Schedule 1.1
Primary Government
(accrual basis of accounting)

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Governmental Activities							RESTATED		
Invested in capital assets , net of related debt	\$ 28,004,086	\$ 27,108,161	\$ 28,520,352	\$ 29,068,496	\$ 29,713,841	\$ 29,806,386	\$ 30,220,283	\$ 31,479,714	\$ 32,689,785
Restricted	12,122,831	12,020,307	10,257,437	8,803,295	7,647,630	8,705,221	8,752,398	13,169,794	12,793,131
Unrestricted	7,637,126	9,573,938	9,968,299	11,199,157	11,460,025	12,466,686	14,013,250	15,574,207	14,161,756
Total net assets	47,764,043	48,702,406	48,746,088	49,070,948	48,821,496	50,978,293	52,985,931	60,223,715	59,644,672
Business-type Activities									
Invested in capital assets , net of related debt	51,921,248	53,575,973	60,199,984	67,989,332	73,427,798	90,273,053	99,531,180	96,419,187	95,403,509
Restricted	2,440,342	2,430,688	2,266,516	2,155,623	1,852,093	1,534,799	1,918,084	2,013,508	2,217,088
Unrestricted	64,645,049	72,848,438	77,957,136	80,825,950	82,534,107	76,246,430	75,207,295	86,326,912	91,888,876
Total net assets	119,006,639	128,855,099	140,423,636	150,970,905	157,813,998	168,054,282	176,656,559	184,759,607	189,509,473
Total Primary Government									
Invested in capital assets , net of related debt	79,925,334	80,684,134	88,720,336	97,057,828	103,141,639	120,079,439	129,751,463	127,898,901	128,093,294
Restricted	14,563,173	14,450,995	12,523,953	10,958,918	9,499,723	10,240,020	10,670,482	15,183,302	15,010,219
Unrestricted	72,282,175	82,422,376	87,925,435	92,025,107	93,994,132	88,713,116	89,220,545	101,901,119	106,050,632
Total net assets	\$ 166,770,682	\$ 177,557,505	\$ 189,169,724	\$ 200,041,853	\$ 206,635,494	\$ 219,032,575	\$ 229,642,490	\$ 244,983,322	\$ 249,154,145

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

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

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Expenses:									
Governmental activities:							Restated		
Safety Services	\$8,440,509	\$8,469,643	\$9,015,584	\$9,531,074	\$9,691,229	\$9,911,867	\$10,431,285	\$10,909,304	\$11,835,986
Health Services	136,155	141,727	142,208	140,855	132,275	137,883	142,851	148,884	148,865
Leisure Services	2,185,642	2,228,225	2,349,698	2,401,832	2,227,294	2,320,320	2,380,359	2,433,843	2,622,053
Environment & Development Services	768,441	787,996	1,185,929	1,185,814	1,160,157	1,061,733	1,348,219	1,312,799	1,336,111
Transportation Services	3,828,900	3,430,243	3,569,832	3,338,351	3,176,605	3,356,904	3,128,141	3,542,750	3,683,299
Administrative Services	733,429	459,559	353,098	504,941	725,641	128,170	437,698	449,396	698,035
Total governmental activities expenses	16,093,076	15,517,393	16,616,349	17,102,867	17,113,201	16,916,877	17,868,553	18,796,975	20,324,349
Business-type activities:									
Wooster Community Hospital	43,682,256	49,644,499	56,940,332	62,194,868	68,619,110	72,244,498	77,586,035	83,152,795	92,827,713
Water (Production & Distribution)	3,674,606	3,862,483	3,837,588	4,028,021	3,976,361	4,328,413	4,663,212	4,169,859	4,552,331
Water Pollution Control	3,321,412	3,621,884	3,666,917	3,778,422	4,404,278	4,404,336	4,504,781	5,746,937	6,559,254
Storm Drainage Utility	376,714	403,499	378,138	665,417	777,449	751,184	656,672	483,359	554,950
Refuse Collection	967,376	1,123,991	779,384	907,757	829,210	903,700	1,092,767	1,202,945	1,350,943
CDBG Economic Development Loans	0	0	0	356	3,061	6,939	0	15,777	0
Total business-type activities expenses	52,022,364	58,656,356	65,602,359	71,574,841	78,609,469	82,639,070	88,503,467	94,771,673	105,845,191
Total primary government expenses	\$68,115,440	\$74,173,749	\$82,218,708	\$88,677,708	\$95,722,670	\$99,555,947	\$106,372,020	\$113,568,648	\$126,169,540
Program Revenues									
Governmental activities:									
Charges for services:									
Safety Services	\$253,456	\$293,345	\$338,050	\$377,120	\$327,130	\$584,566	\$501,466	\$675,968	\$579,932
Leisure Services	427,778	429,655	442,596	385,431	376,070	439,542	428,796	461,364	477,594
Environment & Development Services	222,827	274,302	343,462	316,626	282,123	286,704	228,043	302,442	315,438
Transportation Services	86,556	62,280	92,629	97,739	104,146	88,124	108,048	132,711	188,534
Administrative Services	123,912	132,182	146,155	207,712	181,851	169,724	191,408	387,959	66,621
Operating grants & contributions	1,475,451	1,499,846	1,957,009	1,758,918	2,016,684	2,165,180	2,147,337	2,083,772	1,909,735
Capital grants & contributions	131,589	317,511	79,566	371,839	906	1,361,436	314,427	566,152	358,011
Total governmental activities program revenues	2,721,569	3,009,121	3,399,467	3,515,385	3,288,910	5,095,276	3,919,525	4,610,368	3,895,865

Charges for services	49,196,286	55,137,266	64,826,538	68,493,186	74,855,608	78,810,733	83,692,444	90,173,785	96,929,809
Woster Community Hospital	3,749,300	3,910,079	4,139,112	3,864,670	3,864,067	3,941,569	3,742,199	3,787,493	4,046,528
Water (Production & Distribution)	3,272,429	3,656,400	3,714,017	3,261,084	3,169,073	3,443,436	3,224,387	3,787,493	3,391,446
Water Pollution Control	432,416	525,137	746,750	759,431	798,263	809,835	863,905	886,865	882,850
Storm Drainage Utility	985,872	1,053,226	970,084	849,331	879,116	913,915	938,003	1,070,033	1,281,821
Refuse Collection	12,729	9,703	9,775	8,299	6,194	6,577	5,135	5,006	3,618
CDBG Economic Development Loans	84,449	141,721	319,519	332,857	336,905	495,329	1,007,384	130,233	322,970
Operating grants & contributions	0	0	0	581,598	158,498	0	0	59,000	0
Capital grants & contributions	57,733,481	64,433,532	74,725,795	78,150,456	84,067,724	88,421,394	93,473,457	99,899,908	106,859,042
Total business-type program revenues	\$60,455,050	\$67,442,653	\$78,125,262	\$81,665,841	\$87,356,634	\$93,516,670	\$97,392,982	\$104,510,276	\$110,754,907
Total primary government program revenues									

Net (Expense)/Revenue	(\$13,371,507)	(\$12,508,272)	(\$13,216,882)	(\$13,587,482)	(\$13,824,291)	(\$11,821,601)	(\$13,949,028)	(\$14,186,607)	(\$16,428,484)
Governmental activities	5,711,117	5,777,176	9,123,436	6,575,615	5,458,255	5,782,324	4,969,990	5,128,235	1,013,851
Business-type activities	(\$7,660,390)	(\$6,731,096)	(\$4,093,446)	(\$7,011,867)	(\$8,366,036)	(\$6,039,277)	(\$8,979,038)	(\$9,058,372)	(\$15,414,633)
Total primary government net expense									

General Revenues and Other Changes in Net Assets

Governmental activities:									
Taxes:									
City income tax	\$7,768,366	\$7,731,245	\$7,868,386	\$7,819,106	\$8,395,905	\$8,922,262	\$8,558,902	\$9,655,637	\$8,526,252
Property taxes	2,066,251	2,066,681	2,050,620	2,170,403	2,086,589	2,278,101	2,453,710	2,539,667	2,216,877
Estate taxes	823,816	564,448	1,158,307	873,090	592,046	556,440	814,161	1,263,406	1,575,947
Other taxes	106,280	106,986	115,202	112,158	111,250	100,392	104,711	156,057	174,686
Unrestricted grants and contributions	1,725,510	1,759,816	1,906,638	1,731,790	1,832,650	1,602,449	1,659,626	1,680,018	1,704,720
Investment earnings	1,296,950	1,112,213	744,456	445,165	319,307	531,694	1,067,669	1,370,251	1,185,663
Miscellaneous	279,087	191,324	313,302	256,092	226,942	328,328	327,119	459,353	465,296
Transfers	0	401,034	2,070	3,496	10,150	(341,268)	11,692	0	0
Loss on sale of land	(1,240,743)	0	0	0	0	0	0	0	0
Total governmental activities	12,825,517	13,933,747	14,158,981	13,411,300	13,574,839	13,978,398	14,997,590	17,124,389	15,849,441
Business-type activities:									
Investment earnings	4,341,922	4,053,449	2,742,342	1,588,243	1,187,190	2,179,390	3,427,836	3,210,402	3,603,849
Miscellaneous	15,155	15,489	100,151	172,623	197,648	133,727	216,142	172,601	132,166
Transfers	0	2,345	52,202	(3,496)	0	341,268	(11,692)	0	0
Special item - change in est plant closure cost	0	0	0	0	0	1,803,575	0	0	0
Total business-type activities	4,357,077	4,071,283	2,894,695	1,757,370	1,384,838	4,457,960	3,632,286	3,383,003	3,736,015
Total primary government	\$17,182,594	\$18,005,030	\$17,053,676	\$15,168,670	\$14,959,677	\$18,436,358	\$18,629,876	\$20,507,392	\$19,585,456

Changes in Net Assets	(\$545,991)	\$1,425,474	\$942,099	(\$176,183)	(249,452)	\$2,156,797	\$1,048,562	\$2,937,782	(\$579,043)
Governmental activities	10,068,195	9,848,460	12,018,131	8,332,986	6,843,093	10,240,284	8,602,276	8,511,238	4,749,866
Business-type activities	\$9,522,204	\$11,273,934	\$12,960,230	\$8,156,803	\$6,593,641	\$12,397,081	\$9,650,838	\$11,449,020	\$4,170,823
Total primary government changes in Net Assets									

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

CITY OF WOOSTER, OHIO
 FUND BALANCES
 LAST NINE YEARS

Schedule 1.3
 Governmental Activities
 (modified accrual basis of accounting)

GENERAL FUND	2000	2001	2002	2003	2004	2005	2006	2007	2008
Fund balances:									
Reserved for encumbrances	\$ 2,144,874	\$ 720,160	\$ 2,324,261	\$ 3,010,790	\$ 2,569,468	\$ 2,057,008	\$ 2,302,703	\$ 2,569,889	\$ 2,592,872
Unreserved	7,536,364	10,072,966	9,176,236	8,874,600	9,556,665	10,086,616	10,174,109	11,421,599	9,701,387
Total General Fund	9,681,238	10,793,126	11,500,497	11,885,390	12,126,133	12,143,624	12,476,812	13,991,488	12,294,259
OTHER GOVERNMENTAL FUNDS									
Fund balances:									
Reserved for encumbrances	1,228,807	2,092,946	1,164,251	1,633,323	1,046,174	2,502,300	1,449,792	3,553,551	12,198,156
Unreserved, reported in:									
Special revenue funds	2,451,536	2,810,185	2,024,455	1,901,392	1,993,488	2,141,344	2,693,080	2,520,282	1,747,447
Capital projects funds	4,995,497	4,467,254	4,209,665	2,750,575	1,733,902	1,667,698	1,301,761	4,441,154	(1,242,552)
Debt service funds	196,566	479,503	516,972	505,652	549,770	627,779	674,528	575,622	634,471
Total Other Governmental Funds	8,872,406	9,849,888	7,915,343	6,790,942	5,323,334	6,939,121	6,119,161	11,090,589	13,337,522
ALL GOVERNMENTAL FUNDS									
Fund balances:									
Reserved for encumbrances	3,373,681	2,813,106	3,488,512	4,644,113	3,615,642	4,559,308	3,752,495	6,123,440	14,791,028
Unreserved, reported in:									
General fund	7,536,364	10,072,966	9,176,236	8,874,600	9,556,665	10,086,616	10,174,109	11,421,599	9,701,387
Special revenue funds	2,451,536	2,810,185	2,024,455	1,901,392	1,993,488	2,141,344	2,693,080	2,520,262	1,747,447
Capital projects funds	4,995,497	4,467,254	4,209,665	2,750,575	1,733,902	1,667,698	1,301,761	4,441,154	(1,242,552)
Debt service funds	196,566	479,503	516,972	505,652	549,770	627,779	674,528	575,622	634,471
Total All Governmental Funds	\$ 18,553,644	\$ 20,643,014	\$ 19,415,840	\$ 18,676,332	\$ 17,449,467	\$ 19,082,745	\$ 18,595,973	\$ 25,082,077	\$ 25,631,781

Source: Respective comprehensive annual financial reports.

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

Schedule 1.4
Governmental Activities
(modified accrual basis of accounting)

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues :									
Taxes	\$ 10,940,531	\$ 10,646,623	\$ 11,373,906	\$ 11,127,812	\$ 11,009,219	\$ 11,297,923	\$ 12,344,546	\$ 13,726,214	\$ 12,441,243
Intergovernmental	2,837,319	2,976,607	3,430,565	3,337,563	3,401,497	4,922,439	3,593,297	3,506,114	3,772,218
Charges for services	770,286	773,320	866,883	857,203	789,399	1,072,499	1,032,895	1,254,071	1,275,498
Special assessments	232,806	201,988	194,157	250,145	220,491	241,604	197,603	255,070	237,584
Fines, licenses, permits	477,195	532,200	618,004	629,018	586,873	588,341	520,367	727,002	369,262
Interfund services provided	920,623	1,006,130	1,013,651	1,248,397	1,257,604	1,657,452	1,504,907	1,443,050	1,643,980
Interest income	1,296,952	1,112,213	744,455	445,165	319,307	531,693	996,877	1,370,250	1,185,662
Contributions and donations	-	-	200,000	-	-	-	-	-	-
Miscellaneous	333,978	190,859	239,484	264,050	216,557	302,091	352,674	417,786	394,809
Total Revenues	17,809,690	17,439,940	18,681,085	18,159,353	17,800,947	20,614,042	20,543,166	22,699,557	21,320,256
Expenditures :									
Current operations :									
Safety services	7,094,767	7,286,204	7,887,889	8,202,817	8,723,587	8,625,843	9,406,095	9,529,944	10,250,661
Health and social services	136,155	141,727	142,208	140,855	132,275	137,883	142,851	148,884	148,865
Leisure services	1,630,780	1,650,906	1,732,620	1,783,469	1,661,124	1,702,485	1,839,067	1,885,624	2,006,716
Environment and development	688,943	691,724	1,097,016	1,091,022	1,137,281	1,047,612	1,288,681	1,234,397	1,263,228
Utility services	-	-	-	-	-	-	-	-	-
Transportation services	1,941,391	1,510,544	1,829,615	1,805,628	1,852,717	1,741,005	1,635,981	2,163,997	2,460,893
Administrative services	3,000,750	2,936,951	3,109,193	3,096,290	2,830,533	3,074,504	3,058,369	3,279,618	3,599,640
Capital expenditures	3,395,582	1,890,745	2,559,250	3,356,967	1,895,424	3,145,019	2,663,806	2,693,490	4,421,587
Debt service :									
Principal	229,597	517,804	2,186,199	1,690,840	624,667	344,337	1,353,408	1,372,318	1,419,808
Interest	164,798	156,499	177,400	160,972	180,355	167,152	190,049	214,332	199,157
Total Expenditures	18,282,763	16,783,104	20,721,390	21,328,860	19,037,963	19,985,840	21,578,307	22,522,604	25,770,555
Excess revenues over (under) expenditures	(473,073)	656,836	(2,040,305)	(3,169,507)	(1,237,016)	628,202	(1,035,141)	176,953	(4,450,299)
Other financing sources (uses) :									
Debt issuance	1,198,653	1,161,993	1,169,951	2,420,000	-	1,000,000	-	1,997,023	4,000,000
Sale of capital assets	-	-	-	-	-	-	-	85,000	-
Transfers in	-	1,049,740	807,143	901,772	490,150	1,884,959	1,447,341	1,431,473	1,797,400
Transfers (out)	-	(648,707)	(752,870)	(891,772)	(480,000)	(1,884,959)	(1,447,341)	(1,431,473)	(1,797,400)
Special item - donation from local college	-	-	-	-	-	-	-	4,300,000	-
Total other financing sources (uses)	1,198,653	1,563,026	1,224,224	2,430,000	10,150	1,000,000	-	6,558,976	(450,299)
Net changes in fund balances	\$ 725,580	\$ 2,219,862	\$ (816,081)	\$ (739,507)	\$ (1,226,866)	\$ 1,628,202	\$ (1,035,141)	\$ 6,735,929	\$ (4,900,598)
Debt service as a percentage of noncapital expenditures	2.6%	4.5%	13.0%	10.3%	4.7%	3.0%	8.2%	8.0%	7.6%

Source: Respective comprehensive annual financial reports

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

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Current Assets										
Cash & Investments	\$9,856,963	\$9,383,730	\$9,943,449	\$10,087,609	\$8,398,130	\$7,608,033	\$6,317,307	\$2,246,462	\$1,443,663	\$827,290
Other Current Assets	744,339	796,621	688,401	701,732	669,336	722,865	751,626	638,136	616,195	690,325
Total Current Assets	\$10,601,302	\$10,180,351	\$10,631,850	\$10,789,341	\$9,067,466	\$8,330,898	\$7,068,933	\$2,884,598	\$2,059,858	\$1,517,615
Noncurrent Assets										
Net Capital Assets	\$22,298,878	\$22,498,094	\$22,546,230	\$22,086,271	\$22,538,119	\$22,894,460	\$22,939,945	\$24,215,582	\$23,861,394	\$25,228,146
Total Assets	\$32,900,180	\$32,678,445	\$33,178,080	\$32,875,612	\$31,605,585	\$31,225,358	\$30,008,878	\$27,100,180	\$25,921,252	\$26,745,761
Current Liabilities - Note 1,2	\$7,779,403	\$7,530,559	\$5,474,216	\$5,532,705	\$4,868,185	\$5,109,343	\$2,984,551	\$1,586,083	\$1,451,199	\$1,955,920
Noncurrent Liabilities	8,532,434	7,756,905	9,651,737	8,775,983	7,911,090	6,992,885	6,060,652	5,032,601	4,085,995	4,708,747
Total Liabilities	\$16,311,837	\$15,287,464	\$15,125,953	\$14,308,688	\$12,779,275	\$12,102,228	\$9,045,203	\$6,618,684	\$5,537,194	\$6,664,667
Total Net Assets	\$16,588,343	\$17,390,981	\$18,052,127	\$18,566,924	\$18,826,310	\$19,123,130	\$20,963,675	\$20,481,496	\$20,384,058	\$20,081,094
Working Capital	\$ 2,821,899	\$ 2,649,792	\$ 5,157,634	\$ 5,256,636	\$ 4,199,281	\$ 3,221,555	\$ 4,084,382	\$ 1,298,515	\$ 608,659	(\$438,305)
Current Ratio	1.36	1.35	1.94	1.95	1.86	1.63	2.37	1.82	1.42	0.78
Capital Expenditures	\$1,366,312	\$1,179,190	\$1,090,786	\$734,527	\$1,496,317	\$1,428,742	\$972,072	\$2,206,764	\$694,016	\$2,321,052
Depreciation Expense	\$881,994	\$988,407	\$1,042,347	\$1,006,936	\$1,071,357	\$1,061,535	\$1,049,475	\$930,064	\$990,725	\$1,055,553
Long Term Debt	\$8,441,745	\$7,693,845	\$9,600,945	\$8,731,200	\$7,840,752	\$6,902,380	\$5,921,308	\$4,905,136	\$3,958,580	\$4,478,582
Principal Payments - Note 2	\$3,665,500	\$3,705,500	\$3,747,900	\$1,719,118	\$1,497,399	\$903,372	\$938,372	\$981,072	\$1,016,172	\$1,062,236
Interest Expense	\$581,332	\$579,629	\$558,414	\$598,074	\$435,077	\$393,713	\$364,600	\$323,451	\$279,576	\$246,309
Liabilities to Assets	49.58%	46.78%	45.59%	43.52%	40.43%	38.76%	30.14%	24.42%	21.36%	24.92%
Operating Results										
Total operating revenues	\$4,133,467	\$3,749,387	\$3,924,239	\$4,184,422	\$4,025,264	\$4,146,936	\$4,039,028	\$3,884,499	\$3,915,860	\$4,144,965
Total operating expenses	3,178,782	3,094,977	3,304,070	3,239,513	3,592,943	3,582,648	4,028,009	4,343,417	3,891,667	4,306,022
Operating income	954,685	654,410	620,169	944,909	432,321	564,288	11,019	(458,918)	24,193	(161,057)
Net non-operating revenues (expenses)-Note 1	(69,500)	135,757	38,632	(240,242)	(169,438)	(267,467)	(91,101)	(17,414)	(121,631)	(141,907)
Transfer and special item - Note 4	0	0	0	0	0	0	1,920,570	(5,846)	0	0
Change in Net Assets	\$885,185	\$790,167	\$658,801	\$704,667	\$262,883	\$296,820	\$1,840,488	(\$482,178)	(\$97,438)	(\$302,964)
Return on Assets from Operations	5.8%	3.8%	3.4%	5.1%	2.3%	3.0%	0.1%	-2.2%	0.1%	-0.8%
CPI changes - Note 3	2.7%	3.4%	1.6%	2.4%	1.9%	3.3%	3.3%	3.2%	2.8%	3.8%
Personal services expenses	\$1,122,665	\$1,091,771	\$1,109,519	\$1,139,917	\$1,326,728	\$1,336,854	\$1,400,638	\$1,592,430	\$1,569,085	\$1,763,382
Personal services expenses as a % of total operating expenses	35.3%	35.3%	33.6%	35.2%	36.9%	37.3%	34.8%	36.7%	40.3%	41.0%

Source: Respective comprehensive annual financial reports

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

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

Note 3 - Bureau of Labor Statistics

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

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

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Current Assets										
Cash & investments	\$ 11,700,808	\$ 11,318,777	\$ 11,776,630	\$ 12,569,170	\$ 11,894,904	\$ 11,754,145	\$ 10,698,774	\$ 9,611,906	\$ 8,201,612	\$ 5,029,963
Other Current Assets	539,929	642,599	783,029	614,325	526,937	608,007	637,836	828,484	582,078	515,267
Total Current Assets	12,240,537	11,961,376	12,559,659	13,183,495	12,421,741	12,362,152	11,336,610	10,440,390	8,783,690	5,545,230
Noncurrent Assets										
Long Term Receivables	592,131	571,424	545,883	498,926	456,358	431,694	396,545	373,404	343,392	310,289
Net Capital Assets	12,840,538	13,508,448	13,250,037	12,807,772	13,362,129	12,438,501	14,654,805	25,942,126	29,597,254	30,628,433
Total Noncurrent Assets	13,432,669	14,079,872	13,795,920	13,306,698	13,820,487	12,870,195	15,051,350	26,315,530	29,940,646	30,938,722
Total Assets	\$ 25,673,206	\$ 26,041,248	\$ 26,355,579	\$ 26,490,193	\$ 26,242,228	\$ 25,232,347	\$ 26,387,960	\$ 36,755,920	\$ 38,724,336	\$ 36,483,952
Current Liabilities										
Noncurrent Liabilities	\$ 810,224	\$ 659,011	\$ 509,420	\$ 384,730	\$ 310,253	\$ 305,366	\$ 1,464,240	\$ 1,854,040	\$ 1,101,243	\$ 1,466,581
Total Liabilities	679,933	382,881	112,135	93,692	76,020	75,774	641,599	11,361,268	15,860,368	16,112,151
Total Net Assets	\$ 24,183,049	\$ 24,999,356	\$ 25,734,024	\$ 26,011,771	\$ 25,855,955	\$ 24,851,207	\$ 24,282,121	\$ 23,540,612	\$ 21,762,725	\$ 18,905,220
Working Capital	\$11,430,313	\$11,302,365	\$12,050,239	\$12,798,765	\$12,111,488	\$12,056,786	\$9,872,370	\$8,586,350	\$7,682,447	\$4,078,649
Current Ratio	15.11	18.15	24.65	34.27	40.04	40.48	7.74	5.63	7.98	3.78
Capital Expenditures	\$1,146,403	\$1,666,474	\$886,620	\$749,425	\$1,511,253	\$527,515	\$3,225,518	\$11,739,199	\$6,204,104	\$2,884,606
Depreciation Expense	\$856,153	\$999,500	\$1,029,062	\$987,361	\$997,446	\$1,437,773	\$1,123,039	\$1,141,129	\$1,272,771	\$1,855,222
Long Term Debt	\$562,056	\$297,851	\$32,272	\$0	\$0	\$0	\$544,231	\$11,266,536	\$15,759,557	\$15,956,305
Principal Payments	\$261,102	\$262,908	\$263,915	\$275,255	\$42,095	\$0	\$0	\$0	\$385,203	\$788,443
Interest Expense	\$61,631	\$47,342	\$31,512	\$16,562	\$1,221	\$0	\$0	\$0	\$257,151	\$737,498
Liabilities to Assets	5.80%	4.00%	2.36%	1.81%	1.47%	1.51%	7.98%	35.95%	43.80%	48.18%
Operating Results										
Total operating revenues	\$3,349,179	\$3,272,430	\$3,657,451	\$3,738,552	\$3,381,481	\$3,221,098	\$3,465,790	\$3,254,976	\$3,414,177	\$3,419,273
Total operating expenses	3,023,034	3,274,070	3,590,372	3,650,335	3,777,200	4,404,277	4,404,335	4,504,781	5,489,786	5,821,755
Operating income	326,145	(1,640)	67,079	88,217	(395,719)	(1,183,179)	(938,545)	(1,249,805)	(2,075,609)	(2,402,482)
Net non-operating revenues (expenses)	517,569	817,947	687,589	411,614	239,903	178,431	369,515	508,296	297,723	(455,022)
Change in Net Assets	\$843,714	\$916,307	\$734,668	\$499,831	(\$155,816)	(\$1,004,748)	(\$569,030)	(\$741,509)	(\$1,777,886)	(\$2,857,504)
Return on Assets from Operations	1.35%	-0.01%	0.26%	0.34%	-1.53%	-4.76%	-3.87%	-5.31%	-9.54%	-12.71%
CPI changes	2.7%	3.4%	1.6%	2.4%	1.9%	3.3%	3.3%	3.2%	2.8%	3.8%
Personal services expenses as a % of total operating expenses	35.0%	29.7%	30.0%	29.6%	28.8%	27.4%	30.4%	32.4%	25.3%	18.7%

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 Activities
(accrual basis of accounting)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Current Assets										
Cash & Investments	\$ 1,582,112	\$ 1,598,462	\$ 4,115,413	\$ 4,321,205	\$ 2,716,143	\$ 1,873,930	\$ 1,611,189	\$ 513,901	\$ 567,823	\$ 398,031
Other Current Assets	79,307	99,933	120,349	139,953	125,568	144,265	140,094	157,108	173,061	169,682
Total Current Assets	1,661,419	1,698,395	4,235,762	4,461,158	2,841,711	2,018,195	1,751,283	671,009	740,884	567,713
Noncurrent Assets										
Net Capital Assets	3,057,388	3,210,737	3,564,866	3,903,684	5,595,014	6,250,833	7,179,293	7,999,559	8,365,242	8,754,281
Total Assets	\$ 4,718,807	\$ 4,909,132	\$ 7,800,628	\$ 8,364,842	\$ 8,436,725	\$ 8,269,027	\$ 8,930,576	\$ 8,670,568	\$ 9,106,126	\$ 9,321,994
Current Liabilities	\$ 28,834	\$ 43,190	\$ 758,335	\$ 773,630	\$ 309,589	\$ 257,424	\$ 622,829	\$ 233,237	\$ 160,456	\$ 157,569
Noncurrent Liabilities	125,061	125,061	2,078,455	2,069,380	2,068,591	1,879,331	1,764,868	1,632,087	1,634,751	1,499,181
Total Liabilities	153,895	168,251	2,836,790	2,843,010	2,378,180	2,136,755	2,387,697	1,865,324	1,795,207	1,656,750
Total Net Assets	\$ 4,564,912	\$ 4,740,881	\$ 4,963,838	\$ 5,521,832	\$ 6,068,545	\$ 6,132,272	\$ 6,542,879	\$ 6,805,244	\$ 7,310,919	\$ 7,665,244
Working Capital	\$ 1,632,585	\$ 1,655,205	\$ 3,477,427	\$ 3,687,528	\$ 2,532,122	\$ 1,760,770	\$ 1,128,454	\$ 437,772	\$ 580,428	\$ 410,144
Current Ratio	57.62	39.32	5.59	5.77	9.18	7.84	2.81	2.88	4.62	3.60
Capital Expenditures	\$ 326,735	\$ 282,297	\$ 451,374	\$ 408,175	\$ 1,795,884	\$ 862,723	\$ 821,634	\$ 977,064	\$ 555,911	\$ 544,208
Depreciation Expense	\$ 112,133	\$ 128,948	\$ 134,586	\$ 134,586	\$ 166,923	\$ 239,970	\$ 224,050	\$ 213,091	\$ 249,117	\$ 260,832
Long Term Debt	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,982,910	\$ 1,860,197	\$ 1,732,485	\$ 1,599,772	\$ 1,623,269	\$ 1,487,575
Principal Payments	\$ 0	\$ 0	\$ 0	\$ 2,701,967	\$ 2,790,163	\$ 122,712	\$ 122,712	\$ 127,712	\$ 136,862	\$ 138,353
Interest Expense	\$ 0	\$ 0	\$ 6,649	\$ 64,424	\$ 56,583	\$ 16,983	\$ 67,933	\$ 65,058	\$ 61,797	\$ 57,276
Liabilities to Net Assets	3.37%	3.55%	57.15%	51.49%	39.25%	34.84%	36.49%	27.41%	24.56%	21.61%
Operating Results										
Total operating revenues	\$434,446	\$432,416	\$525,220	\$748,661	\$813,934	\$816,866	\$814,463	\$869,141	\$891,799	\$887,682
Total operating expenses	344,764	376,714	396,850	313,714	608,834	707,792	694,813	591,865	421,562	497,675
Operating income	89,682	55,702	128,370	434,947	205,100	109,074	119,650	277,276	470,237	390,007
Net non-operating revenues (expense)	81,952	120,267	94,587	100,975	331,613	(35,347)	290,957	(14,912)	35,437	(35,681)
Change in Net Assets	\$171,634	\$175,969	\$222,957	\$535,922	\$536,713	\$73,727	\$410,607	\$262,364	\$505,674	\$354,326
Return on Assets from Operations	1.96%	1.17%	2.59%	7.88%	3.39%	1.78%	1.83%	4.07%	6.43%	5.09%
CPI changes	2.7%	3.4%	1.6%	2.4%	1.9%	3.3%	3.3%	3.2%	2.8%	3.8%
Personal services expenses as a % of total operating expenses	25.28%	26.85%	33.02%	10.25%	36.96%	38.44%	40.97%	39.61%	16.41%	20.37%

Source: Respective Comprehensive Annual Financial Reports

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Change in Net Assets										
Statement Summary										
Total Gross Revenue	\$54,951,348	\$62,875,341	\$69,808,361	\$84,391,398	\$91,762,398	\$102,188,549	\$111,372,640	\$121,402,518	\$132,626,372	\$142,986,141
Less: Deductions	(11,142,764)	(13,689,887)	(14,740,112)	(19,640,490)	(23,297,774)	(27,444,467)	(32,582,138)	(37,768,749)	(42,470,238)	(48,695,911)
Net Revenue	43,808,584	49,185,454	55,068,249	64,750,908	68,464,624	74,744,082	78,790,502	83,633,769	90,156,134	94,290,230
Total Operating Costs	38,825,966	42,843,550	48,108,513	55,706,370	61,094,025	67,125,463	71,621,862	77,314,826	82,880,752	87,666,654
Operating Income	4,982,618	6,341,904	6,959,736	9,044,538	7,370,599	7,618,619	7,168,640	6,318,943	7,275,382	6,623,576
Non-operating Income (Expense)	845,535	1,610,843	1,195,610	649,629	87,308	(515,414)	1,398,810	2,159,987	1,908,511	404,858
Change in Net Assets	\$5,828,153	\$7,952,747	\$8,155,346	\$9,694,167	\$7,457,907	\$7,103,205	\$8,567,450	\$8,478,930	\$9,183,893	\$7,028,434

Balance Sheet Information

Cash Balances:

Days Operating Cash on Hand	70.23	78.13	92.83	72.42	68.19	44.17	52.40	46.00	44.80	54.00
Operating Fund	\$6,910,440	\$8,475,979	\$11,412,086	\$10,341,454	\$10,649,707	\$7,521,837	\$9,476,957	\$8,945,304	\$8,990,603	\$11,970,067
Plant Fund	\$26,919,336	\$34,209,501	\$37,553,694	\$42,021,271	\$44,567,931	\$49,157,316	\$45,717,851	\$48,233,897	\$58,971,924	\$67,196,910
Restricted Cash Funds	\$1,700,546	\$1,672,343	\$1,706,021	\$1,560,495	\$1,486,054	\$1,177,342	\$1,203,605	\$1,302,686	\$1,380,800	\$1,324,782
Total Cash & Investments	\$35,530,322	\$44,357,823	\$50,671,801	\$53,923,220	\$56,703,692	\$57,856,495	\$56,398,413	\$58,481,887	\$69,343,327	\$80,491,759
Accounts Receivable	\$10,631,427	\$12,891,580	\$13,307,255	\$15,331,275	\$16,038,823	\$16,520,196	\$16,144,548	\$17,184,188	\$19,627,687	\$19,680,574
Days Outstanding	73.92	76.03	68.50	66.27	63.73	62.35	54.90	56.30	54.80	53.00

Source: Wooster Community Hospital Monthly Board Reports

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

Income Tax Base	1999	2000	2001	2002
Estimated Personal Income	\$493,970,559	\$533,560,555	\$551,646,602	\$563,443,816

Income Tax Receipts	1999	2000	2001	2002
Income Tax Receipts:				
Withholding	\$7,326,656	\$6,440,639	\$6,633,878	\$6,735,400
Corporate	1,018,641	940,283	866,185	703,086
Individuals	700,884	679,240	610,980	665,755
Total Income Tax Receipts	\$9,046,182	\$8,060,162	\$8,111,043	\$8,104,240

Income Tax Principal Payers	1999	2000	2001	2002
Industrial	45.9%	39.1%	36.9%	34.2%
Education/Government	11.1%	13.3%	14.6%	17.4%
Services	9.2%	10.1%	10.6%	11.1%
Retail	8.8%	9.0%	9.3%	8.6%
Medical	7.0%	8.4%	9.0%	7.1%
Construction	3.9%	4.4%	4.8%	4.9%
Financial	4.3%	4.3%	4.3%	3.9%
Oil	1.6%	1.9%	2.0%	2.2%
Restaurants	1.8%	2.1%	2.2%	2.3%
Miscellaneous	6.4%	7.4%	6.3%	8.3%
	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.

Schedule 2.1
General Fund

2003	2004	2005	2006	2007	2008	'99-'08
\$580,662,193	\$598,205,752	\$630,938,440	\$655,927,860	\$686,756,470	\$707,359,164	143.2%

2003	2004	2005	2006	2007	2008	% Change '99-'08
\$6,723,310	\$6,835,582	\$6,772,165	\$7,010,331	\$7,564,476	\$7,387,045	0.8%
639,578	630,991	895,922	1,177,943	1,063,645	806,693	(20.8%)
645,084	606,120	842,616	859,858	1,193,414	922,756	31.7%
\$8,007,972	\$8,072,693	\$8,510,703	\$9,048,132	\$9,821,535	\$9,116,494	0.8%

2003	2004	2005	2006	2007	2008	% Change '99-'08
33.0%	31.6%	28.2%	28.4%	28.0%	27.4%	(40.4%)
17.8%	18.5%	18.0%	18.0%	18.7%	20.1%	81.1%
12.0%	11.7%	12.3%	11.9%	12.5%	13.0%	41.2%
9.0%	8.6%	9.1%	8.1%	7.4%	7.8%	(11.4%)
7.1%	7.1%	8.2%	6.9%	7.0%	7.9%	13.0%
4.7%	4.1%	4.1%	5.1%	4.0%	3.5%	(9.5%)
4.3%	4.6%	5.0%	4.9%	4.6%	4.5%	4.2%
2.3%	2.4%	2.8%	2.7%	2.8%	3.2%	101.9%
2.3%	2.0%	2.2%	1.9%	2.3%	2.2%	20.0%
7.5%	9.4%	10.1%	12.2%	12.7%	10.4%	62.2%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

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

Property Tax Base	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
Assessed Value										
Real Property	\$376,452	\$383,712	\$392,592	\$419,524	\$437,860	\$452,095	\$506,446	\$512,297	\$511,547	\$542,899
Public Utility Property	14,373	15,113	10,291	10,602	10,432	12,800	12,828	12,853	9,724	10,499
Tangible Personal Property	123,488	128,468	123,315	117,373	111,693	110,886	106,247	106,247	56,809	1,026
Total	\$514,313	\$527,293	\$526,198	\$547,499	\$559,985	\$575,781	\$625,521	\$631,397	\$578,080	\$554,424
Total direct tax rate	4.200000	4.200000	4.200000	4.200000	4.200000	4.200000	4.200000	4.200000	4.200000	4.200000
Estimated Actual Value										
Real Property	\$1,075,577	\$1,096,320	\$1,121,690	\$1,198,640	\$1,251,029	\$1,291,700	\$1,446,989	\$1,463,706	\$1,461,563	\$1,551,140

Sources: Wayne County Auditor

Building Permit Activity	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Commercial permits	77	107	103	94	113	105	106	125	150	93
Value of commercial permits	\$14,580	\$25,936	\$52,796	\$32,871	\$30,789	\$36,196	\$62,722	\$38,842	\$35,941	\$26,340
Residential permits	185	151	169	197	228	219	188	131	148	79
Value of residential permits	\$8,471	\$8,048	\$8,643	\$15,917	\$18,586	\$19,840	\$26,017	\$10,990	\$11,531	\$5,409
Total permits	262	258	272	291	341	324	294	256	298	172
Total value of permits issued	\$23,051	\$33,984	\$61,439	\$48,788	\$49,375	\$56,036	\$88,739	\$49,832	\$47,472	\$31,748

Source: City Building Standards Division.

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

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

Property Tax Rates

Tax Year/Collection Year	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
County levy	8.75	8.75	8.75	8.75	8.75	9.65	9.65	9.65	9.65	9.65
School levy	65.20	65.20	65.20	65.20	65.20	71.70	72.10	72.10	72.30	71.60
Vocational school	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	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
City levy	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20
Library	1.00	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
Total levy	84.25	84.25	84.25	84.25	84.25	91.65	92.30	92.30	93.25	92.55
Debt service:										
Included in city levy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Included in total levy	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

	2008			1999		
	RANK	ASSESSED VALUATION (\$000 omitted)	PERCENTAGE OF TOTAL ASSESSED VALUATION	RANK	ASSESSED VALUATION (\$000 omitted)	PERCENTAGE OF TOTAL ASSESSED VALUATION
Principal Payers						
Luk USA LLC	1	\$6,367	1.10%	2	17,100	3.32%
Insite Wooster LLC	2	5,560	0.96%	-	0	0.00%
Gertenslager Co	3	4,718	0.82%	5	10,582	2.06%
Wooster Brush	4	4,199	0.73%	4	10,798	2.10%
Buehlers Food Markets Inc.	5	2,443	0.42%	10	3,250	0.63%
Wooster Associates	6	2,348	0.41%	-	-	0.00%
Lowes	7	2,346	0.41%	-	-	0.00%
Wooster Crossing	8	2,280	0.39%	-	-	0.00%
Wayne Town Enterprises Ltd	9	1,651	0.29%	-	-	0.00%
Kohls' Illinois Ltd	10	1,598	0.28%	-	-	0.00%
Newell/Rubbermaid				-	-	0.00%
Ohio Power				1	29,849	5.80%
United Telephone				6	\$8,346	1.62%
Wayne Steel				8	3,575	0.70%
Frito Lay/ Pepsico				7	5,024	0.98%
Rexroth				9	36,360	7.07%
				3	11,555	2.25%
Total of Above		<u>\$33,510</u>	5.79%		<u>\$136,439</u>	26.53%
Total Assessed Valuation of City		\$578,280			\$514,313	

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)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
PROPERTY TAX										
Real and public property:										
Net tax levy	1,659	1,641	1,741	1,769	1,925	1,995	2,107	2,392	2,635	2,670
Current collections	1,501	1,594	1,625	1,620	1,733	1,774	1,857	1,972	2,460	2,466
Percentage of current collection to net levy	90%	97%	93%	92%	90%	89%	88%	82%	93%	92%
Delinquent collections	30	24	26	35	38	53	37	32	49	34
Total Collections	1,531	1,618	1,651	1,655	1,771	1,827	1,894	2,004	2,509	2,500
Percentage of total collections to net levy	92%	99%	95%	94%	92%	92%	90%	84%	95%	93%
TANGIBLE TAX										
Billed	520	541	516	504	481	477	508	372	277	149
Collected	506	533	507	481	470	429	498	365	243	119
Percentage collected	97%	99%	98%	95%	98%	90%	98%	98%	88%	79%
Delinquent	14	8	9	23	12	49	13	8	13	31
SPECIAL ASSESSMENTS										
Billed	274	380	361	423	515	315	466	400	431	582
Collected	253	329	304	342	448	248	443	359	403	432
Percentage collected	92%	87%	84%	81%	87%	79%	95%	90%	94%	75%
Delinquent	21	51	57	81	70	63	23	41	47	150

Source: Wayne County Auditor

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

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008
WATER RATES PER THOUSAND GALLONS*									
Minimum Charge**	\$9.38	\$9.38	\$9.38	\$9.38	\$9.38	\$9.38	\$9.38	\$9.66	\$10.24
Next 17 Thousand Gallons	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63	\$3.74	\$3.96
Next 1,980 Thousand Gallons	\$3.21	\$3.21	\$3.21	\$3.21	\$3.21	\$3.21	\$3.21	\$3.31	\$3.51
Each Additional Thousand Gallons	\$0.95	\$0.95	\$0.95	\$0.95	\$0.95	\$0.95	\$0.95	\$0.98	\$1.04

	2000	2001	2002	2003	2004	2005	2006	2007	2008
CUSTOMER COUNTS:									
Residential	7,880	8,023	8,166	8,309	8,453	8,599	8,681	8,743	8,813
Industrial	55	55	56	57	58	58	58	59	58
Commercial	635	644	653	662	671	678	684	696	677
Institutional	166	168	171	174	177	177	175	195	192
Totals	8,736	8,890	9,046	9,202	9,359	9,512	9,598	9,693	9,740

	2000	2001	2002	2003	2004	2005	2006	2007	2008
BILLINGS BY CUSTOMER TYPE:									
Residential	2,051,212	2,226,696	2,259,992	2,218,644	2,237,141	2,267,715	2,208,462	2,264,050	2,308,828
Industrial	361,883	461,004	553,223	419,171	361,229	320,098	284,815	286,018	390,942
Commercial	481,995	650,837	677,403	654,798	692,631	732,838	661,607	697,804	711,706
Institutional	534,582	551,523	577,744	503,129	521,498	557,428	518,767	539,238	557,037
Totals	3,429,672	3,890,060	4,068,362	3,795,742	3,812,499	3,878,079	3,673,652	3,787,110	3,968,513

	2000	2001	2002	2003	2004	2005	2006	2007	2008
USAGE (in thousands of gallons) BY CUSTOMER TYPE:									
Residential	482,504	523,059	529,777	514,314	516,625	522,126	504,216	507,221	495,845
Industrial	97,536	166,698	250,841	125,973	99,351	87,410	69,594	68,294	74,472
Commercial	111,818	155,688	160,319	143,819	152,719	162,434	151,081	159,375	156,998
Institutional	126,234	123,216	123,025	109,601	114,879	127,889	112,152	113,294	125,623
Totals	818,092	968,661	1,063,962	893,707	883,574	899,859	837,043	848,184	852,938

Source: City Finance Department - Utility Billing

* Rates are those in effect at year end.

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

Schedule 2.3.2

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

Business-type Activities
(accrual basis of accounting)

	2000	2001	2002	2003	2004	2005	2006	2007	2008
SANITARY SEWER RATES:									
Minimum Charge	\$5.01	\$5.01	\$5.01	\$5.01	\$5.01	\$5.01	\$5.01	\$5.16	\$5.47
Per Thousand Gallons**	\$1.97	\$1.97	\$1.97	\$1.97	\$1.97	\$1.97	\$1.97	\$2.03	\$2.15
COD (chemical oxygen demand)	\$0.09530	\$0.09530	\$0.09530	\$0.09530	\$0.09530	\$0.09530	\$0.09530	\$0.09816	\$0.09816
SS (suspended solids)	\$0.25015	\$0.25015	\$0.25015	\$0.25015	\$0.25015	\$0.25015	\$0.25015	\$0.25765	\$0.25765
CUSTOMER COUNTS:									
Residential	8,912	9,006	9,048	9,094	9,468	9,617	9,700	9,686	9,828
Industrial	57	57	57	57	57	57	57	52	57
Commercial	667	677	687	697	706	714	721	709	708
Institutional	207	206	203	200	199	199	199	183	194
Totals	9,843	9,946	9,995	10,048	10,430	10,587	10,677	10,630	10,787
BILLINGS BY CUSTOMER TYPE:									
Residential	1,636,390	1,769,966	1,790,646	1,777,704	1,792,446	1,810,075	1,782,993	2,264,050	1,863,731
Industrial	574,859	478,555	461,451	341,077	337,438	503,844	422,315	746,906	541,641
Commercial	296,589	386,548	407,847	370,254	390,076	409,678	396,889	458,189	429,577
Institutional	261,558	282,350	294,472	287,547	296,524	326,650	292,468	325,334	344,245
Totals	2,769,396	2,917,419	2,954,416	2,776,582	2,816,484	3,050,247	2,894,665	3,794,479	3,179,194
USAGE (in thousands of gallons) BY CUSTOMER TYPE:									
Residential	474,633	515,815	522,547	510,072	513,173	517,396	499,669	501,383	490,589
Industrial	278,980	213,487	219,393	157,827	156,136	241,024	199,236	198,156	187,979
Commercial	112,495	150,780	161,186	139,061	147,248	158,363	148,181	152,948	154,115
Institutional	103,747	112,020	115,613	110,656	114,435	128,936	112,872	121,102	130,712
Totals	969,855	992,102	1,018,739	917,616	930,992	1,045,719	959,958	973,589	963,395

Source: City Finance Department - Utility Billing

* Rates are those in effect at year end

** Based on metered water usage

CITY OF WOOSTER, OHIO Schedule 2.3.3
STORM DRAINAGE UTILITY *Business-type Activities*
REVENUE RELATED INFORMATION *(accrual basis of accounting)*
LAST NINE YEARS

	2000	2001	2002	2003	2004	2005	2006	2007	2008
STORM DRAINAGE RATES*									
Per ESU**	\$2.90	\$4.80	\$4.80	\$4.80	\$4.80	\$4.80	\$4.80	\$4.80	\$4.80
CUSTOMER COUNTS*:									
Residential	7,371	7,512	7,653	7,794	7,935	8,092	8,184	8,286	8,316
Industrial	40	42	45	47	49	49	49	49	48
Commercial	468	475	482	490	498	508	510	512	499
Institutional	90	90	89	88	88	136	131	130	126
Totals	7,969	8,119	8,269	8,419	8,570	8,785	8,874	8,977	8,989
BILLINGS BY CUSTOMER TYPE:									
Residential	206,128	265,321	383,816	390,685	400,439	404,757	411,527	416,328	422,087
Industrial	59,369	76,307	108,342	108,331	122,197	128,356	129,197	129,197	162,049
Commercial	85,899	110,274	161,215	165,903	175,813	182,705	238,524	246,956	260,282
Institutional	36,530	52,346	71,834	68,005	36,494	67,936	93,267	93,042	96,100
Totals	387,925	504,248	725,207	732,924	734,943	783,754	872,515	885,523	940,518
ESU's BY CUSTOMER TYPE									
Residential	5,923	7,624	11,029	11,227	11,507	7,027	7,151	7,228	7,328
Industrial	1,706	2,193	3,113	3,113	3,511	2,228	2,243	2,243	2,813
Commercial	2,468	3,169	4,633	4,767	5,052	3,172	4,229	4,287	4,519
Institutional	1,050	1,504	2,064	1,954	1,049	1,179	1,608	1,615	1,668
Totals	11,147	14,490	20,839	21,061	21,119	13,606	15,231	15,374	16,328

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 NINE YEARS

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008
REFUSE COLLECTION RATES*									
Regular	12.40	12.40	9.50	9.50	10.05	10.05	10.05	12.10	15.08
Senior	10.26	10.26	8.25	8.25	8.70	8.70	8.70	10.75	13.27
CUSTOMER COUNTS:									
Residential:									
Regular	5,828	5,874	6,036	6,092	6,137	6,210	6,471	6,470	6,436
Senior	1,595	1,655	1,586	1,601	1,613	1,600	1,565	1,621	1,723
Totals	7,423	7,529	7,622	7,693	7,750	7,810	8,036	8,091	8,159
REVENUE BY CUSTOMER TYPE:									
Residential:									
Regular	732,760	861,200	786,054	695,890	724,639	752,605	781,348	872,231	1,042,065
Senior	160,348	195,893	178,419	152,607	154,414	158,309	161,730	189,639	252,533
Totals	893,108	1,057,093	964,473	848,497	879,053	910,915	943,078	1,061,870	1,294,598

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

Schedule 3.1

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Governmental Activities:										
General Obligation Bonds	\$ 1,026,587	\$ 882,797	\$ 739,407	\$ 596,467	\$ 2,733,017	\$ 2,508,669	\$ 2,284,851	\$ 2,062,688	\$ 2,333,793	\$ 2,084,889
General Obligation Notes	655,881	645,545	1,560,852	1,053,157	0	0	0	2,000,000	1,815,000	4,000,000
Special Assessment Bonds	1,561,455	1,485,984	1,408,406	1,385,629	1,376,239	1,273,614	1,169,109	1,054,222	1,254,652	1,112,985
Special Assessment Notes	0	70,653	302,502	237,023	56,329	50,970	45,290	39,269	32,887	26,122
Land Debt	0	1,128,000	846,000	564,000	282,000	0	0	0	0	0
OPWC Loans	0	0	0	0	114,535	104,199	93,863	83,526	243,077	220,605
Business-Type Activities:										
General Obligation Bonds	12,468,117	11,162,181	12,828,991	11,060,945	11,756,200	10,255,700	8,700,200	7,602,000	6,463,700	5,277,900
General Obligation Notes	3,000,000	3,000,000	3,338,008	3,347,535	0	0	0	0	0	0
OPWC Loans	0	0	0	0	83,546	78,254	62,378	51,793	212,052	397,394
OWDA Loans	119,092	91,620	62,705	32,272	0	0	544,231	11,521,274	16,606,336	18,354,648
Total Primary Government:	\$ 18,831,132	\$ 18,466,780	\$ 21,086,871	\$ 18,277,028	\$ 16,401,866	\$ 14,271,406	\$ 12,889,922	\$ 24,414,772	\$ 28,961,497	\$ 31,474,543
Percentage of Personal Income	4.06%	3.46%	3.82%	3.24%	2.82%	2.39%	2.04%	3.72%	4.22%	4.58%
Per Capita	\$ 769	\$ 744	\$ 843	\$ 726	\$ 645	\$ 553	\$ 493	\$ 924	\$ 1,092	\$ 1,161

Source: City Finance Department

Schedule 3.2

CITY OF WOOSTER, OHIO
 DIRECT AND OVERLAPPING DEBT
 AS OF DECEMBER 31, 2008
 (\$000 omitted)

	Assessed Valuation (1)	Net General Tax Supported Debt (2)	Percent Overlapping (A)	Total Applicable to City of Wooster
City of Wooster	\$ 578,280,410	\$ -	100.00%	\$ -
Wooster City Schools	\$ 662,987,200	\$ -	87.22%	\$ -
Wayne County	\$ 2,218,192,565	\$ 13,055,451	26.07%	\$ 3,403,542
Total	\$ 3,459,460,175	\$ 13,055,451		\$ 3,403,542

Explanation:

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

Sources:

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

**CITY OF WOOSTER, OHIO
LEGAL DEBT MARGINS
LAST TEN YEARS**

Schedule 3.3

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General bonded debt outstanding:										
General Obligation Bonds	\$ 13,494,704	\$ 12,044,978	\$ 13,568,398	\$ 11,657,412	\$ 14,489,217	\$ 12,764,369	\$ 10,985,051	\$ 11,664,888	\$ 10,612,493	\$ 11,362,789
Percent of estimated actual property value	2.794%	2.284%	2.579%	2.129%	2.587%	2.217%	1.756%	1.847%	1.835%	2.049%
Per capita	\$ 550.78	\$ 485.47	\$ 542.69	\$ 462.89	\$ 569.99	\$ 494.72	\$ 419.82	\$ 441.66	\$ 398.68	\$ 419.11
Special Assessment Bonds	\$ 1,561,455	\$ 1,485,984	\$ 1,408,406	\$ 1,324,245	\$ 1,376,239	\$ 1,273,614	\$ 1,169,109	\$ 1,054,222	\$ 1,254,652	\$ 1,112,985
Promissory Notes	\$ 3,774,973	\$ 4,935,818	\$ 6,110,067	\$ 5,295,371	\$ 536,410	\$ 228,131	\$ 201,531	\$ 174,588	\$ 488,017	\$ 644,121
Total Gross Indebtedness	\$ 18,831,132	\$ 18,466,780	\$ 21,086,871	\$ 18,277,028	\$ 16,401,866	\$ 14,266,114	\$ 12,355,691	\$ 12,893,498	\$ 12,355,162	\$ 13,119,895
Percentage of personal income	4.397%	3.602%	3.978%	3.376%	2.939%	2.721%	2.234%	2.243%	2.148%	2.222%
Per capita	\$ 768.59	\$ 744.30	\$ 843.41	\$ 725.74	\$ 645.23	\$ 552.93	\$ 472.20	\$ 488.19	\$ 464.15	\$ 483.91
Less debt outside limitations:										
General Obligation Bonds	\$ 12,468,117	\$ 11,152,181	\$ 12,828,991	\$ 11,060,945	\$ 11,756,200	\$ 10,255,700	\$ 8,700,200	\$ 9,602,003	\$ 8,771,367	\$ 9,747,572
Special Assessment Debt	\$ 1,561,455	\$ 1,556,637	\$ 1,710,908	\$ 1,622,652	\$ 1,432,568	\$ 1,324,584	\$ 1,214,399	\$ 1,093,492	\$ 1,287,539	\$ 1,139,107
Promissory Notes	\$ 3,274,973	\$ 4,338,998	\$ 4,381,921	\$ 4,068,678	\$ 480,081	\$ 177,161	\$ 156,241	\$ 135,318	\$ 487,442	\$ 640,161
Less debt service fund balance	\$ 106,660	\$ 196,566	\$ 479,503	\$ 516,972	\$ 505,652	\$ 549,770	\$ 627,779	\$ 674,528	\$ 575,622	\$ 634,471
Net debt within limitations for both Voted and Unvoted debt	\$ 1,419,927	\$ 1,212,398	\$ 1,685,548	\$ 1,007,781	\$ 2,227,365	\$ 1,958,899	\$ 1,657,072	\$ 1,388,157	\$ 1,233,192	\$ 958,584
Debt Limitation for Voted and Unvoted debt										
10.5% of assessed valuation	\$ 54,003,000	\$ 55,366,000	\$ 55,251,000	\$ 57,487,000	\$ 58,798,000	\$ 60,457,005	\$ 65,679,705	\$ 66,296,685	\$ 60,719,443	\$ 56,214,520
Legal debt margin for Voted and Unvoted debt	\$ 52,583,073	\$ 54,153,602	\$ 53,565,452	\$ 56,479,219	\$ 56,570,635	\$ 58,498,106	\$ 64,022,633	\$ 64,908,528	\$ 59,486,251	\$ 57,255,936
Net debt within limitations for both voted and Unvoted debt as a percentage of debt limit	2.629%	2.190%	3.051%	1.753%	3.788%	3.240%	2.523%	2.094%	2.031%	1.647%
Net debt within limitations for both Voted and Unvoted limitation	\$ 1,419,927	\$ 1,212,398	\$ 1,685,548	\$ 1,007,781	\$ 2,227,365	\$ 1,958,899	\$ 1,657,072	\$ 1,388,157	\$ 1,233,192	\$ 958,584
Less voted debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net debt within limitations for Unvoted debt	\$ 1,419,927	\$ 1,212,398	\$ 1,685,548	\$ 1,007,781	\$ 2,227,365	\$ 1,958,899	\$ 1,657,072	\$ 1,388,157	\$ 1,233,192	\$ 958,584
Debt limitation for Unvoted debt										
5.5% of assessed valuation	\$ 28,287,000	\$ 29,001,000	\$ 28,941,000	\$ 30,112,000	\$ 30,799,000	\$ 31,667,955	\$ 34,403,655	\$ 34,726,835	\$ 31,805,423	\$ 30,493,320

**CITY OF WOOSTER, OHIO
DEMOGRAPHICS
LAST TEN YEARS**

Schedule 4.1

	Population(1)	Total	Median	Per	Unemployment Rate(3)		City Square Miles (4)
		Personal Income(2)	Family Income(1)	Capita Income(2)	Wayne County	State of Ohio	
1999	24,501	463,296,893	41,431	18,909	3.5	4.3	15.428
2000	24,811	533,560,555	47,118	21,505	3.3	4.1	15.767
2001	25,002	551,646,602	48,343	22,064	3.9	4.3	15.772
2002	25,184	563,443,816	49,020	22,373	4.7	5.7	15.872
2003	25,420	580,662,193	50,049	22,843	4.8	6.1	15.910
2004	25,801	598,205,752	50,800	23,185	4.5	5.9	16.264
2005	26,166	630,938,440	52,832	24,113	5.0	6.0	16.282
2006	26,411	655,927,860	54,415	24,835	4.6	5.5	17.121
2007	26,527	686,756,470	54,439	24,846	4.8	5.8	17.244
2008	27,112	707,359,164	56,072	25,592	7.1	7.8	17.244

Sources:

- (1) Wooster Planning Division estimates 1997-1999, 2001-2006, 2007 Median Family Income money.cnn.com; U.S. Census Bureau 2000
- (2) Wooster Finance Department estimates 1997-1999, 2001-2006; U.S. Census Bureau 2000.
- (3) For years 1997-2002 City of Wooster Official Statements issued 2001 & 2003; for years 2003-2008 Ohio Dept. of Job and Family Services
- (4) City Engineer's annual report

**CITY OF WOOSTER, OHIO
ECONOMIC INDICATORS
FULL-TIME EQUIVALENTS - TOP TEN EMPLOYERS
1999 COMPARED TO 2008**

Schedule 4.2

Employer	Nature of Activity	Number of Full-time Equivalent Employees					
		2008			1999		
		Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
The City of Wooster	Government/Hospital	1,047	1	7.8%	650	5	4.8%
Luk, Inc	Auto Parts Fabricator	1,014	2	7.5%	650	6	4.8%
The County of Wayne	Government	837	3	6.2%	800	3	5.9%
College of Wooster	Education	686	4	5.1%	800	8	5.9%
Wooster City Schools	Education	650	5	4.8%	550	4	4.1%
Walmart	Retail	527	6	3.9%	500	10	3.7%
Worthington Industries	Auto Parts Fabricator	513	7	3.8%	1,050	2	7.8%
Wooster Brush Comp	Manuf. Paint Applicatc	511	8	3.8%	500	9	3.7%
Cleveland Clinic Foun	Medical Care	382	9	2.8%	-	-	-
Frito Lay Inc	Manuf. Food	342	10	2.5%	-	-	-
Rexroth Corporation	Hydraulics Manuf.	-	-	-	650	7	4.8%
Newell Rubbermaid	Rubber Plastics Manu	-	-	-	1,550	1	11.5%
Totals		6,509		48.3%	7,700		57.2%

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**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Governmental Services:										
Safety services:										
Police Division	44.0	44.0	44.0	49.0	48.0	46.0	44.0	43.0	43.0	43.0
Fire Division	44.0	43.0	45.0	44.0	43.0	44.0	43.0	43.0	43.0	43.0
Traffic Control	4.0	4.0	4.0	4.0	4.0	3.0	4.0	4.0	4.0	4.0
Total Safety Services	92.0	91.0	93.0	97.0	95.0	93.0	91.0	90.0	90.0	90.0
Leisure services	16.9	15.9	14.9	14.9	13.9	13.8	14.5	15.0	16.0	16.0
Environment and development	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Transportation services	19.2	18.4	19.4	19.4	19.6	18.8	18.8	15.8	15.7	15.7
Administrative services	16.5	16.0	19.9	19.9	19.9	21.9	20.6	22.3	20.5	19.5
Total Governmental Services	151.6	148.3	154.2	158.2	155.4	154.5	151.9	150.1	149.2	148.2
Business-type services (Note 2):										
Wooster Community Hospital	485.6	536.4	556.4	593.1	643.8	656.4	668.4	684.1	699.7	711.9
Water - Treatment & Distribution	18.8	22.1	21.1	18.1	18.9	19.2	19.2	20.0	20.0	20.4
Water Pollution Control - Collection & Treatment	19.0	21.8	20.8	17.8	18.5	19.5	19.8	19.8	19.8	20.1
Storm Drainage - Collection	4.5	4.8	4.8	4.8	5.0	5.3	5.3	5.2	5.3	5.6
Total Business-type Services	527.9	585.1	603.1	633.8	686.2	700.4	712.7	729.1	744.8	758.0
TOTAL PRIMARY GOVERNMENT	679.5	733.4	757.3	792.0	841.6	854.8	864.6	879.2	894.0	906.2

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)**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Governmental Services:										
Safety services:										
Police Division	2,495,935	2,738,072	2,837,054	2,971,895	3,152,284	3,216,919	3,242,892	3,561,881	3,583,398	3,852,328
Fire Division	2,974,367	3,047,563	3,038,478	3,276,714	3,420,511	3,670,901	3,531,366	4,046,295	3,964,722	4,283,506
Traffic Control	185,780	198,501	85,224	205,931	199,500	116,095	107,035	124,536	293,242	307,776
Total Safety Services	5,656,082	5,984,136	5,960,757	6,454,540	6,772,275	7,003,915	6,881,293	7,752,712	7,841,362	8,443,611
Leisure services	943,614	1,035,389	1,018,960	1,091,899	1,075,973	953,089	1,033,837	1,149,171	1,139,285	1,198,999
Environment and development	359,938	396,359	475,857	576,877	530,283	548,348	477,700	517,431	562,977	612,657
Transportation services	608,204	829,262	719,571	818,999	824,402	771,288	1,073,655	1,031,270	1,196,464	1,277,077
Administrative services	1,542,037	1,888,135	2,062,946	2,109,833	1,868,787	1,765,478	1,650,716	1,759,297	1,980,805	2,047,382
Total Governmental Services	9,109,875	9,933,291	10,238,090	11,052,148	11,071,700	11,042,118	11,117,201	12,209,881	4,879,531	5,136,115
Business-type services:										
Wooster Community Hospital	22,408,052	24,332,315	26,717,747	31,335,571	34,758,499	43,842,989	45,148,128	40,782,144	42,879,278	45,616,768
Water - Treatment & Distribution	1,122,665	1,091,771	1,109,519	1,139,917	1,326,728	1,336,854	1,294,463	1,468,145	1,419,388	1,731,550
Water Pollution Control - Collection & Treatment	1,063,284	985,117	1,112,262	1,052,366	1,087,147	1,205,289	1,391,668	1,522,896	1,620,552	1,243,623
Storm Drainage - Collection	87,154	101,146	133,255	38,759	245,951	278,634	365,573	322,366	166,453	180,440
Total Business-type Services	24,681,155	26,510,349	29,072,783	33,566,613	37,418,325	46,663,716	48,199,832	44,095,551	46,084,671	48,772,381
TOTAL PRIMARY GOVERNMENT	33,791,030	36,443,640	39,310,873	44,618,761	48,490,025	57,705,834	59,317,033	56,305,432	58,805,564	62,352,106
Health Care Costs	2,620,065	3,298,181	3,829,226	4,339,302	5,506,476	6,283,395	5,708,933	7,313,301	6,897,434	7,894,169
Health Care Costs as percentage of personal services costs	7.8%	9.1%	9.7%	9.7%	11.4%	10.9%	9.6%	13.0%	11.7%	12.7%
City without Wooster Community Hospital Annual Change	11,382,978	12,111,325	12,593,126	13,283,190	13,731,526	13,862,845	14,168,905	15,523,289	15,926,286	16,735,338
		6.4%	4.0%	5.5%	3.4%	1.0%	2.2%	9.6%	2.6%	5.1%

Source: City Finance Department



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

**Schedule 5.3
Governmental Activities**

Service Indicators	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<i>Safety Services:</i>										
Police (000's)	\$3,318	\$4,035	\$4,159	\$4,369	\$4,573	\$4,830	\$4,719	\$5,002	\$5,188	\$5,606
Calls for Service	15,528	18,479	18,256	18,512	18,382	18,144	17,579	22,568	22,032	21,304
Traffic	3,005	3,022	2,790	3,935	3,233	2,823	2,342	3,249	2,808	2,348
Total Units of Service	18,533	21,501	21,046	22,447	21,615	20,967	19,921	25,817	24,840	23,652
Cost per Unit	\$179.03	\$187.67	\$197.61	\$194.64	\$211.56	\$230.36	\$236.89	\$193.76	\$208.86	\$237.02
Incidents per Citizen	0.7564	0.8666	0.8418	0.8913	0.8503	0.8126	0.7613	0.9775	0.9364	0.8724
Cost per Citizen	\$135.42	\$162.63	\$166.35	\$173.48	\$179.89	\$187.20	\$180.35	\$189.40	\$195.57	\$206.77
Fire (000's)	\$3,396	\$3,657	\$3,716	\$4,035	\$4,114	\$4,362	\$4,541	\$4,881	\$4,935	\$5,411
Fire Responses	846	858	897	999	984	900	897	820	745	804
Squad Responses	2,533	2,440	2,623	2,910	2,936	2,846	3,070	3,111	3,029	3,002
Total Responses	3,379	3,298	3,520	3,909	3,920	3,746	3,967	3,931	3,774	3,806
Cost per Response	\$1,005	\$1,109	\$1,056	\$1,032	\$1,050	\$1,164	\$1,145	\$1,242	\$1,308	\$1,422
Response per Citizen	0.1379	0.1329	0.1408	0.1552	0.1542	0.1452	0.1516	0.1488	0.1423	0.1404
Cost per Citizen	\$138.61	\$147.39	\$148.63	\$160.20	\$161.85	\$169.06	\$173.56	\$184.81	\$186.04	\$199.58
Street Lights (000's)	\$205	\$196	\$213	\$225	\$231	\$214	\$217	\$221	\$271	\$254
Cost per Acre	\$20.76	\$19.42	\$20.98	\$22.15	\$22.69	\$20.52	\$20.81	\$20.18	\$24.56	\$23.02
Traffic Control (000's)	\$420	\$552	\$384	\$387	\$615	\$286	\$434	\$327	\$515	\$565
Cost Per Citizen	\$17.14	\$22.25	\$15.36	\$15.37	\$24.19	\$11.08	\$16.60	\$12.38	\$19.41	\$20.84

<i>Health Services:</i>										
Health Dept (000's)	\$133	\$136	\$141	\$142	\$141	\$132	\$138	\$143	\$149	\$149
Health Dept Cost per Citizen	\$5.43	\$5.48	\$5.64	\$5.64	\$5.55	\$5.13	\$5.27	\$5.41	\$5.62	\$5.50
<i>Leisure Services:</i>										
Public Properties & Parks (000's)	\$614	\$715	\$600	\$727	\$825	\$746	\$870	\$865	\$882	\$991
Acres of Parks	450	450	450	450	450	450	530	530	605	605
Square Feet per Citizen	800	790	784	778	771	760	882	874	993	972
Cost per Square Foot	\$0.03	\$0.04	\$0.03	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.03	\$0.04
Cost per Citizen	\$25.06	\$28.82	\$24.00	\$28.87	\$32.45	\$28.92	\$33.23	\$32.75	\$33.25	\$36.55
Field House/Ice Rink (000's)	\$71	\$81	\$70	\$82	\$58	\$68	\$74	\$93	\$97	\$99
Natorium (000's)	\$11	\$5	\$8	\$10	\$7	\$5	\$5	\$5	\$6	\$7
Community Center (000's)	\$364	\$387	\$368	\$382	\$404	\$356	\$343	\$363	\$418	\$401
Pools (000's)	\$387	\$421	\$514	\$532	\$503	\$389	\$411	\$424	\$421	\$496
Recreation Programs (000's)	\$521	\$577	\$763	\$754	\$665	\$575	\$595	\$626	\$583	\$628
Total Recreation (000's)	\$1,354	\$1,471	\$1,723	\$1,760	\$1,637	\$1,392	\$1,429	\$1,511	\$1,525	\$1,631
Total Recreation Revenue (000's)	\$472	\$456	\$454	\$523	\$535	\$474	\$436	\$428	\$471	\$477
Participations (000's)	240	185	201	197	176	162	243	257	241	206
Participations per Citizen	9.81	7.46	8.04	7.82	6.91	6.30	9.29	9.72	9.09	7.60
Cost per Participation	\$5.63	\$7.94	\$8.72	\$8.93	\$9.32	\$8.57	\$5.88	\$5.89	\$6.33	\$7.92
Revenue per Participation	\$1.96	\$2.46	\$2.26	\$2.65	\$3.05	\$2.92	\$1.79	\$1.67	\$1.95	\$2.32
Cost per Citizen	\$55.26	\$59.30	\$68.92	\$69.87	\$64.39	\$53.96	\$54.61	\$57.21	\$57.49	\$60.16

continued continued

CITY OF WOOSTER, OHIO
 SERVICE INDICATORS
 LAST TEN YEARS

Schedule 5.3 Schedule 5.3
 continued continued

Service Indicators	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<i>Environment and Development</i>										
Zoning (000's)	\$156	\$415	\$307	\$165	\$180	\$195	\$154	\$163	\$191	\$181
Housing & Bldg Insp. (000's)	\$298	\$591	\$380	\$465	\$438	\$437	\$436	\$457	\$496	\$534
Total Zoning & Inspection										
Costs (000's)	\$454	\$1,006	\$687	\$630	\$618	\$632	\$590	\$620	\$687	\$715
Cost/Dwelling Unit	\$42.88	\$94.25	\$63.85	\$57.54	\$56.03	\$56.60	\$52.27	\$54.41	\$60.04	\$62.48
Shade Trees (000's)	\$77	\$115	\$137	\$115	\$241	\$124	\$139	\$255	\$228	\$246
Shade Tree Cost per Acre	\$7.80	\$11.40	\$13.50	\$11.32	\$23.67	\$11.95	\$13.37	\$23.26	\$20.66	\$22.29
<i>Transportation Services:</i>										
Parking (000's)	\$32	\$33	\$36	\$38	\$32	\$23	\$28	\$24	\$22	\$35
Public Transit-Taxi Program(000's)	\$57	\$63	\$66	\$76	\$106	\$113	\$104	\$134	\$225	\$324
Street Maintenance (000's)	\$2,695	\$3,436	\$3,298	\$3,136	\$2,839	\$2,692	\$3,177	\$2,661	\$2,879	\$2,934
Street Cleaning (000's)	\$159	\$156	\$173	\$185	\$161	\$161	\$175	\$153	\$196	\$170
Snow & Ice Removal (000's)	\$122	\$141	\$117	\$137	\$200	\$187	\$215	\$156	\$176	\$448
Total Transportation (000's)	\$3,065	\$3,829	\$3,690	\$3,572	\$3,338	\$3,176	\$3,699	\$3,128	\$3,498	\$3,911
Cost per mile of street	\$25,197	\$31,276	\$30,097	\$28,712	\$26,544	\$25,160	\$28,262	\$23,072	\$25,223	\$27,643
Feet of street per citizen	25.69	25.62	25.43	25.53	25.29	24.92	24.57	24.34	24.24	23.71

<i>Administrative Services:</i>												
Engineering (000's)	\$439	\$369	\$469	\$390	\$224	\$219	\$145	\$162	\$151	\$186		
Cost per dollar general capital assets (w/o hospital)	\$0.0062	\$0.0052	\$0.0066	\$0.0052	\$0.0030	\$0.0029	\$0.0019	\$0.0018	\$0.0016	\$0.0018		
Law (000's)	\$210	\$226	\$229	\$265	\$306	\$298	\$292	\$286	\$284	\$322		
Cost per budget dollar	\$0.0033	\$0.0034	\$0.0032	\$0.0032	\$0.0034	\$0.0032	\$0.0027	\$0.0027	\$0.0025	\$0.0026		
Finance (000's)	\$698	\$775	\$998	\$804	\$1,030	\$968	\$914	\$1,685	\$1,638	\$1,966		
Cost per dollar of assets	\$0.0036	\$0.0038	\$0.0046	\$0.0037	\$0.0044	\$0.0040	\$0.0036	\$0.0062	\$0.0056	\$0.0065		
Information Technology (000's)	\$342	\$437	\$425	\$510	\$440	\$434	\$555	\$789	\$772	\$771		
Cost per Employee	\$1,583.33	\$2,032.56	\$2,043.27	\$2,566.68	\$2,224.47	\$2,185.91	\$2,828.68	\$4,046.07	\$3,958.97	\$3,974.23		
Personnel (000's)	\$262	\$287	\$294	\$315	\$289	\$261	\$330	\$291	\$330	\$319		
Cost per Employee	\$1,212.96	\$1,334.88	\$1,423.08	\$1,585.30	\$1,461.07	\$1,312.93	\$1,680.67	\$1,489.82	\$1,692.31	\$1,644.33		
Director of Administration (000's)	\$227	\$283	\$287	\$296	\$340	\$254	\$317	\$325	\$360	\$390		
Cost per Employee	\$1,050.93	\$1,316.28	\$1,379.81	\$1,489.68	\$1,718.91	\$1,281.68	\$1,619.05	\$1,664.83	\$1,846.15	\$2,010.31		
Facilities Maintenance (000's)	\$309	\$247	\$401	\$346	\$371	\$346	\$764	\$351	\$449	\$511		
Cost per Citizen	\$12.61	\$9.96	\$16.04	\$13.74	\$14.59	\$13.41	\$29.20	\$13.29	\$16.93	\$18.85		
Mayor (000's)	\$132	\$136	\$141	\$108	\$141	\$157	\$152	\$178	\$121	\$114		
Council (000's)	\$49	\$73	\$67	\$61	\$61	\$63	\$88	\$100	\$113	\$106		

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
Schedule 5.4
Governmental Activities

**GOVERNMENTAL CAPITAL ASSETS
BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program:	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	39	39	39	39	39	39	39	39	39	39
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Squad Units	3	3	3	3	3	3	3	3	3	3
Parks and recreation										
Acreage	450	450	450	450	450	450	530	530	605	605
Playgrounds	9	9	9	9	9	9	9	9	10	8
Pools	3	3	3	3	3	3	3	3	3	3
Baseball/softball diamonds	4	4	4	4	4	4	4	5	6	5
Soccer/football fields	10	10	10	10	10	10	10	11	15	15
Community centers	2	2	2	2	2	2	2	2	1	1
Water										
Water mains (miles)	128.5	128.8	129.8	129.9	130.4	130.7	132.0	134.3	132.8	132.2
Fire hydrants	1,291	1,302	1,318	1,330	1,342	1,354	1,365	1,376	1,376	1,376
Storage capacity (thousands of gallons)	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700
Wastewater										
Sanitary sewers (miles)	113.5	113.9	114.5	115.0	115.0	115.4	117.7	119.5	119.2	118.3
Storm sewers (miles)	112.7	112.9	114.1	114.7	114.7	114.9	116.0	118.2	118.5	119.0
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)	119.4	120.4	120.8	121.6	122.9	125.4	127.2	129.8	132.0	132.7
Highways (miles)	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Streetlights	60	60	60	60	60	60	60	60	62	62
Traffic signals	394	404	412	419	428	435	450	460	460	460

Source: Various City Departments
Note: No capital asset indicators are available for the general government

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Land	\$151,023	\$151,023	\$162,992	\$201,830	\$201,830	\$201,830	\$201,830	\$220,006	\$295,866	\$295,866
Construction in progress	290,108	31,036	262,297	472,966	830,004	688,432	990,118	2,676,797	1,236,870	2,985,098
Total assets not being depreciated	441,131	182,059	425,289	674,796	1,031,834	890,262	1,191,948	2,896,803	1,532,736	3,280,964
<i>Assets being depreciated:</i>										
Buildings	12,019,180	12,088,908	12,097,409	12,072,238	12,059,089	12,133,214	12,140,123	11,501,423	11,501,423	11,505,863
Accumulated depreciation	(1,420,906)	(1,676,096)	(1,926,791)	(2,157,414)	(2,396,286)	(2,643,273)	(2,893,361)	(2,545,668)	(2,789,803)	(3,034,381)
Infrastructure	14,485,137	15,188,984	15,837,722	16,126,652	17,164,881	18,069,981	18,669,722	18,360,621	20,436,482	20,436,482
Accumulated depreciation	(5,176,567)	(5,578,492)	(6,038,915)	(6,408,732)	(6,939,549)	(6,945,622)	(7,412,908)	(7,357,605)	(7,781,494)	(8,275,858)
Equipment	2,828,161	3,501,280	3,678,176	3,231,950	3,360,850	3,370,850	3,448,329	3,434,769	3,507,064	3,701,872
Accumulated depreciation	(877,258)	(1,208,550)	(1,526,660)	(1,453,218)	(1,742,701)	(1,980,952)	(2,203,910)	(2,285,937)	(2,545,013)	(2,810,682)
Net depreciated capital assets	21,857,747	22,316,034	22,120,941	21,411,476	21,506,284	22,004,198	21,747,995	21,107,604	22,328,659	21,523,296
TOTAL CAPITAL ASSETS	29,773,608	30,961,231	32,038,596	32,105,636	33,616,654	34,464,307	35,450,122	36,193,616	36,977,705	38,925,181
TOTAL ACCUMULATED DEPRECIATION	(7,474,730)	(8,463,138)	(9,492,366)	(10,019,365)	(11,078,536)	(11,569,847)	(12,510,179)	(12,189,209)	(13,116,310)	(14,120,921)
NET CAPITAL ASSETS	22,298,878	22,498,094	22,546,230	22,086,271	22,538,118	22,894,460	22,939,943	24,004,407	23,861,395	24,804,260
CAPITAL EXPENDITURES	\$ 1,164,708	\$ 1,187,623	\$ 1,090,804	\$ 736,847	\$ 1,526,701	\$ 1,428,742	\$ 1,089,068	\$ 2,213,052	\$ 694,016	\$ 2,321,052
DEPRECIATION	\$ 881,994	\$ 988,407	\$ 1,042,347	\$ 1,006,936	\$ 1,071,357	\$ 1,061,534	\$ 1,049,475	\$ 930,064	\$ 990,724	\$ 1,055,553

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)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Land	\$151,160	\$151,160	\$151,160	\$151,160	\$151,160	\$151,160	\$151,160	\$201,067	\$201,067	\$201,067
Construction in progress	105,008	692,738	484,322	992,941	1,119,846	1,049,753	3,583,735	14,193,766	317,954	957,558
Total assets not being depreciated	256,168	843,898	635,482	1,144,101	1,271,006	1,200,913	3,734,895	14,394,833	519,021	1,158,625
<i>Assets being depreciated:</i>										
Buildings	4,987,608	5,029,164	5,124,945	5,076,693	5,076,693	5,142,088	5,148,997	5,151,497	5,381,246	5,393,265
Accumulated depreciation	(2,361,412)	(2,519,291)	(2,682,525)	(2,813,555)	(2,981,287)	(3,146,467)	(3,314,063)	(3,480,667)	(3,393,312)	(3,510,221)
Infrastructure	14,903,927	15,175,245	15,692,652	15,735,451	16,796,373	16,879,526	17,554,351	17,755,316	34,982,841	36,898,049
Accumulated depreciation	(7,227,097)	(7,671,298)	(7,968,720)	(8,390,264)	(8,849,610)	(9,343,556)	(9,866,553)	(10,326,123)	(8,962,120)	(10,370,044)
Equipment	5,009,094	5,775,900	5,789,895	5,244,363	5,581,617	5,640,110	5,688,385	5,846,001	4,936,881	5,061,188
Accumulated depreciation	(2,727,750)	(3,125,170)	(3,341,692)	(3,189,017)	(3,532,663)	(3,934,112)	(4,291,206)	(4,675,290)	(3,867,302)	(4,186,165)
Net depreciated capital assets	12,584,370	12,664,550	12,614,555	11,663,671	12,091,123	11,237,589	10,919,911	10,270,735	29,078,234	29,286,072
TOTAL CAPITAL ASSETS	25,156,796	26,824,207	27,242,974	27,200,608	28,725,689	28,862,637	32,126,627	43,147,648	45,819,989	48,511,127
TOTAL ACCUMULATED DEPRECIATION	(12,316,258)	(13,315,759)	(13,992,937)	(14,392,836)	(15,363,560)	(16,424,135)	(17,471,822)	(18,482,080)	(16,222,734)	(18,066,430)
NET CAPITAL ASSETS	12,840,538	13,508,448	13,250,037	12,807,772	13,362,129	12,438,502	14,654,805	24,665,568	29,597,255	30,444,697
CAPITAL EXPENDITURES	\$ 829,168	\$ 1,667,411	\$ 925,264	\$ 767,394	\$ 1,546,639	\$ 527,517	\$ 3,284,726	\$ 11,727,086	\$ 6,204,104	\$ 2,884,606
DEPRECIATION	\$ 856,153	\$ 999,500	\$ 1,029,082	\$ 987,361	\$ 997,446	\$ 1,437,773	\$ 1,123,040	\$ 1,141,129	\$ 1,272,771	\$ 1,855,222

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)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Construction in progress	31,571	241,664	285,838	117,451	307,890	150,955	281,858	1,000,450	778,123	528,280
Total assets not being depreciated	31,571	241,664	285,838	117,451	307,890	150,955	281,858	1,000,450	778,123	528,280
<i>Assets being depreciated:</i>										
Infrastructure	4,929,278	4,978,235	5,392,627	6,009,677	7,676,592	8,623,646	9,550,976	9,703,340	11,333,973	11,333,973
Accumulated depreciation	(2,092,955)	(2,187,012)	(2,282,018)	(2,375,098)	(2,505,704)	(2,616,154)	(2,764,127)	(2,892,298)	(3,048,607)	(3,277,976)
Equipment	279,407	302,655	332,646	341,789	342,688	345,188	388,657	401,776	405,373	429,144
Accumulated depreciation	(89,914)	(124,805)	(164,228)	(190,135)	(226,453)	(252,802)	(278,071)	(305,941)	(334,573)	(360,798)
Net depreciated capital assets	3,025,816	2,969,073	3,279,027	3,786,233	5,287,123	6,099,878	6,897,435	6,906,877	8,356,166	8,124,343
TOTAL CAPITAL ASSETS	5,240,257	5,522,554	6,011,111	6,468,918	8,327,170	9,119,789	10,221,491	11,105,566	12,517,469	12,291,397
TOTAL ACCUMULATED DEPRECIATION	(2,182,869)	(2,311,817)	(2,446,245)	(2,565,233)	(2,732,156)	(2,868,956)	(3,042,198)	(3,198,239)	(3,383,180)	(3,638,774)
NET CAPITAL ASSETS	3,057,388	3,210,737	3,564,866	3,903,684	5,595,014	6,250,833	7,179,293	7,907,327	9,134,289	8,652,623
CAPITAL EXPENDITURES (cash basis)	\$ 326,735	\$ 282,297	\$ 451,374	\$ 408,175	\$ 1,795,884	\$ 862,723	\$ 1,137,978	\$ 1,031,616	\$ 555,911	\$ 544,208
DEPRECIATION	\$ 112,133	\$ 128,948	\$ 134,428	\$ 134,586	\$ 166,923	\$ 239,970	\$ 224,050	\$ 213,091	\$ 249,117	\$ 260,832

Source: Respective comprehensive annual financial reports

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

Schedule 5.5.4

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
ADMISSIONS	4,431	4,798	4,837	5,506	5,389	5,574	5,318	5,690	5,700	5,511
PATIENT DAYS:										
Adult & Peds	15,679	16,801	16,777	18,689	18,181	19,320	18,777	19,771	19,108	18,464
Newborn Days	1,900	2,202	2,060	2,290	2,179	2,169	2,174	2,274	2,438	2,482
Adjusted Patient Days	35,014	39,104	42,035	44,671	46,224	47,490	48,062	50,261	52,601	53,011
AVERAGE LENGTH OF STAY:										
Total	3.52	3.50	3.4	3.4	3.4	3.5	3.5	3.5	3.7	3.6
Avg LOS-Medicare	4.37	4.30	4.2	4.3	4.1	4.2	4.4	4.1	4.5	4.2
Avg LOS-Other	2.86	2.90	2.8	2.8	2.8	2.8	2.8	2.9	3.0	3.0
BIRTHS	882	988	940	1,028	977	1,004	984	1,008	1,080	1,066
EMERGENCY DEPARTMENT										
ED Visits	21,998	22,128	22,702	23,323	24,341	23,906	25,484	27,239	28,764	29,529
ED Admits	3,079	3,076	3,137	3,443	3,321	3,492	3,349	3,906	3,861	4,310
RADIOLOGY OUTPATIENT VISITS	30,150	33,762	36,236	39,325	39,672	40,364	40,666	42,208	45,433	45,478
LAB OUTPATIENT PROCEDURES	136,315	192,546	230,729	245,738	256,574	283,395	278,567	277,885	293,177	300,510
SURGERY:										
Inpatient	941	1,011	1,024	1,075	1,092	1,259	1,155	877	993	1,010
Outpatient	3,391	3,569	4,073	3,901	3,852	4,308	4,310	4,082	3,941	3,879
OUTPATIENT REGISTRATION	54,783	69,807	79,434	86,366	84,385	86,373	92,380	95,228	96,562	94,942
HOME HEALTH ADMISSIONS	-	-	639	734	729	783	860	980	871	890
COST PER ADJUSTED DISCHARGE	\$3,830	\$3,780	\$3,907	\$4,180	\$4,414	\$4,816	\$5,178	\$5,348	\$5,864	\$5,993
TOTAL FTE'S (Hospital including Home Health and Contract)	485.6	536.4	556.4	593.1	643.8	656.4	668.4	684.1	699.7	711.9

Source: Wooster Community Hospital Monthly Board Reports



Mary Taylor, CPA
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
OCTOBER 13, 2009