

**CITY OF DELAWARE
DELAWARE, OHIO**

SUPPLEMENTAL REPORTS

DECEMBER 31, 2005

MR. DEAN P. STELZER, FINANCE DIRECTOR



**Auditor of State
Betty Montgomery**

City Council
City of Delaware
1 South Sandusky Street
Delaware, Ohio 43015

We have reviewed the *Independent Auditors' Report* of the City of Delaware, Delaware County, prepared by Julian & Grube, Inc., for the audit period January 1, 2005 through December 31, 2005. 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 Delaware is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

August 25, 2006

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**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditors' Report on Supplementary
Schedule of Expenditures of Federal Awards**

Members of Council and Mayor
City of Delaware
1 South Sandusky Street
Delaware, OH 43015

Our audit was performed for the purpose of forming an opinion on the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Delaware, Delaware County (the "City") as of and for the year ended December 31, 2005, and have issued our report thereon dated June 9, 2006. As disclosed in Note 2, the City restated capital assets due to errors and omissions in prior years. In addition, the City has presented a prior period adjustment to restate net assets at January 1, 2005 due to a fund reclassification which is described in more detail in Note 2. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City'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 whole.

Julian & Grube, Inc.

Julian & Grube, Inc.
June 9, 2006

CITY OF DELAWARE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2005

Federal Grantor/ <i>Pass Through Grantor/</i> Program Grant Title	Pass Through Entity Number	CFDA Number	Expenditures
U.S. Department of Justice			
Bulletproof Vest Partnership Program (Direct)	N/A	16.607	\$ 2,940
Total Department of Justice			<u>2,940</u>
U.S. Department of Transportation; Federal Aviation Administration (FAA)			
Airport Improvement Program Phase III (Direct)	3-39-0032-1204	20.106	218,931
Total Department of Transportation (FAA)			<u>218,931</u>
U.S. Department of Homeland Security			
<i>Passed through Ohio Department of Public Safety:</i>			
Public Assistance Grants	041-21434-00/3198	97.036	39,919
Total Department of Homeland Security			<u>39,919</u>
U.S. Department of Housing and Urban Development			
<i>Passed through Ohio Department of Development</i>			
Home Investment Partnership Program (Direct)	A-C-03-112-2	14.239	187,301
<i>Passed through Ohio Department of Development:</i>			
Community Development Block Grant	A-C-03-112-1	14.228	54,258
Community Development Block Grant	A-E-04-112-1	14.228	29,331
Community Development Block Grant	A-E-04-112-2	14.228	265,000
Community Development Block Grant	A-E-04-112-3	14.228	500,000
Community Development Block Grant	A-F-04-112-1	14.228	107,515
<i>Total Passed through Ohio Department of Development:</i>			<u>956,104</u>
Total of Housing and Urban Development			<u>1,143,405</u>
Total Federal Awards Expenditures			<u>\$ 1,405,195</u>

(A) - The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes the activity of the City's federal awards programs. The Schedule has been prepared on the cash basis of accounting.

(B) - Certain federal programs require that the City contribute non-federal funds (matching funds) to support the federally-funded programs. The City has complied with the matching requirements. The expenditure of non-federal matching funds is not included on the Schedule.



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

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*

Members of Council and Mayor
City of Delaware
1 South Sandusky Street
Delaware, OH 43015

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 Delaware, Delaware County, Ohio, (the "City") as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 9, 2006. As disclosed in Note 2 to the basic financial statements, the City restated capital assets due to errors and omissions in prior years. In addition, the City has presented a prior period adjustment to restate net assets at January 1, 2005 due to a fund reclassification which is described in more detail in Note 2. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to the management of the City in a separate letter dated June 9, 2006.

Members of Council and Mayor
City of Delaware

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2005-COD-001. We also noted certain matters which we have reported to the management of the City in a separate letter dated June 9, 2006.

This report is intended solely for the information and use of Council and the management of the City of Delaware, 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.



Julian & Grube, Inc.
June 9, 2006



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Report on Compliance With Requirements Applicable to Its
Major Program and on Internal Control Over Compliance In
Accordance With *OMB Circular A-133***

Members of Council and Mayor
City of Delaware
1 South Sandusky Street
Delaware, OH 43015

Compliance

We have audited the compliance of the City of Delaware (the “City”), Delaware County, Ohio, 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 its major federal program for the year ended December 31, 2005. As disclosed in Note 2 to the basic financial statements, the City restated capital assets due to errors and omissions in prior years. In addition, the City has presented a prior period adjustment to restate net assets at January 1, 2005 due to a fund reclassification which is described in more detail in Note 2. The City’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City’s management. Our responsibility is to express an opinion on the City’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, Audit 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 occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the City’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City’s compliance with those requirements.

Members of Council and Mayor
City of Delaware

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2005.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with 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 and to test and report on internal control over compliance in accordance with *OMB Circular A-133*.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information and use of Council and the management of the City, 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.



Julian & Grube, Inc.
June 9, 2006

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2005**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported non-compliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported to the major federal program?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported to the major federal program?	No
<i>(d)(1)(v)</i>	Type of Major Program Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Program:	Community Development Block Grant CFDA #14.228
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2005**

2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2005-COD-001

Ohio Revised Code Section 5705.39 states in part that the total appropriation from each fund shall not exceed total estimated resources. It was noted that the following funds had appropriations which exceeded estimated resource at December 31, 2005:

Major Funds	Appropriations	Resources	Excess
Sewer	\$ 47,455,852	\$ 44,639,975	\$ 2,815,877
Refuse	3,459,093	3,178,934	280,159

With appropriations exceeding estimated resources, the City is appropriating monies that were not certified by the County Budget Commission. This may result in a fund deficit if not corrected throughout the year.

We recommend that the City comply with the Ohio Revised Code and Auditor of State Bulletin 97-010 by comparing adopted appropriations against certified estimated resources on a continual basis, including amending estimated resources for any changes during the year. If it is determined that estimated resources will be greater than initially anticipated, the City should amend its official estimate in order to provide for any additional appropriations; however, appropriations should not exceed estimated resources.

Client Response: The City will attempt to prepare modifications to amended certificates throughout the year and certify them to the County Auditor.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2005**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2004-COD-001	Ohio Revised Code Section 5705.39 states in part that the total appropriation from each fund shall not exceed total estimated resources.	No	Finding repeated as 2005-COD-001.

CITY OF DELAWARE, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDING DECEMBER 31, 2005

PREPARED BY THE FINANCE DEPARTMENT

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City of Delaware, Ohio

Comprehensive Annual Financial Report *For The Year Ended December 31, 2005*

Dean P. Stelzer – Finance Director

Prepared by the City of Delaware Finance Department

Robert Alger – City Accountant

John Hunter – Tax Administrator

Finance

Barb Browning

Dale Wynkoop

Tax

Tricia Russell

Leslie Berls

Diane Ladd

Utility Billing

Deb Brenner

Kim Johnson

Terri Miller

Cover Picture: one of the City's water towers, located at Pittsburgh Dr. and London Rd.

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City of Delaware, Ohio
 Comprehensive Annual Financial Report
 For The Year Ended December 31, 2005
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 Comprehensive Annual Financial Report
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June 9, 2006

Members of City Council and
Citizens of Delaware, Ohio

Ohio state law requires that each public office be audited at least once every two fiscal years, except under Federal Office of Management and Budget Circular No. A-133, which may require an audit every fiscal year. The City of Delaware meets these requirements for an annual audit. This report is published to satisfy that requirement for the fiscal year ended December 31, 2005.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with City management and is based upon a comprehensive framework of internal controls that they have established for this purpose. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that [1] the cost of a control should not exceed the benefits likely to be derived from its implementation and [2] the valuation of costs and benefits requires estimates and judgments by management. We believe the data as presented is accurate in all material respects and that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

In accordance with Ohio law, independent audits are required to be performed on all financial operations of the City. Either the Auditor of State of Ohio, or, if the Auditor permits, an independent public accounting firm conducts these audits. For 2005, the City continued with the office of, Julian and Grube, Inc. to perform these services. This report is presented in the front of the Financial Section. In addition to the financial audit, a single audit was performed, as required by the Single Audit Act Amendment of 1996 and provisions of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit report is not included in the Comprehensive Annual Financial Report.

Management's Discussion and Analysis [MD&A] immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Reporting Entity

The City has reviewed its reporting entity definition in order to insure compliance and conformance with the Governmental Accounting Standards Board Statement Number 14, “*The Financial Reporting Entity*,” as amended by GASB Statement No. 39, “*Determining Whether Certain Organizations are Component Units*”. For financial reporting definition purposes, City management considered all agencies, departments, and organizations comprising the City of Delaware, the primary government, and its potential component units.

Areas of consideration include financial accountability, ability to impose its will, financial benefit, and financial burden. The City has no component units.

The City of Delaware

The City of Delaware is the seat of Delaware County, 30 miles north of downtown Columbus, the Ohio state capitol. Delaware is an independent, full service city that has retained its small town qualities while adapting to recent high levels of growth and development. Delaware County is the fastest growing county in Ohio, identified as one of the 20 fastest growing, wealthiest and most educated areas of the country. Housing in Delaware is available in older, tree-lined neighborhoods, newer modern subdivisions, condominium developments and rental complexes. The population of Delaware is expected to increase by over 100 percent between 2000 and 2020. An additional 15,100 housing units and 30,000 people are projected to be added in that time frame.

The region was originally occupied by the Delaware Indians who shared the territory between Columbus and Lake Erie with the Mingos and other tribes. Prehistoric Hopewell Mound Builders inhabited this area even earlier. Delaware was a country village in an agricultural region in 1808. Following the War of 1812, settlers arrived at a faster pace, including the parents of Rutherford B. Hayes, 19th President of the United States. He met his future wife at Ohio Wesleyan University in Delaware.

Prior to the Civil War, Delaware had Northern sympathies and brought the underground railway through the area. The local Africa Road owes its name to this era. During and following the War, railroads played an important role in expanding the markets of Delaware. By 1900, Delaware had its own electric street railway and an electric interurban rail connected the community with Columbus and Marion.

In the modern era, farming has declined steadily throughout Delaware County as residential and industrial development has flourished. The proximity to Columbus, as well as historic periods of growth and prosperity, has greatly influenced the economy of Delaware. Its history, however, is carefully preserved in its many 19th century buildings and homes, its comfortable scale and architecture and the pace of life as a home town.

The City covers over 16 square miles and has a population of some 30,000 residents. The City of Delaware provides municipal and general administrative services under the supervision of the City Manager for police protection, fire and emergency medical services, water, sewer and

refuse utility services, public works maintenance, and a wide array of parks and recreational facilities and services, engineering, planning and community development, building inspection, and community affairs. The City also maintains a countywide municipal court under the elected offices of Judge and Clerk of Court.

City Government

Delaware was incorporated in 1816. The City is a Charter Municipal Corporation established and operated under the laws of the State of Ohio. The Charter was first adopted November 6, 1951, and established the Council/Manager form of government. Delaware City Council consists of seven elected members. Three City Council positions are elected at-large, the other four positions are elected from the four wards of the City. The regular term of every member of Council is four years. Elections of members of Council are staggered such that every other year either the three at-large positions are elected or the four ward positions are elected. At the conclusion of each bi-annual election one of the three at-large members of Council is elected Mayor, by vote of all seven members of Council, to serve a two-year term. The Mayor presides at meetings of Council and is recognized as the official head of the City for all ceremonial purposes, military purposes, and for servicing civil process.

The members of Council are the legislative authority of the City. Council enacts ordinances and resolutions relative to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other various municipal purposes.

The City Manager is the City's chief executive officer and is appointed by Council. It is the duty of the City Manager to act as chief conservator of the peace within the City; to supervise the administration of the affairs of the City; and to see that the ordinances of the City and the laws of the State are enforced. The City Manager supervises the administration of all departments and appoints the various department heads and other City employees. He also executes all contracts, conveyances, and evidences of indebtedness of the City.

City administrative departments operating under the supervision of the City Manager include: Police, Fire, Finance, Engineering, City Attorney, City Prosecutor, Planning and Community Development, Public Works, Recreation, Grounds and Facility Maintenance, and Public Utilities.

Economic Conditions and Outlook

2005 was another big year for builders. Residential building permits totaled 595 for 2005, up from 446 in 2004. These 595 permits totaled some \$62.5 million in home value. Commercial permits were 150 in number and totaled \$17 million in value, up from 122 and \$15 million from 2004.

In 2005 the City completed negotiations with five companies. These projects will result in \$12.8 million in new investment, 148 jobs and a \$6.8 million payroll. The five companies are Innopak, Signstrut Milwaukee, Engineered Materials Systems, Delaware Municipal Airport and Evans Adhesives.

The 2005 Tax Incentive Review Council to City Council and the Ohio Department of Development was submitted in March 2006. Currently there are forty-two active tax incentive agreements. These agreements have created 2112 jobs with a \$73 million payroll. Over \$248 million has been invested in real and personal property.

Interestingly, the tax incentive agreement payroll goal is 115% and the job creation is 92%. The trend appears to be that companies are hiring less people but paying them more.

The average salary paid employees of companies with tax incentive agreements has increased from \$32,017 in 2003 to \$37,454 in 2005, a 14% increase.

Major Initiatives

Administration; In 2005 the City created and filled a new Chief Information Officer position. This position began the formation a centralized information technology function for the City. Personnel cost for the Chief Information Officer along with existing IT positions of Network Administrator and GIS Coordinator have been included in a new Internal Service Fund created to provide IT services to all City departments. The 2006 City Budget reflects these changes and also includes authorization for a fourth IT staff position.

Municipal Court; In October of 2005 City Council approved a resolution calling for the creation of a second municipal judge in Delaware Municipal Court. The creation of a new judgeship was subsequently approved by the County Commissioners and the State of Ohio. A new judge will be elected in 2007.

Engineering; Various technical staff positions were re-assigned to the Engineering Department to facilitate the coordination of City maintenance and developer driven infrastructure projects. As a result of this change the Engineering Department will be responsible for oversight of all City construction projects.

Public Utilities; Work continued in 2005 on the construction of a \$24,000,000 expansion of the City's Wastewater Treatment Facility. The project is on schedule and is anticipated to be completed in December of 2006.

During 2005 the City entered into a contract with a consulting engineering firm to complete a water system master plan. The water master plan will provide a recommendation for expanding the treatment capacity of the City's water treatment plant and will also provide a strategy for obtaining and maintaining future water supply. The City intends to complete the master plan in 2006 and begin work on the water plant expansion in 2007.

Also during 2005 the Public Utility Department, in conjunction with the City's IT personnel, began the selection process to retain outside consultants to assist the City in the preparation and implementation of a Computerized Management Maintenance System (CMMS). The CMMS work will include a complete inventory of our underground utility systems and an assessment of the condition of the water and sewer lines. This information will be inputted into a computer model to help identify and prioritize future maintenance projects. Once the

CMMS is implemented for the utility functions the City intends to expand the application of the computerized system to include roads, bridges, and other City maintained infrastructure.

Transportation; In December of 2005 City Council adopted legislation creating a Tax Increment Financing (TIF) area in the Southeast part of the City. The TIF will provide funding for construction of the Glenn Road railroad bridge. Glenn Road is a planned 5 mile long road to be constructed from US Route 36/SR 37 east of the City to US Route 23 south of town. Construction of the first phase of the \$30,000,000 road project will start in 2006.

Some 2005 City of Delaware Business Highlights:

The City's Economic Development Coordinator has been on staff for six years. During the first several years of his tenure, the City was in negotiations with two or three companies at any one time. In the last couple of years, that number has increased to four or five. Currently (April 2006), the City is in negotiations with a diaper manufacturer, a company that manufactures skyscraper cleaning equipment, a coffee bean roaster and a major distribution center requiring rail service.

Major infrastructure investments attract companies to growing communities. The City and County have a number of projects underway. The Sawmill Parkway Extension, Glenn Road Extension, US42 Extension, the Southeast Highlands Sewer Extension and other projects are becoming visible and known.

Delaware's downtown has achieved some very noteworthy accomplishments over the last several years. Delaware received national Mainstreet status about five years ago. The US Department of Interior certified Delaware as a Certified Local Government. And Delaware was chosen by the White House in 2003 as one of the first eight Preserve America Communities.

There is low commercial vacancy in downtown Delaware. A number of restaurants have chosen Delaware as a launching pad for new ventures. The Bag of Nails, a popular Columbus area restaurant, chose Delaware for its tenth restaurant and first outside of the Columbus Metro area. Rudy Z's is a spin off from a popular Columbus Italian restaurant. Avesta's is a new venture by an enterprising young entrepreneur with plans to expand to the Columbus market place. Nova is a similar new start-up that opened in April 2006. All of these restaurants have been recognized by the Columbus media as places to try.

The Mainstreet organization is currently on path to implement wayfinding signage in the downtown. With parking problems a welcome problem, the group would like to better coordinate locating businesses and parking.

City of Delaware, Ohio

The following table shows comparative average monthly employment and unemployment statistics for the indicated periods.

Year	Employed in	Unemployment Rate		
	County	County	State	U.S.
1994	38,100	3.9%	5.5%	6.1%
1995	41,200	3.0	4.8	5.6
1996	42,700	3.7	4.9	5.4
1997	45,500	2.9	4.6	4.9
1998	46,900	1.8	3.9	4.3
1999	49,200	2.1	4.2	4.2
2000	58,300	1.8	4.1	4.0
2001	59,800	2.2	4.3	4.8
2002	67,300	3.9	5.7	5.8
2003	70,600	4.0	6.2	6.0
2004	71,200	4.0	6.1	5.5
2005	72,100	4.1	6.0	5.1
2006				
Jan.	75,800	3.8	6.1	5.1

(a) 1994-98 revised to 1998 calendar year benchmarks.

Source: Ohio Bureau of Employment Services.

The following employers (private and public) have the largest work forces within the City:

Employer	Nature of Activity or Business	Approximate Number of Employees
PPG	Aftermarket auto finishes	400
Grady Hospital	In and outpatient services	1500
Liebert	High voltage UPS systems	220
Outokumpu Nippert copper	Low Oxygen Copper	140
City of Delaware	Municipal government	250
Delaware County	County government	800
Midwest Acoust a Fiber	Automotive parts manufacturing	40
Jegs High Performance	Automotive parts distribution and testing	225
Advance Auto	Automotive parts distribution	300
Innopak	Innovative packaging	11
Optimum Plastics	Plastic wrap manufacturing	40
Benchmark Woodworks	Specialty wood products manufacturing	21

Financial Information

The City of Delaware's accounting system is organized on a "Fund Basis". Each fund is a distinct, self-balancing account.

Development of the City's accounting system includes consideration of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that [1] the cost of a control should not exceed the benefits likely to be derived from its implementation and [2] the valuation of costs and benefits requires estimates and judgments by management.

The City adopts its annual appropriations on or before January 1 of each year. The City Manager and the Finance Director prepare the annual appropriation ordinance and submit it to City Council for their consideration and approval. All disbursements require appropriation authority. The legal level of budgetary control is at the department level.

The Finance Director is authorized to transfer appropriations between line items, within a department or fund. Any increase in the total appropriations for a department must be approved by City Council. A purchase order is required before making any purchase over \$250. All purchases require approval of the City Manager and the Finance Director before payment is made.

Cash Management

All City cash, except cash held by the Municipal Court, is pooled for investment purposes in order to generate the highest possible yield. All deposits are made under contracts with local and national banking institutions and with the State Treasurer's Investment Pool [STAROhio]. A majority of the City's deposits are collateralized by pooled collateral. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of the public funds on deposit. Trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions hold the collateral.

Risk Management

The City carries \$1,000,000 of comprehensive combined single limit general liability coverage with a \$1,000 deductible, a \$1,000,000 general law enforcement liability insurance policy and \$1,000,000 public officials' liability, each with a \$5,000 deductible, as well as \$5,000,000 umbrella coverage. The City also contributes to the State of Ohio for worker's compensation and unemployment insurance services.

Independent Audit

In accordance with Ohio law, independent audits are required to be performed on all financial operations of the City. Either the Auditor of State of Ohio, or, if the Auditor permits, an

independent public accounting firm conducts these audits. For 2005, the City continued with the office of Julian and Grube, Inc. to perform these services. This report is presented in the Financial Section. In addition to the financial audit, a single audit was performed, as required by the Single Audit Act Amendment of 1996 and provisions of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit report is not included in the Comprehensive Annual Financial Report.

Certificate of Achievement

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 Delaware for its Comprehensive Annual Financial Report for the year ended December 31, 2004. This is the third consecutive award the City has received for a CAFR. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a 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. The City of Delaware Finance Department believes this current report continues to conform to the program's requirements, and it will be submitted to GFOA for review.

Acknowledgements

We would like to thank the many departments that assisted in providing information reported in this CAFR, as well as the Delaware County Auditor's Office. We would also like to recognize City Council for their continued support and commitment to responsible financial reporting.

We are pleased to present this report to the residents and taxpayers of the City of Delaware.

Sincerely,

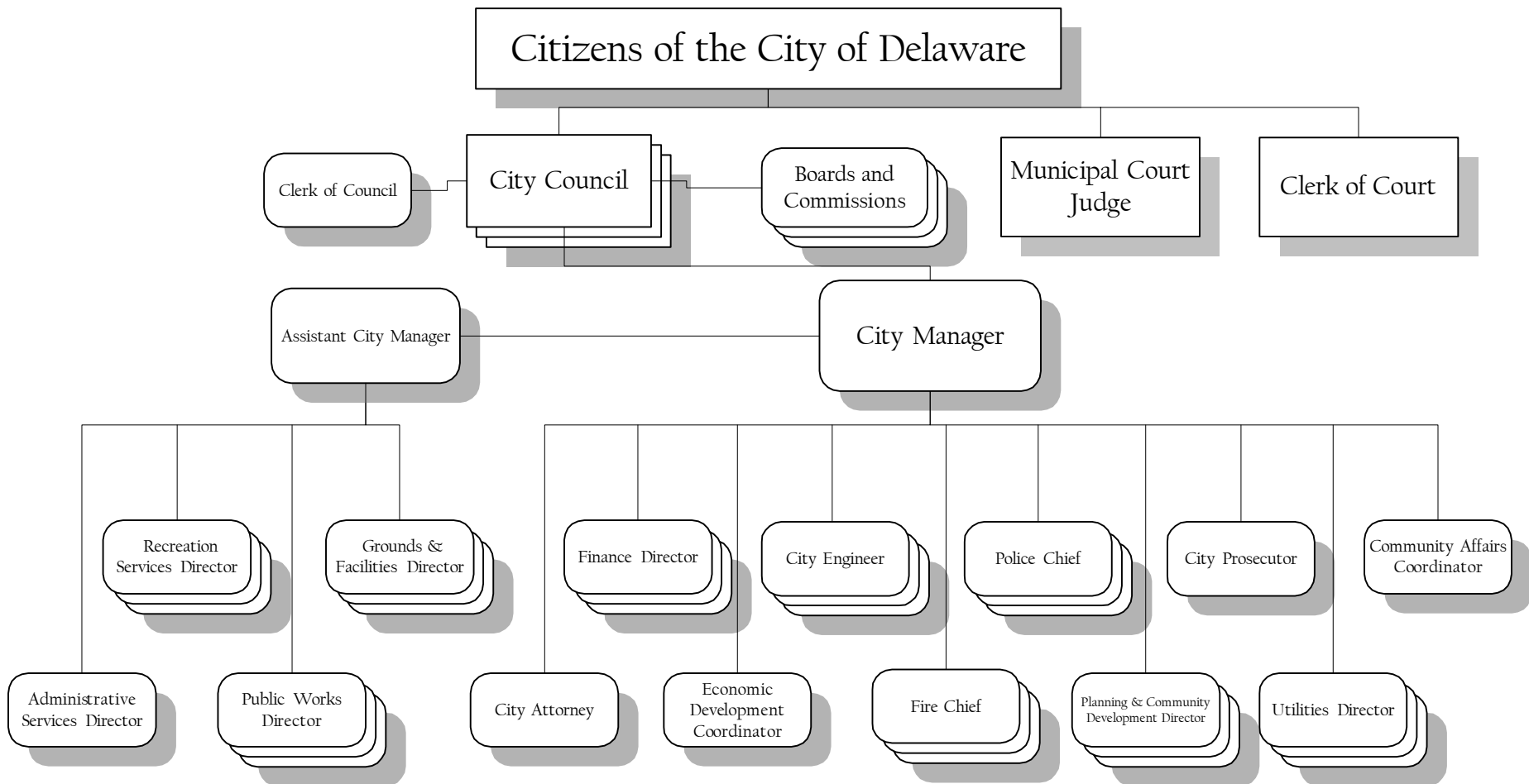


Dean P. Stelzer
Finance Director

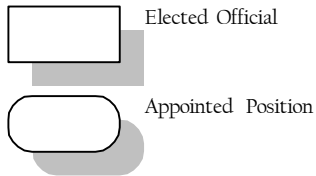


Robert L. Alger
City Accountant

City of Delaware Organizational Chart



Legend



Boards & Commissions

- Airport Commission
- Board of Zoning Appeals
- Charter Review Commission
- Civil Service Commission
- Finance Committee
- Golf Course Advisory Board
- Historic Preservation Commission
- Income Tax Board of Review
- Parks and Recreation Advisory Board
- Permanent Tax Advisory Committee
- Planning Commission
- Shade Tree Commission

CITY OF DELAWARE,
OHIO

Elected and Appointed Officials

As of December 31, 2005

Elected Officials

City Council

Jim Moore --- First Ward
David Berwanger --- Second Ward
David Godsil --- Third Ward
Mary Jane Santos --- Fourth Ward
Carolyn Riggle --- Vice-mayor
Windell Wheeler --- Mayor
Gary Milner --- At-large

Municipal Court

David Sunderman --- Municipal Court Judge
Betty Porter --- Clerk of Court

Appointed Officials

R. Thomas Homan --- City Manager
Allen Rothermel --- Assistant City Manager
Dan Bennington --- City Attorney
Pete Ruffing --- City Prosecutor
Dean Stelzer --- Finance Director
Bill Ferrigno --- City Engineer
Tim Browning --- Public Works Director
Jackie Sobas --- Director of Administrative
Services
Randy Smith --- Recreation Services
Director
Tom Marshall --- Utilities Director
Steve Beard --- Grounds & Facilities
Director
Dave Efland --- Planning & Community
Development Director
Gus Comstock --- Economic Development
Coordinator
Tom Macklin --- Fire Chief
Russell Martin --- Police Chief



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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditors' Report

Members of Council and Mayor
City of Delaware
1 South Sandusky Street
Delaware, Ohio 43015

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Delaware, Delaware County, Ohio, (the "City"), as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Delaware, Delaware County, as of December 31, 2005, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General and the Fire/EMS Income Tax funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As disclosed in Note 2 to the basic financial statements, the City restated capital assets based on errors and omissions. In addition, the City has presented a prior period adjustment to restate net assets at January 1, 2005 due to a fund reclassification which is described in more detail in Note 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2006, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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.

Members of Council and Mayor
City of Delaware
Page Two

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by 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 supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, such as the introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The relevant supplementary information, such as the combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The relevant supplementary information, such as the introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
June 9, 2006

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2005

Unaudited

The management of the City of Delaware provides the following information as an introduction, overview, and analysis of the City's financial statements for the year ended December 31, 2005. Readers should also review the basic financial statements to further enhance their understanding of the City's financial performance.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. The former is organized so the reader can first understand the City of Delaware's financial status as a whole. The latter, and subsequent statements, provide an increasingly detailed look at specific financial conditions.

The *Statement of Net Assets* and *Statement of Activities* [collectively referred to as the *government-wide statements*] provide information about the activities as an entire operating entity, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The proprietary fund's statements are prepared on the same basis as the government-wide statements.

Reporting the City of Delaware as a Whole

Statement of Net Assets and Statement of Activities

These government-wide statements demonstrate how the City did financially in 2005, as a whole. They are prepared on the accrual basis of accounting, similar to the way private-sector businesses prepare theirs. This basis of accounting includes all assets and liabilities, and accounts for the reporting year's revenues and expenses, regardless of when the money was received or paid.

- *The Statement of Net Assets.* This statement [page 14] reports all assets and liabilities of the City as of December 31, 2005. The difference between total assets and the total liabilities is reported as "net assets". Increases in net assets generally indicate an improvement in financial position, while decreases may indicate a deterioration of financial position.
- *The Statement of Activities.* This statement [page 15] serves the purpose of the traditional income statement. It provides consolidated reporting of the results of all activities of the City for the year ended December 31, 2005. Changes in net assets are recorded in the period in which the underlying event takes place, which may differ from the period in which cash is received or disbursed. The Statement of Activities displays the expense of the City's various programs net of related revenues, as well as a separate presentation of revenues available for general purposes.

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2005

Unaudited

Reporting on the City of Delaware's Most Significant Funds

Fund Financial Statements

These statements provide financial position and results of the City's major funds. A fund is an accounting entity created to account for a specific activity or purpose. Major funds of the City of Delaware are the General Fund, Fire/EMS Income Tax Fund, Capital Improvement Fund, Glenn Road South Construction Fund, Water Fund, Sewer Fund, Storm Sewer Fund, and Refuse Fund. The creation of some funds is mandated by law and others are created by management to demonstrate financial compliance with budgetary or legal requirements. Funds are classified into three broad categories: governmental funds, proprietary funds, and fiduciary funds.

- *Governmental Funds.* Governmental funds are used to account for "governmental-type" activities. Unlike the government-wide financial statements, governmental fund statements use a "flow of financial resources" measurement focus. That is to say, the operating statement of a governmental fund attempts to answer the question "Are there more or less resources that can be spent in the near futures as a result of events and transactions of the reporting period?" Increases in spendable resources are reported in the operating statement as "revenues" or "other financing sources." Decreases in spendable resources are reported as "expenditures" or "other financing uses." We describe the differences between governmental funds and governmental activities [reported in the Statement of Net Assets and the Statement of Activities] in reconciliations presented beside the governmental fund financial statements on pages 17 and 19.

The City of Delaware maintains 47 separate governmental funds. The governmental fund financial statements on pages 16 and 18 separately display the governmental funds considered to be major funds. All other governmental funds – the "nonmajor" funds – are combined into a single column. Detailed financial data for each of the non-major governmental funds is provided in combining statements in the supplementary information section of this report.

- *Proprietary Funds.* There are two types of proprietary funds: enterprise funds and internal service funds.
 - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises for which either 1) the intent is that the costs [expenses, including depreciation] be recovered primarily through user charges, or 2) determination of net income is appropriate for management control, accountability, or other purposes.

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2005

Unaudited

The City of Delaware's Water Fund, Sewer Fund, Storm Sewer Fund, and Refuse Fund are all considered to be major funds and are displayed separately in the proprietary fund statements on pages 22 and 23. The City has three other proprietary funds, the activities of which are combined into one column for non-major funds.

- Internal Service funds are used to account for costs of providing certain centralized services [e.g., garage, self insurance, worker's compensation] that the City wishes to allocate to the other departments of the government entity that use the services. An internal service fund is the appropriate accounting mechanism when it is the intent of the government to recover the full cost of providing the service through user charges to other departments.

The City of Delaware's three internal service funds are combined into a single column in the proprietary fund financial statements. Detailed financial data for those funds can be found in the combining statements in the supplementary information section of this report.

- *Fiduciary Funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the City government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

A Fiduciary fund statement is on page 28 of this report.

Other information

Notes to the Basic Financial Statements

The notes provide additional and explanatory data. They are an integral part of the basic financial statements. The notes begin on page 29 of this report.

Required Supplementary Information

In addition to the basic financial statements and notes, this report also contains required supplementary information [RSI]. RSI includes budgetary schedules for the general fund and major special revenue funds. This data begins on page 57.

Government-Wide Financial Analysis

Table 1 presents condensed information on net assets as of December 31, 2005 and 2004.

City of Delaware, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

Table 1
Net Assets
December 31, 2005 and 2004

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
<i>Assets</i>						
Current and Other Assets	\$ 22,529,184	\$ 16,665,145	\$ 44,050,144	\$ 43,027,571	\$ 66,579,328	\$ 59,692,716
Capital Assets, Net	53,153,740	59,282,279	75,500,126	47,558,334	128,653,866	106,840,613
Total Assets	75,682,924	75,947,424	119,550,270	90,585,905	195,233,194	166,533,329
<i>Liabilities</i>						
Current and Other Liabilities	12,153,505	7,325,231	30,368,093	25,245,576	42,521,598	32,570,807
Long-Term Liabilities	9,576,557	9,371,943	25,964,759	12,733,083	35,541,316	22,105,026
Total Liabilities	21,730,062	16,697,174	56,332,852	37,978,659	78,062,914	54,675,833
<i>Net Assets</i>						
Invested in Capital Assets, Net of Related Debt	40,363,724	53,734,712	30,482,147	35,695,655	70,845,871	89,430,367
Restricted	5,345,258	6,499,267	0	0	5,345,258	6,499,267
Unrestricted	8,243,880	(983,729)	32,735,271	16,911,591	40,979,151	15,927,862
Total Net Assets	\$ 53,952,862	\$ 59,250,250	\$ 63,217,418	\$ 52,607,246	\$ 117,170,280	\$ 111,857,496

Capital assets increased \$22 million for 2005 due to continuous growth. Some \$21 million was due to increased construction in progress, mostly for the Wastewater Treatment Expansion facility. This increase was also from contributed assets from developers as new subdivisions are completed, and the roads, storm sewers, water lines and wastewater lines are turned over to the City.

Long-term liabilities increased in business-type activities due to an increase to the Ohio Water Development Authority loan to fund the wastewater expansion facility, which began in the summer of 2004. The loan amount is currently \$18.6 million and should total some \$26 million when the project is completed in 2007. Current liabilities increased due mainly due to Bond Anticipation Notes issued during 2005. Some \$5.9 million in notes were sold for governmental activities, mainly for road construction and design work. For business-type activities, the sale of \$19.5 million in notes for water and sewer projects, netted against a reduction in the amount of the OWDA loan still expected [from over \$19 million in 2004 to just over \$6 million for December 31, 2005], made up the majority of the increase.

Over time, net assets can serve as a useful indicator of a government's financial position. Increases in net assets generally indicate an improvement in financial position. At December 31, 2005, the City's assets exceeded liabilities by \$117 million.

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2005

Unaudited

By far, the largest portion of the City's net assets [60 percent] reflects its investment in capital assets [e.g., infrastructure, land, buildings, machinery, and equipment], less any related debt used to acquire those assets, that is still outstanding. The City of Delaware uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets, themselves, cannot be used to liquidate these liabilities.

A portion of the City's net assets, 4.5%, represents resources that are subject to external restriction on how they may be used. This category of net assets decreased from \$6.5 million at December 31, 2004 to \$5.3 million at December 31, 2005.

The remaining balance of unrestricted net assets, \$41.1 million, is available for future use as directed by City Council.

The following, table 2, represents condensed information on the changes in net assets for the years ended December 31, 2005 and 2004.

Table 2
Changes in Net Assets
For the Year Ended December 31, 2005 and 2004
(In Thousands)

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2005	2004	2005	2004	2005	2004
Revenues						
Program Revenues:						
Charges For Services	\$ 6,038	\$ 5,081	\$ 13,147	\$ 12,130	\$ 19,185	\$ 17,211
Operating Grants and Contributions	798	971	0	0	798	971
Capital Grants and Contributions	6,037	3,491	2,985	2,060	9,022	5,551
Total Program Revenues	<u>12,873</u>	<u>9,543</u>	<u>16,132</u>	<u>14,190</u>	<u>29,005</u>	<u>23,733</u>
General Revenues:						
Property Taxes	1,474	1,412			1,474	1,412
Income Taxes	11,462	10,551			11,462	10,551
Other Taxes	79	66			79	66
Grants and Other Contributions not Restricted to Specific Programs	1,677	2,101			1,677	2,101
Interest Income	608	220	715	223	1,323	443
Miscellaneous	199	257	176	241	375	498
Total General Revenues	<u>15,499</u>	<u>14,607</u>	<u>891</u>	<u>464</u>	<u>16,390</u>	<u>15,071</u>
Total Revenues	<u>\$ 28,372</u>	<u>\$ 24,150</u>	<u>\$ 17,023</u>	<u>\$ 14,654</u>	<u>\$ 45,395</u>	<u>\$ 38,804</u>

City of Delaware, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Program Expenses						
General Government	\$ 5,697	\$ 5,954			\$ 5,697	\$ 5,954
Public Safety	11,366	11,676			11,366	11,676
Parks & Recreation	1,556	1,497			1,556	1,497
Community Development	1,270	552			1,270	552
Airport	1,098	847			1,098	847
Public Works	2,602	2,033			2,602	2,033
Interest and Fiscal Charges	427	283			427	283
Water			\$ 4,609	\$ 3,729	4,609	3,729
Sewer			4,312	8,199	4,312	8,199
Storm Sewer			1,112	n/a	1,112	n/a
Refuse			2,544	2,108	2,544	2,108
Other Business-Type Activities			212	228	212	228
Total Expenses	24,016	22,842	12,789	14,264	36,805	37,106
Increase (Decrease) in Net Assets	\$ 4,356	\$ 1,308	\$ 4,234	\$ 390	\$ 8,590	\$ 1,698

Program revenues for governmental funds represented 45.4 percent of total revenues and 94 percent of total revenues for business-type activities. Federal, state, and local funding, engineering fees, permits and other associated fees, and municipal court fees represent program revenues for governmental activities. Revenues for business-type activities are made up from utility charges to residents for water, sewer, storm sewer, and refuse, capacity fees to new customers for connecting to utility water and sewer lines, developer-contributed water and sewer lines, golf course revenues, and parking lot revenues. The two largest fluctuations for program revenues were between charges for services and capital grants and contributions. Charges for services increased \$1 million, mainly due to Engineering Fee receipts [\$590 thousand increase] and governmental activity revenues for internal service funds [\$573 thousand increase]. Licenses and permits also increase some \$135 thousand in 2005. The increase in donated capital assets by developers [\$1.7 million], and a \$765 thousand revolving loan grant funding for 2 local businesses to provide capital improvements in 2005 was the other large fluctuation. General revenue variances were largest between income taxes and grants and unrestricted contributions. Income taxes increased over \$900 thousand from 2004 and grants and contributions not restricted to specific programs decreased by \$400 thousand, mainly due to a decrease in inheritance taxes received of some \$585 thousand.

The major program expense for governmental activities is public safety, which includes police and 911, fire, municipal court, and prosecutorial services, and accounts for 49 percent of all governmental expenses. General city business expenses, 23 percent, and maintenance of the City's roads, lights, and signalization, 11 percent, are other significant governmental cost centers. For 2005, public safety expenses decreased slightly over 2004. General government expenses also decreased slightly in 2005. Parks and Recreation expenses increased \$59 thousand [increase in capital assets; \$102 thousand], Community Development expenses increased by \$718 thousand, mainly due to the \$765 thousand in revolving loan fund loans. Public Works'

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2005

Unaudited

expenses increased by almost \$600 thousand, mainly due to a decrease in capitalized expenses in 2005; more of the expenses were considered to be services and charges, in nature. Improvements to the ramp and taxiway at the municipal airport increased Airport expenses by \$251 thousand.

Public utility costs for water, sewer, storm sewer, and refuse account for 98 percent of the City's business-type activities and are funded from charges for services. For 2005, there was a \$1.5 million decrease in expenses, which included a \$4.1 million decrease in services and charges in the sewer fund, a \$700 thousand increase in services and charges for the water fund, a \$400 thousand increase in services and charges for the refuse fund, and the inclusion of the storm sewer fund [\$1.1 million in expenses] as an enterprise fund beginning in 2005.

Governmental Activities

Table 3 Expenses and Program Revenues - Governmental Activities

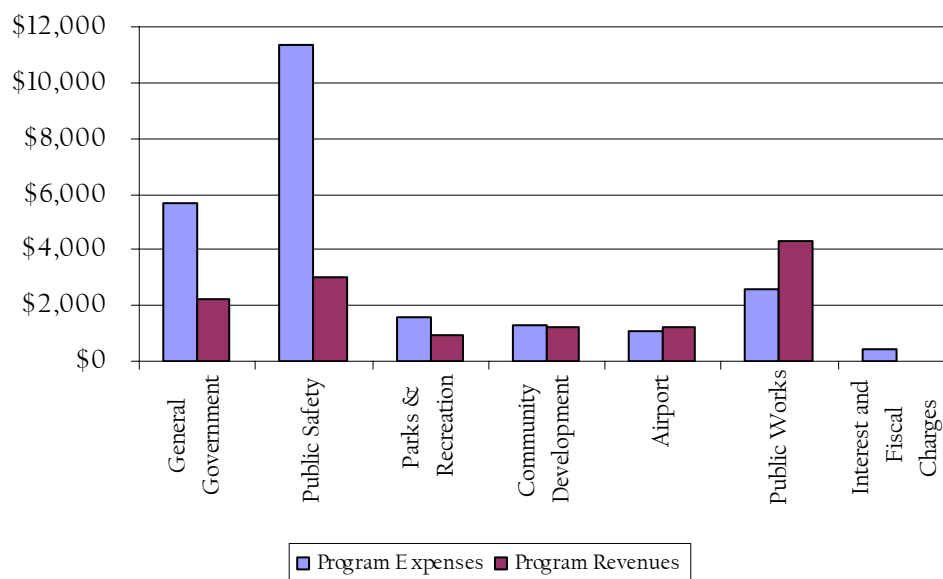


Table 3 indicates the total cost of services and revenues to offset those services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and other contributions offsetting those services. The amount remaining identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

From this graphic, it should be noted that for all governmental activities, over 48 percent of the revenues to provide these services are derived from the City's general revenues; that being primarily income and property taxes, and State shared revenues. For 2005, most of the Public

City of Delaware, Ohio

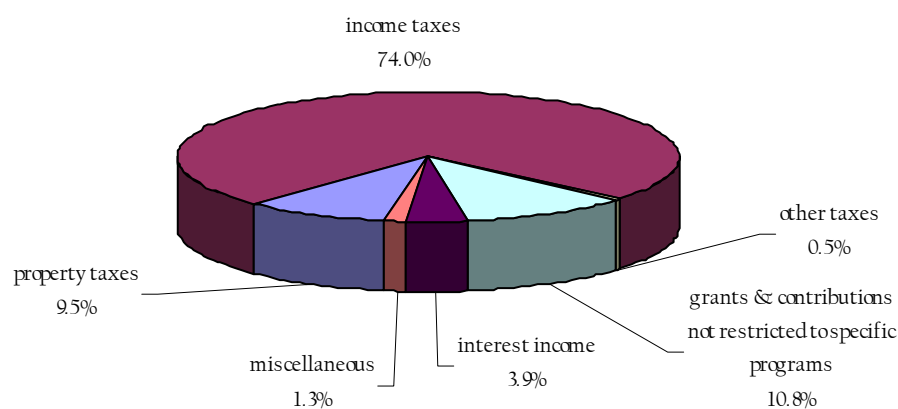
Management's Discussion and Analysis

For the Year Ended December 31, 2005

Unaudited

Works "revenue" was in the form of State funding and capital asset donations from developers. Community Development is funded mostly from Federal grants. A good portion of the Airport improvements is funded by Federal grants. Operations at the Airport are funded by charges for services and general revenues. Park and recreation improvements are funded mainly by impact fees, paid by developers. Only Public Works and Airport functions had net "revenue" after program expenses were paid. All other functions were supplemented by general revenues for 2005. Below is a chart depicting the sources and percentages of the City's general revenues.

General Revenues by Source - Governmental Activities



Governmental Funds Financial Analysis

The City's major governmental funds are the General Fund, Fire/EMS Income Tax Fund, Capital Improvement Fund, and the Glenn Road South Construction fund. All of these funds' balances, except Capital Improvement Fund, increased for the year. There is no anticipation of future fund resource limitations on any of the major governmental funds. The General Fund and Fire/EMS Income Tax Fund are both heavily funded by income taxes paid into the City by residents who work inside or outside of the City and non-residents working in the City. The Capital Improvement Fund is funded by the federal and state grants and transfers from the General Fund and the Glenn Road South Construction was funded in 2005 by a \$5.07 million bond anticipation note. A \$700 thousand increase in income tax revenue helped increase the General Fund balance, as did a \$300 thousand increase for the Fire/EMS Income Tax fund. In 2005, an \$825 thousand note was issued for the extension of South Houk Road from US36 to Pittsburgh Drive. This was the main source of the \$360 thousand increase in the Capital Improvement fund.

Business-type Activities Financial Analysis

The City's major business-type funds are the Water, Sewer, Storm Sewer, and Refuse funds. As shown in the statement of activities, program revenues have been sufficient to cover the

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2005

Unaudited

expenses in the Water, Sewer, and Storm Sewer funds. These funds consistently generate sufficient revenues to cover costs, in part due to capacity fees charged to new customers and developers to hook into the City's water and sewer lines, and storm sewer fees charged to all residents and businesses. Refuse rates are reviewed annually to determine whether or not rates should be increased in order to cover current expenses and to prepare for growth. There are no known significant future fund resource limitations on any of the major business-type funds.

Budgetary Highlights

The City prepares an annual budget of revenues and expenditures/expenses for all funds of the City for use by City department heads and such other budgetary documents, as are required by State statute, including the annual appropriations ordinance, which is effective the first day of January. The City's most significant budgeted fund is the General Fund. The final budget for expenditures increased by \$784 thousand over the original budget. A majority of the increase was as follows:

- \$63 thousand in the City Manager's office for professional services,
- \$425 thousand for engineering refunds,
- \$160 thousand in general administration to purchase a property for future road extension,
- \$60 thousand in general administration for recruiting and other professional services.
- \$31 thousand in information technology for professional services, and
- \$15 thousand in income tax refunds.

The increase in appropriations was allowable due to an increase in intergovernmental revenues, charges for services revenues, and license and permit revenues. Efficiencies in spending were almost equally split between general government and public safety, the two main programs paid by the General Fund.

Capital Assets and Debt Administration

The City's investment in capital assets for governmental and business-type activities as of December 31, 2005, was \$40,363,724, and \$30,482,147, respectively (net of accumulated depreciation and related debt). This investment in capital assets includes land, land improvements, buildings and improvements, roads, bridges, storm sewers, traffic signalization, street lighting, machinery and equipment, and water and sewer lines. There were significant changes in both governmental activity and business-type activity capital assets during 2005, primarily due to contributed capital assets from newly completed developments, continuing road resurfacing projects, initial construction of a new water tower, and the Wastewater Treatment Expansion Facility project. More specifically; roads donated were estimated at \$2.356 million, up from \$415 thousand a year ago, storm sewers were estimated at \$1.085million, up from \$232 thousand, water lines were estimated at \$903 thousand, up from \$163 thousand, and sewer lines at \$996 thousand, down from \$1.9 million in 2003. The \$26+ million Wastewater Treatment Expansion Facility has thus far cost over \$16 million. Other road

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2005

Unaudited

resurfacing projects amounted to \$633 thousand. Note 9 to the basic financial statements provides details on the capital asset activity during 2005.

At December 31, 2005, the City had several long-term obligations outstanding. The obligations included \$11,450,000 in general obligation bonds and \$169,000 in special assessment bonds. Of this amount, \$6,380,000 will be repaid from business-type activities. As mentioned, the City also has entered into a long-term loan with Ohio Water Development Authority for approximately \$27 million. Proceeds, thus far, total \$18.6 million. The project will be ongoing for the next year. When the improvements are completed in 2007, the City's wastewater treatment capacity will double from 5 million gallons per day to 10 million gallons per day. This additional capacity is needed to service the continued growth of the City for the next 15 to 20 years.

In addition to the debt outlined above, the City's long-term debt also includes compensated absences and pension-related obligations. Additional information on the City's long-term debt can be found in Note 10 of this report.

Current Issues

The City also has several bond anticipation notes outstanding, totaling \$27.535 million. These notes are for the Airport T-hangar Construction project, \$1.145 million, completed in 2001, \$475 thousand Land Acquisition note to purchase and renovate property for the Grounds and Facilities department, \$5.07 million Glenn Road Design note to extend Glenn Road from Curve Road to US23 \$825 thousand South Houk Road note to extend South Houk Road to Pittsburgh Drive, a \$475 thousand note to facilitate landfill remediation at one of the City's capped landfills, a \$3.545 million Kingman Hill Tower note for the new City water tower south of Cheshire Road, and \$16 million in notes for the 23 North Sewer [\$1 million] and Southeast Highland Sewer [\$15 million] constructions.

Several projects are "in the pipe" that will have a significant effect on the City's financial condition. These include the construction of the Zaremba shopping center on the City's far east side, construction of the Sturgis shopping center on the City's south side, a new Wal-Mart Super Center on the south end, the relocation of Grady Hospital to the City's south side, the extension of Glenn Road on the City's east side which will allow housing for over a thousand new homes, the Delaware Municipal Airport hangar development which will draw many more aircraft owners, as well as more industry in the area.

Request for Information

This financial report is designed to provide a general overview of the City's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be directed to Dean P. Stelzer, Finance Director, 1 South Sandusky Street, Delaware, OH 43015.

City of Delaware, Ohio

Basic Financial Statements

City of Delaware, Ohio
Statement of Net Assets
December 31, 2005

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 15,238,734	\$ 34,036,660	\$ 49,275,394
Receivables:			
Accounts (net of allowance for uncollectibles)	160,427	1,783,410	1,943,837
Income Taxes	2,862,437	0	2,862,437
Property Taxes	1,362,733	0	1,362,733
Accrued Interest	17,044	33,993	51,037
Special Assessments	38,800	0	38,800
Loans Receivable	0	6,356,508	6,356,508
Materials and Supplies Inventory	31,571	24,938	56,509
Prepaid Items	78,211	128,457	206,668
Restricted Assets:			
Retainage	62,963	1,186,522	1,249,485
Customer Deposits	12,105	220,528	232,633
Due from Other Governments:			
Federal Government	442,752	68,135	510,887
State Government	783,660	0	783,660
County Government	1,315,247	0	1,315,247
Unamortized Bond Discount	25,133	0	25,133
Unamortized Bond Issuance Costs	97,367	103,380	200,747
Deferred Charges	0	107,613	107,613
Nondepreciable Capital Assets	2,762,645	27,798,456	30,561,101
Depreciable Capital Assets <i>(net of accumulated depreciation)</i>	50,391,095	47,701,670	98,092,765
Total Assets	75,682,924	119,550,270	195,233,194
Liabilities			
Accounts Payable	241,902	166,658	408,560
Accrued Wages	751,153	133,512	884,665
Contracts Payable	686,137	1,980,371	2,666,508
Accrued Interest Payable	155,856	303,994	459,850
Compensated Absences Payable-Matured	201,038	0	201,038
Claims Payable	648,826	0	648,826
Deferred Revenue	1,878,525	6,356,508	8,235,033
Payables from Restricted Assets:			
Retainage	62,963	1,186,522	1,249,485
Customer Deposits	12,105	220,528	232,633
Notes Payable	7,515,000	20,020,000	27,535,000
Long-Term Liabilities:			
Due Within One Year	839,641	633,329	1,472,970
Due in More Than One Year	8,736,916	25,331,430	34,068,346
Total Liabilities	21,730,062	56,332,852	78,062,914
Net Assets			
Invested in Capital Assets, Net of Related Debt	40,363,724	30,482,147	70,845,871
Restricted for:			
Capital Projects	719,592	0	719,592
Debt Service	(318,749)	0	(318,749)
Other Purposes	4,944,415	0	4,944,415
Unrestricted (Deficit)	8,243,880	32,735,271	40,979,151
Total Net Assets	\$ 53,952,862	\$ 63,217,418	\$ 117,170,280

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Activities
For the Year Ended December 31, 2005

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Governmental Activities:							
General Government	\$ 5,696,978	\$ 2,103,303	\$ 2,425	\$ 100,488	\$ (3,490,762)		\$ (3,490,762)
Public Safety	11,366,592	2,740,164	261,109	46,316	(8,319,003)		(8,319,003)
Parks & Recreation	1,555,662	265,264	193,050	456,296	(641,052)		(641,052)
Community Development	1,269,899	16,085	14,918	1,167,350	(71,546)		(71,546)
Airport	1,097,678	524,526	0	686,637	113,485		113,485
Public Works	2,602,443	388,800	326,756	3,579,528	1,692,641		1,692,641
Interest and Fiscal Charges	427,008	0	0	0	(427,008)		(427,008)
Total Governmental Activities	24,016,260	6,038,142	798,258	6,036,615	(11,143,245)		(11,143,245)
Business-Type Activities:							
Water	4,608,834	4,442,117	0	903,238		\$ 736,521	736,521
Sewer	4,312,244	5,549,206	0	996,179		2,233,141	2,233,141
Storm Sewer	1,112,564	736,246	0	1,085,548		709,230	709,230
Refuse	2,543,973	2,196,242	0	0		(347,731)	(347,731)
Other Business-type Activities:							
Golf Course	181,497	192,985	0	0		11,488	11,488
Parking Lot	30,536	30,726	0	0		190	190
Total Business-Type Activities	12,789,648	13,147,522	0	2,984,965	0	3,342,839	3,342,839
Total	\$ 36,805,908	\$ 19,185,664	\$ 798,258	\$ 9,021,580	\$ (11,143,245)	\$ 3,342,839	\$ (7,800,406)
General Revenues							
Property Taxes Levied for:							
General Purposes					\$ 1,140,537	\$ 0	\$ 1,140,537
Public Safety					333,459	0	333,459
Income Tax Levied for:							
General Purposes					8,181,894	0	8,181,894
Public Safety					3,280,330	0	3,280,330
Other Taxes					79,176	0	79,176
Grants and Contributions not Restricted to Specific Programs							
					1,676,817	0	1,676,817
Interest Income					608,037	715,454	1,323,491
Miscellaneous					198,615	175,736	374,351
Total General Revenues					15,498,865	891,190	16,390,055
Change in Net Assets					4,355,620	4,234,029	8,589,649
Net Assets Beginning of Year - (See Note 2)					49,597,242	58,983,389	108,580,631
Net Assets End of Year					\$ 53,952,862	\$ 63,217,418	\$ 117,170,280

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
 Balance Sheet
 Governmental Funds
 December 31, 2005

	General	Fire/EMS Income Tax	Capital Improvement	Glenn Road South Construction	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$ 2,367,562	\$ 0	\$ 757,243	\$ 5,237,475	\$ 5,623,178	\$ 13,985,458
Receivables:						
Accrued Interest	9,641	0	0	5,264	2,139	17,044
Income Taxes	2,044,639	817,798	0	0	0	2,862,437
Property Taxes	1,058,979	0	0	0	303,754	1,362,733
Accounts	150,232	0	0	0	10,195	160,427
Special Assessments	0	0	0	0	38,800	38,800
Interfund	476,443	0	0	0	0	476,443
Restricted Assets:						
Retainage	0	0	0	0	62,963	62,963
Customer Deposits	0	0	0	0	12,105	12,105
Prepaid Items	62,647	0	0	0	15,564	78,211
Material and Supplies Inventory	0	0	0	0	31,571	31,571
Due From:						
Federal Government	0	0	0	0	442,752	442,752
State Government	154,855	0	0	0	628,805	783,660
County Government	1,063,025	0	0	0	252,222	1,315,247
Other Funds	5,592	0	0	0	33,855	39,447
Total Assets	\$ 7,393,615	\$ 817,798	\$ 757,243	\$ 5,242,739	\$ 7,457,903	\$ 21,669,298
Liabilities						
Accounts Payable	\$ 120,256	\$ 0	\$ 3,643	\$ 0	\$ 96,565	\$ 220,464
Accrued Wages & Benefits	601,805	0	0	0	140,339	742,144
Contracts Payable	0	0	206,700	145,890	333,547	686,137
Interfund Payable	0	0	0	0	476,443	476,443
Due to Other Funds	0	0	0	0	39,447	39,447
Compensated Absences -- Matured	167,668	0	0	0	27,160	194,828
Deferred Revenue	2,504,714	320,790	0	0	994,293	3,819,797
Payable from Restricted Assets:						
Retainage	0	0	0	0	62,963	62,963
Customer Deposits	0	0	0	0	12,105	12,105
Notes Payable	0	0	1,300,000	5,070,000	1,145,000	7,515,000
Total Liabilities	3,394,443	320,790	1,510,343	5,215,890	3,327,862	13,769,328
Fund Balances						
Reserved for Encumbrances	206,797	0	503,583	1,049,391	1,209,521	2,969,292
Reserved for Prepaid Items	62,647	0	0	0	15,564	78,211
Reserved for Material and Supplies Inventory	0	0	0	0	31,571	31,571
Reserved for Debt Service	0	0	0	0	2,586	2,586
Unreserved:						
Undesignated (Deficit), Reported in:						
General Fund	3,729,728	0	0	0	0	3,729,728
Special Revenue Funds	0	497,008	0	0	3,012,817	3,509,825
Debt Service Funds	0	0	0	0	(321,415)	(321,415)
Capital Projects Funds	0	0	(1,256,683)	(1,022,542)	179,397	(2,099,828)
Total Fund Balances (Deficits)	3,999,172	497,008	(753,100)	26,849	4,130,041	7,899,970
Total Liabilities and Fund Balances	\$ 7,393,615	\$ 817,798	\$ 757,243	\$ 5,242,739	\$ 7,457,903	\$ 21,669,298

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2005

Total Governmental Funds Balances		\$ 7,899,970
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*Amounts reported for governmental activities in the
 Statement of Net Assets are different because*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		53,153,740
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Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Income Taxes Receivable	1,122,821	
Due from Other Governments	818,451	
Total		1,941,272

Other long-term assets as they relate to debt obligations are not available to pay for current period expenditures in the funds:		
Unamortized Bond Discount	25,133	
Unamortized Bond Issuance Costs	97,367	
Total		122,500

Internal service funds are used by management to charge the costs of garage services, insurance, and workers compensation to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		
Net assets at 12/31/05	587,507	
Capital assets, included above	(37,112)	
Compensated absences, included below	23,608	
Total		574,003

Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:		
Accrued Interest Payable	(155,856)	
General Obligation Bonds	(5,070,000)	
Special Assessment Bonds	(169,000)	
Capital Leases Payable	(36,016)	
Pension Obligations	(319,933)	
Compensated Absences	(3,987,818)	
Total		(9,738,623)

Net Assets of Governmental Activities		\$ 53,952,862
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See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Governmental Funds
For the Year Ended December 31, 2005

	General	Fire/EMS Income Tax	Capital Improvement	Glenn Road South Construction	Other Governmental Funds	Total Governmental Funds
Revenues						
Property Taxes	\$ 1,140,537	\$ 0	\$ 0	\$ 0	\$ 333,459	\$ 1,473,996
Income Taxes	8,079,789	3,231,692	0	0	7,799	11,319,280
Miscellaneous Taxes	79,176	0	0	0	0	79,176
Special Assessments	0	0	0	0	35,994	35,994
Intergovernmental	1,713,901	0	0	0	3,640,882	5,354,783
Interest	379,451	0	0	137,899	90,687	608,037
Fees, Licenses and Permits	1,003,530	0	0	0	289,538	1,293,068
Fines and Forfeitures	86,601	0	0	0	2,012,898	2,099,499
Impact Fees	0	0	0	0	716,595	716,595
Charges for Services	1,621,602	0	0	388,800	944,138	2,954,540
Contributions and Donations	0	0	0	0	22,153	22,153
Miscellaneous	94,278	0	0	0	66,165	160,443
Total Revenues	14,198,865	3,231,692	0	526,699	8,160,308	26,117,564
Expenditures						
Current:						
Public Safety						
Police/911	4,418,870	0	0	0	182,702	4,601,572
Fire	454,325	3,189,528	0	0	182,759	3,826,612
Muni Court	0	0	0	0	1,831,658	1,831,658
Other	491,003	0	0	0	0	491,003
Parks & Recreation	0	0	0	0	1,253,301	1,253,301
Community Development	93,949	0	0	0	1,172,550	1,266,499
Airport	0	0	0	0	554,198	554,198
Public Works	0	0	0	0	2,059,117	2,059,117
General Government	5,331,914	0	0	0	4,937	5,336,851
Capital Outlay	0	0	861,999	499,850	1,060,138	2,421,987
Debt Service:						
Principal Retirement	19,551	0	0	0	253,000	272,551
Interest and Fiscal Charges	3,034	0	0	0	302,127	305,161
Refunds	0	0	0	0	5,908	5,908
Total Expenditures	10,812,646	3,189,528	861,999	499,850	8,862,395	24,226,418
Excess of Revenues Over (Under) Expenditures	3,386,219	42,164	(861,999)	26,849	(702,087)	1,891,146
Other Financing Sources (Uses)						
Transfers In	36,081	0	1,175,000	0	4,704,063	5,915,144
Transfers Out	(2,749,816)	0	(773,512)	0	(2,391,816)	(5,915,144)
Total Other Financing Sources (Uses)	(2,713,735)	0	401,488	0	2,312,247	0
Net Change in Fund Balances	672,484	42,164	(460,511)	26,849	1,610,160	1,891,146
Fund Balances (Deficits) Beginning of Year [as restated]	3,326,688	454,844	(292,589)	0	2,519,881	6,008,824
Fund Balances (Deficits) End of Year	\$ 3,999,172	\$ 497,008	\$ (753,100)	\$ 26,849	\$ 4,130,041	\$ 7,899,970

See Accompanying Notes to the Basic Financial Statements

City of Delaware, 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, 2005

Net Change in Fund Balances - Total Governmental Funds \$ 1,891,146

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

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

Capital Outlay	2,221,448	
Donated Infrastructure	2,356,058	
Depreciation	(1,910,729)	
Total		2,666,777

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

Income Tax	142,944	
Intergovernmental	(8,531)	
Grants	(263,940)	
Total		(129,527)

Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 272,551

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. Other related expenses do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (121,847)

Some expenses reported in the statement of activities, such as compensated absences and police and fire past service liability which represent contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	(482,541)	
Police and Fire Past Service Liability	5,376	
Total		(477,165)

The internal service funds used by management to charge the the costs of garage, insurance, and workers' compensation to individual funds are not reported in the entity-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The change for governmental funds is shown for the year.

Change in Net Assets for 2005	268,217	
Compensated Absences, included above	(14,532)	
Total		253,685

Change in Net Assets of Governmental Activities \$4,355,620

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Revenues, Expenditures
And Changes In Fund Balance--Budget And Actual--(Budget Basis)
For The Year Ended December 31, 2005

General Fund

	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Income Taxes	\$ 7,600,000	\$ 7,623,951	\$ 7,974,372	\$ 350,421
Property And Other Taxes	1,243,400	1,300,900	1,206,914	(93,986)
Intergovernmental	1,890,000	1,832,000	1,713,901	(118,099)
Charges For Service	960,000	1,260,000	1,624,434	364,434
Fines And Court Fees	85,000	80,000	85,790	5,790
Licenses And Permits	782,500	920,000	1,001,559	81,559
Interest Income	160,000	215,000	369,810	154,810
Miscellaneous	161,300	175,000	97,943	(77,057)
Total Revenues	12,882,200	13,406,851	14,074,723	667,872
Expenditures:				
Current:				
Public Safety	6,168,163	6,168,163	5,501,853	666,311
General Government	4,639,988	4,983,738	4,716,108	267,630
Income Tax Refunds	250,000	265,000	276,077	(11,077)
Engineering Refunds	511,227	936,227	737,224	199,003
Total Expenditures	11,569,378	12,353,128	11,231,262	1,121,866
Excess (Deficiency) Of Revenues Over Expenditures	1,312,822	1,053,723	2,843,461	1,789,738
Other Financing Sources and Uses:				
Advances Out	0	0	(475,353)	(475,353)
Transfers In	0	0	36,081	36,081
Transfers Out	(2,730,079)	(2,755,079)	(2,749,816)	5,263
Total Other Financing Sources and Uses	(2,730,079)	(2,755,079)	(3,189,088)	(434,009)
Net Change in Fund Balance	(1,417,257)	(1,701,356)	(345,627)	1,355,729
Fund Balance At Beginning Of Year:	2,150,672	2,150,672	2,150,672	0
Prior Years Encumbrances	267,461	267,461	267,461	0
Fund Balance At End Of Year:	\$ 1,000,876	\$ 716,777	\$ 2,072,506	\$ 1,355,729

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
 Statement Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Fire/EMS Income Tax			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Income Taxes	\$ 3,000,000	\$ 3,201,000	\$ 3,189,528	\$ (11,472)
Total Revenues	<u>3,000,000</u>	<u>3,201,000</u>	<u>3,189,528</u>	<u>(11,472)</u>
Expenditures:				
Current:				
Public Safety	3,066,000	3,201,000	3,189,528	11,472
Total Expenditures	<u>3,066,000</u>	<u>3,201,000</u>	<u>3,189,528</u>	<u>11,472</u>
Net Change in Fund Balance	(66,000)	0	0	0
Fund Balance At Beginning Of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u>\$ (66,000)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2005

	Business-Type Activities					Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Storm Sewer	Refuse	Non-major Enterprise Funds		
Assets							
<i>Current Assets:</i>							
Equity in Pooled Cash and Cash Equivalents	\$ 10,633,567	\$ 22,004,607	\$ 653,973	\$ 588,361	\$ 154,152	\$ 34,036,660	\$ 1,253,276
Accounts Receivable [net of uncollectible accounts]	588,607	755,835	155,267	283,701	0	1,783,410	0
Accrued Interest Receivable	10,808	23,185	0	0	0	33,993	0
Loans Receivable	0	6,356,508	0	0	0	6,356,508	0
Materials and Supplies Inventory	15,798	7,754	0	0	1,386	24,938	0
Prepaid Items	38,515	60,370	0	27,465	2,107	128,457	0
Due from Other Governments:							
Due From Federal Government	0	0	0	0	68,135	68,135	0
Total Current Assets	11,289,295	29,208,259	809,240	899,527	225,780	42,432,101	1,253,276
<i>Noncurrent Assets:</i>							
<i>Restricted Assets:</i>							
Customer Deposits	220,528	0	0	0	0	220,528	0
Retainage	118,207	1,058,072	10,243	0	0	1,186,522	0
Unamortized Financing Costs	0	103,380	0	0	0	103,380	0
Deferred Charges	0	107,613	0	0	0	107,613	0
<i>Capital Assets:</i>							
Nondepreciable Capital Assets	3,436,425	24,009,589	13,000	128,688	210,754	27,798,456	0
Depreciable Capital Assets, Net	15,409,689	21,787,429	9,784,469	508,719	211,364	47,701,670	37,112
Total Noncurrent Assets	19,184,849	47,066,083	9,807,712	637,407	422,118	77,118,169	37,112
Total Assets	\$ 30,474,144	\$ 76,274,342	\$ 10,616,952	\$ 1,536,934	\$ 647,898	\$ 119,550,270	\$ 1,290,388
Liabilities							
<i>Current Liabilities:</i>							
Accounts Payable	\$ 41,732	\$ 60,970	\$ 6,162	\$ 56,224	\$ 1,570	\$ 166,658	\$ 21,438
Accrued Wages & Benefits	52,032	50,410	4,558	22,891	3,621	133,512	9,009
Contracts Payable	512,507	1,467,864	0	0	0	1,980,371	0
Compensated Absences Payable	72,573	49,608	2,766	16,199	3,386	144,532	6,210
Accrued Interest Payable	61,447	231,652	0	10,872	23	303,994	0
Capital Leases Payable	0	0	0	0	13,797	13,797	0
Claims Payable	0	0	0	0	0	0	648,826
General Obligation Bonds Payable	0	470,000	0	0	0	470,000	0
Landfill Post-Closure Obligation	0	0	0	5,000	0	5,000	0
Total Current Liabilities	740,291	2,330,504	13,486	111,186	22,397	3,217,864	685,483
<i>Long-Term Liabilities:</i>							
<i>Payable from Restricted Assets:</i>							
Customer Deposits	220,528	0	0	0	0	220,528	0
Retainage Payable	118,207	1,058,072	10,243	0	0	1,186,522	0
Deferred Revenue	0	6,356,508	0	0	0	6,356,508	0
Compensated Absences Payable	298,773	207,309	9,224	26,406	10,536	552,248	17,398
Loans Payable	0	18,593,492	0	0	0	18,593,492	0
General Obligation Bonds Payable	0	5,910,000	0	0	0	5,910,000	0
Landfill Post-Closure Obligation	0	0	0	265,000	0	265,000	0
Capital Leases Payable	0	0	0	0	10,690	10,690	0
Notes Payable	3,545,000	16,000,000	0	475,000	0	20,020,000	0
Total Long-Term Liabilities	4,182,508	48,125,381	19,467	766,406	21,226	53,114,988	17,398
Total Liabilities	4,922,799	50,455,885	32,953	877,592	43,623	56,332,852	702,881
Net Assets							
Invested in Capital Assets, Net of Related Debt	15,301,114	4,823,526	9,797,469	162,407	397,631	30,482,147	37,112
Unrestricted	10,250,231	20,994,931	786,530	496,935	206,644	32,735,271	550,395
Total Net Assets	\$ 25,551,345	\$ 25,818,457	\$ 10,583,999	\$ 659,342	\$ 604,275	\$ 63,217,418	\$ 587,507

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2005

	Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Water	Sewer	Storm Sewer	Refuse	Non-major Enterprise Funds		
Operating Revenues							
Charges for Services	\$ 3,183,624	\$ 3,847,812	\$ 736,246	\$ 2,196,242	\$ 223,711	\$ 10,187,635	\$ 3,829,994
Capacity Fees	1,258,493	1,701,394	0	0	0	2,959,887	0
Reimbursements	0	0	0	0	0	0	38,172
Miscellaneous	79,466	66,442	99	17,363	5,866	169,236	0
<i>Total Operating Revenues</i>	<u>4,521,583</u>	<u>5,615,648</u>	<u>736,345</u>	<u>2,213,605</u>	<u>229,577</u>	<u>13,316,758</u>	<u>3,868,166</u>
Operating Expenses							
Personal Services	1,309,119	1,280,197	122,030	632,560	110,503	3,454,409	202,237
Cost of Services	467,250	458,238	0	198,634	0	1,124,122	0
Services and Charges	1,778,893	769,213	603,109	1,404,809	53,036	4,609,060	145,480
Materials and Supplies	424,238	158,254	67,578	96,617	37,880	784,567	493,836
Depreciation	432,650	1,024,765	319,616	190,483	10,168	1,977,682	4,440
Claims	0	0	0	0	0	0	2,746,155
<i>Total Operating Expenses</i>	<u>4,412,150</u>	<u>3,690,667</u>	<u>1,112,333</u>	<u>2,523,103</u>	<u>211,587</u>	<u>11,949,840</u>	<u>3,592,148</u>
<i>Operating Income (Loss)</i>	<u>109,433</u>	<u>1,924,981</u>	<u>(375,988)</u>	<u>(309,498)</u>	<u>17,990</u>	<u>1,366,918</u>	<u>276,018</u>
Non-Operating Revenues (Expenses)							
Interest and Fiscal Charges	(61,447)	(508,867)	0	(20,844)	(23)	(591,181)	0
Interest Income	224,456	490,998	0	0	0	715,454	0
Other Revenue (Expense)	(128,737)	(112,710)	(231)	(26)	(423)	(242,127)	(7,801)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>34,272</u>	<u>(130,579)</u>	<u>(231)</u>	<u>(20,870)</u>	<u>(446)</u>	<u>(117,854)</u>	<u>(7,801)</u>
<i>Income (Loss) before Capital Contributions</i>	<u>143,705</u>	<u>1,794,402</u>	<u>(376,219)</u>	<u>(330,368)</u>	<u>17,544</u>	<u>1,249,064</u>	<u>268,217</u>
Donated Infrastructure	903,238	996,179	1,085,548	0	0	2,984,965	0
<i>Change in Net Assets</i>	<u>1,046,943</u>	<u>2,790,581</u>	<u>709,329</u>	<u>(330,368)</u>	<u>17,544</u>	<u>4,234,029</u>	<u>268,217</u>
<i>Net Assets Beginning of Year - Restated; See Note 2</i>	<u>24,504,402</u>	<u>23,027,876</u>	<u>9,874,670</u>	<u>989,710</u>	<u>586,731</u>	<u>58,983,389</u>	<u>319,290</u>
<i>Net Assets End of Year</i>	<u>\$ 25,551,345</u>	<u>\$ 25,818,457</u>	<u>\$ 10,583,999</u>	<u>\$ 659,342</u>	<u>\$ 604,275</u>	<u>\$ 63,217,418</u>	<u>\$ 587,507</u>

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2005

	Enterprise Funds			
	Water	Sewer	Storm Sewer	Refuse
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 3,114,576	\$ 3,953,008	\$ 720,042	\$ 2,173,611
Cash Received for Premiums	0	0	0	0
Cash Received for Capacity Fees	1,258,493	1,701,394	0	0
Customer Deposits Received	40,283	0	0	0
Customer Deposits Returned	(24,483)	0	0	0
Cash Payments for Personal Services	(1,300,118)	(1,266,120)	(108,879)	(622,100)
Cash Payments for Materials and Supplies	(399,170)	(148,662)	(67,301)	(58,627)
Cash Payments for Services and Charges	(1,896,700)	(2,649,035)	(641,644)	(1,706,098)
Other Cash Receipts or Payments	72,676	29,028	99	17,363
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>865,557</u>	<u>1,619,613</u>	<u>(97,683)</u>	<u>(195,851)</u>
Cash Flows from Noncapital Financing Activities				
Cash Received from Land Rent	6,500	0	0	0
Cash Payments for Reimbursements	(135,237)	(112,710)	(231)	(26)
<i>Net Cash Provided by (Used in) Noncapital Financing Activities</i>	<u>(128,737)</u>	<u>(112,710)</u>	<u>(231)</u>	<u>(26)</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition and Construction of Capital Assets	(2,761,954)	(18,325,133)	(19,000)	(315,223)
Interest Paid on Debt Obligations	0	(247,073)	0	(9,972)
Principal Paid on Debt Obligations	0	(460,000)	0	(405,000)
Proceeds Received from Notes	3,586,937	16,173,230	0	475,000
Proceeds Received from Loan	0	13,608,592	0	0
Cash Received from Federal Agency	0	0	0	0
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	<u>824,983</u>	<u>10,749,616</u>	<u>(19,000)</u>	<u>(255,195)</u>
Cash Flows from Investing Activities				
Interest on Investments	171,711	294,583	0	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>1,733,514</u>	<u>12,551,102</u>	<u>(116,914)</u>	<u>(451,072)</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>9,240,788</u>	<u>10,511,577</u>	<u>781,130</u>	<u>1,039,433</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 10,974,302</u>	<u>\$ 23,062,679</u>	<u>\$ 664,216</u>	<u>\$ 588,361</u>

(continued)

City of Delaware, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2005

(continued)

	Other Enterprise Funds	Total	Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 223,711	\$ 10,184,948	\$ 694,636
Cash Received for Premiums	0	0	3,135,358
Cash Received for Capacity Fees	0	2,959,887	0
Customer Deposits Received	0	40,283	0
Customer Deposits Returned	0	(24,483)	0
Cash Payments for Personal Services	(116,900)	(3,414,117)	(210,748)
Cash Payments for Materials and Supplies	(38,445)	(712,205)	(501,955)
Cash Payments for Services and Charges	(70,573)	(6,964,050)	(2,889,470)
Other Cash Receipts or Payments	5,866	125,032	38,172
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>3,659</u>	<u>2,195,295</u>	<u>265,993</u>
Cash Flows from Noncapital Financing Activities			
Cash Received from Land Rent	0	6,500	0
Cash Payments for Reimbursements	(423)	(248,627)	(7,801)
<i>Net Cash Provided by (Used in) Noncapital Financing Activities</i>	<u>(423)</u>	<u>(242,127)</u>	<u>(7,801)</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition and Construction of Capital Assets	(12,481)	(21,433,791)	0
Interest Paid on Debt Obligations	0	(257,045)	0
Principal Paid on Debt Obligations	0	(865,000)	0
Proceeds Received from Notes	0	20,235,167	0
Proceeds Received from Loan	0	13,608,592	0
Cash Received from Federal Agency	0	0	0
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	<u>(12,481)</u>	<u>11,287,923</u>	<u>0</u>
Cash Flows from Investing Activities			
Interest on Investments	0	466,294	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>(9,245)</u>	<u>13,707,385</u>	<u>258,192</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>163,397</u>	<u>21,736,325</u>	<u>995,085</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 154,152</u>	<u>\$ 35,443,710</u>	<u>\$ 1,253,277</u>

(continued)

City of Delaware, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2005

	Enterprise Funds			
	Water	Sewer	Storm Sewer	Refuse
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ 109,433	\$ 1,924,981	\$ (375,988)	\$ (309,498)
Adjustments:				
Depreciation	432,650	1,024,765	319,616	190,483
(Increase) Decrease in Assets:				
Accounts Receivable	(35,555)	67,782	(16,204)	(22,631)
Prepaid Items	1,274	(3,687)	0	4,631
Materials and Supplies Inventory	3,717	986	0	0
Increase (Decrease) in Liabilities:				
Accounts Payable	(23,177)	(142,721)	(27,539)	(69,377)
Contracts Payable	238,489	(2,034,126)	0	0
Accrued Wages and Benefits	(30,243)	(26,369)	1,332	2,949
Compensated Absences Payable	39,244	40,250	11,781	7,592
Retainage Payable	113,925	767,752	(10,681)	0
Customer Deposits	15,800	0	0	0
Claims Payable	0	0	0	0
Net Cash Provided by (Used in) Operating Activities	\$ 865,557	\$ 1,619,613	\$ (97,683)	\$ (195,851)

Noncash capital transactions:

The Water fund received water lines donated by developers with a fair value of \$903,238. These lines were recorded as capital assets.

The Sewer fund received sewer lines donated by developers with a fair value of \$996,179. These lines were recorded as capital assets.

The Storm Sewer fund received storm sewer lines donated by developers with a fair value of \$1,085,548. These lines were recorded as capital assets.

(continued)

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2005

(continued)

	Other Enterprise Funds	Total	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	\$ 17,990	\$ 1,366,918	\$ 276,018
Adjustments:			
Depreciation	10,168	1,977,682	4,440
(Increase) Decrease in Assets:			
Accounts Receivable	0	(6,608)	0
Prepaid Items	577	2,795	0
Materials and Supplies Inventory	(626)	4,077	0
Increase (Decrease) in Liabilities:			
Accounts Payable	(18,053)	(280,867)	(6,305)
Contracts Payable	0	(1,795,637)	0
Accrued Wages and Benefits	(8,697)	(61,028)	(181)
Compensated Absences Payable	2,300	101,167	(8,321)
Retainage Payable	0	870,996	0
Customer Deposits	0	15,800	0
Claims Payable	0	0	342
Net Cash Provided by (Used in) Operating Activities	\$ 3,659	\$ 2,195,295	\$ 265,993

City of Delaware, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2005

Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 157,305
Other Taxes Receivable	960,000
Due from Other Governments	<u>3,174</u>
<i>Total Assets</i>	<u><u>\$ 1,120,479</u></u>
 Liabilities	
Due to Other Governments	\$ 963,371
Undistributed Assets	<u>157,108</u>
<i>Total Liabilities</i>	<u><u>\$ 1,120,479</u></u>

See Accompanying Notes to the Basic Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Delaware have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and its proprietary funds, provided they do not conflict with or contradict GASB pronouncements. The City has the option to also apply FASB Statements and Interpretations issued after November 30, 1989 to its business-type activities and enterprise funds, subject to this same limitation. The City has elected not to apply FASB Statements and Interpretations. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City of Delaware, Ohio (the "City") is an incorporated municipality under the laws of the State of Ohio. Its charter was adopted November 6, 1951, and established the Council/Manager form of government. The City presently provides the following services as authorized by its charter: public safety, airport and public works, recreation and parks, engineering, public health and water and sewer enterprise activities.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are fairly presented and complete.

The primary government consists of all funds, departments, boards and commissions that are not legally separate from the City. They comprise the City's legal entity which provides various services including a public safety department, a public works department, a grounds & facilities department, a recreation services department, a planning & community development department, a utility department, and an engineering department. The City is also responsible for the construction, maintenance, and repairs associated with the water and sewer lines, and the provision of water and sewer treatment services. The City Manager and City Council have direct responsibility for these services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; (4) or the City is obligated for the debt of the organization. Component units may include organizations for which the City approves the budget, the issuance of debt or the levying of taxes. The City has no blended or discretely presented component units.

The Delaware Municipal Court's (the "Court") activities are included within these basic financial statements as required by Governmental Accounting Standard No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The City includes the Court's cash balance and liability to others within its agency funds, and

the City's share of Court fines collected and operating expenditures in the Municipal Court Fund. The City established this fund in 2002 because the County's population rose above 100,000 citizens, which requires the presiding judge and clerk to be elected by the County's voting residents. The Court serves as the Court of record and has jurisdiction within Delaware County. The City, however, has no ability to select or influence Court management and cannot dictate budget and other fiscal matters. The Court is presided over by a separately elected judge and clerk that have the authority to select and appoint all officials of the Court and to direct the Court's activity.

B. Basis of Presentation - Fund Accounting

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements distinguish between activities that are governmental in nature, which are normally supported by taxes and intergovernmental revenues; and business-type activities, which rely, to a significant extent, upon fees and charges for support. Interfund and internal service fund activities are generally eliminated to avoid the "doubling-up" effect on revenues and expenses. The government-wide financial statements do not include the assets and liabilities of the City's agency funds.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the City and for each governmental program. Program revenues include charges paid by the recipients of the goods or services as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or business-type segment is self-supporting or relies upon general revenues of the City.

The caption "Invested in Capital Assets, net of related debt" consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Net assets are reported as restricted when constraints placed upon their use are either: 1] externally imposed by creditors [such as through debt covenants], grantors, contributors, or laws or regulations of other governments, or 2] 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. When both restricted and non-restricted resources are available for use, it is the City's policy to use non-restricted resources first, and then restricted resources, as they are needed.

Fund Financial Statements

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 and proprietary funds are reported in separate columns in the fund financial

statements. All other funds are aggregated and reported as non-major governmental or non-major proprietary funds.

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America for local governments as prescribed by the GASB.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures [expenses]. Fund accounting segregates funds according to the intended purpose and is used to aid management in demonstrating compliance with financial-related legal and contractual provisions.

Governmental Funds:

Governmental funds are those through which most governmental functions are typically financed. The acquisition, use, and balances of the City's expendable financial resources and related current liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of financial position. The following are the City's major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The fund balance of the General Fund is available to the City for any purpose provided it is expended or transferred according to the City's Charter and Code and the general laws and regulations of the State of Ohio.

Fire/EMS Income Tax Fund – To account for the collection and distribution of City-levied income taxes used for the Fire Department and Emergency Medical Services.

Capital Improvement Fund – To account for income taxes earmarked for capital improvements used for general improvement of all City facilities and operations.

Glenn Road South Construction Fund – To account for construction costs of the southern most 8,700 feet of roadway from the Glenn Ross development to US 23 South.

Proprietary [Business-type] Funds:

Proprietary funds are used to account for the City's ongoing organizations and activities that are similar to those found in the private sector where the intent of the governing body is that the cost [expenses, including depreciation] of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The City reports the following major proprietary funds:

Water Fund – Accounts for the operations of water treatment, distribution, administration, and related expenses, including capital improvements and debt service. The operations are exclusively financed by customer user charges.

Sewer Fund – Accounts for the wastewater collection, treatment, administration, and related expenses, including capital improvements and debt service. The operations are exclusively financed by customer user charges.

Storm Sewer Fund – Accounts for fees charged to residents and businesses to construct and maintain the City’s storm sewers.

Refuse Fund – Accounts for the operations of the solid waste collection and recyclable materials collection systems, and related expenses including capital improvements. The operations are exclusively financed by customer user charges.

Additionally, the City reports the following fund types:

Internal Service Funds – are used to account for the financing of goods or services provided by one department of the City to other departments of the City on a cost-reimbursement basis, such as vehicle maintenance, self-insurance, and worker’s compensation costs.

Fiduciary Fund Types – are Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City’s fiduciary funds include agency funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

C. Basis of Accounting

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental fund types follow the modified accrual basis of accounting. Under this method of accounting, the City recognized revenue when it becomes both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is considered to be two months [60 days] after year end. Grants and entitlements must also meet timing, eligibility, and contingency requirements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. Principal and interest on general long-term debt are recognized as expenditures when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Revenues accrued at the end of the year included interest earnings, income tax withholdings, hotel taxes, rents, billings for services and materials, and certain intergovernmental revenues. Revenues not accrued at year-end included fines, permits, and parking meter revenues because they are generally not measurable until received in cash.

The City reports deferred revenue on its governmental funds’ balance sheet. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when the City receives resources before it has a legal

claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when either the revenue recognition criteria are met, or the City has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized. Property taxes and special assessments measurable as of December 31, 2005, but which are not intended to finance current operations, are recorded as deferred revenues.

Because governmental funds' financial statements use a different measurement focus and basis of accounting than the government-wide statements, governmental funds' financial statements include reconciliations to the government-wide statements.

Proprietary Funds All proprietary funds [enterprise funds and internal service funds] are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet.

Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. 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. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The accrual basis of accounting is used for reporting purposes by the proprietary funds. Revenues are recognized when they are earned and expenses are recorded at the time liabilities are incurred. Unbilled service charges are recognized as revenue at year-end.

D. Budgets and Budgetary Accounting

The City's budget is adopted and modified as follows:

1. Prior to October 1, the Finance Director submits, to the County Budget Commission, an estimate of year end balances and of the next years revenues. The Commission returns a Certificate of Estimated Resources, limiting the maximum amount the City may expend from a given fund.
2. Prior to November 15, the City Manager submits to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the fiscal year commencing the following January 1. The legal level of control is the department level for funds that have payroll expenses and fund level for those that do not.
3. Budget estimates are distributed throughout the City (including newspapers and libraries), and public hearings are held to obtain taxpayers' comments.
4. Prior to January 1 and after publication of the proposed budget ordinances, the budget is legally enacted by ordinance.
5. Shortly after January 1, the Certificate of Estimated Resources is amended to reflect the actual unencumbered balances from the preceding year.
6. Supplemental appropriations and transfers of appropriations between funds and departments must be approved by City Council. Supplemental appropriations were necessary during the year. The budget figures that appear in the budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

7. Expenditures cannot legally exceed appropriations at the department level. Unencumbered appropriations lapse at year-end, and encumbered appropriations are reported as expenditures in the current year.

Encumbrance accounting is utilized in the Governmental Funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable appropriation, and to maintain legal compliance. On the GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

While reporting financial position, results of operations, and changes in fund balance/retained earnings on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

Schedules of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual (Budget Basis) – for the General Fund and major special revenue funds, are presented on the budgetary basis in the Required Supplementary Information to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) Encumbrances are recorded as the equivalent of an expenditure (budget basis) in order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation as opposed to a reservation of fund balance for governmental funds (GAAP basis); and,

Adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis are as follows:

<i>Net Change in Fund Balance</i>	<u>General</u>	<u>Fire/EMS</u>
GAAP Basis	\$ 672,484	\$ 42,164
Revenue Accruals	(124,142)	(42,164)
Expenditure Accruals	(122,466)	0
Encumbrances at Year End	(296,150)	0
Other Financing Sources (Uses)	(475,353)	0
Budget Basis	<u>\$ (345,627)</u>	<u>\$ 0</u>

E. Cash and Investments

Cash received by the City is deposited in a central bank account. Monies for all funds, except the Municipal Court, are maintained in the account or temporarily used to purchase investments. Individual fund integrity is maintained through City records. Each fund's interest in the pool of cash and investments is presented as "Equity in Pooled Cash and Cash Equivalents" on the combined balance sheet. Cash equivalents refer to investments, such as those described below, which are readily converted to cash with no loss of principle.

The Ohio Revised Code authorizes the City to invest in United States and State of Ohio bonds, notes, and other obligations; bank certificates of deposit; banker's acceptances; commercial paper notes rated prime and issued by United States corporations; written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days; and STAROhio.

During the year, investments were limited to repurchase agreements and the State Treasury Asset Reserve of Ohio (STAROhio). Except for non-participating investment contracts, investments are reported at fair value, which is based on quoted market prices. Non-participating investment contracts, such as repurchase agreements, are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments of the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2005.

Interest income is distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue credited to the general fund during the fiscal year amounted to \$379,451, which includes \$211,746 assigned from other funds. The special revenue, debt service, capital project, and enterprise funds also received interest in the amount of \$5,599, \$38,390, \$184,597, and \$715,454, respectively.

F. Materials and Supplies Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

Inventories of proprietary funds are stated at the lower of cost or market on a first-in, first-out basis. Inventories of the proprietary funds are expensed when used.

G. Restricted Assets

Restricted assets represent certain resources, which are segregated from other resources of the City to reflect restricted cash held for retainage against construction contracts and customer deposits paid into the City for utilities and airport t-hangar leases.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current fiscal year-end, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed.

I. Interfund Assets and Liabilities

Short-term interfund loans or the short-term portion of advances are classified as “interfund receivables/payables.”

Amounts owed to a particular fund by another fund in the City for goods or services rendered are classified as “due from other funds/due to other funds.”

J. Capital Assets

Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment, infrastructure and all other assets that are used in operations and that have initial useful lives extending beyond one reporting period. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure include roads, bridges, sidewalks, and similar items.

The City defines capital assets as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of five years.

All capital assets are valued at historical cost, or estimated historical cost, if actual cost is not available. Donated capital assets are valued at their fair market value at the time received. Interest on constructed assets, if material, is capitalized and amortized on the straight-line basis over the estimated useful life of the asset.

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

Depreciation: Depreciation is an element of expense resulting from the use of long-lived assets. It is measured by allocating the expected net cost of using the asset over its estimated useful life in a systematic and rational manner. Depreciation has been provided using the straight-line method over the following estimated useful lives for both Governmental and Business-type assets:

	<u>Useful life</u>
Land improvements	10 - 25
Vehicles (autos and trucks)	5 - 8
Machinery, equipment, furniture, & fixtures	5-25
Buildings	25
Infrastructure	25 - 100

K. Bond Discounts, Premiums, and Issuance Costs

Material discounts, premiums, and issuance costs are reported as deferred charges and amortized over the life of the bond using the straight-line method. Any material discounts or premiums [1] are shown as additions to, or deductions from, the account of the bond liability, [2] are amortized using the straight-line method, and [3] are reflected as interest income or expense in the Statement of Activities.

L. Compensated Absences

The City accrues a liability for compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method.

The liability is based on the sick leave accumulated at December 31, by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future. The amount is based on the accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the City's termination policy.

Payment of vacation and sick leave recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. Management believes that sufficient resources will be made available when payment is due. For governmental funds, the City's liability for unpaid accumulated sick leave and vacation time is the amount to be paid using expendable available financial resources [within 60 days] and is reported as an accrued liability in the fund from which the individuals who have accumulated the unpaid compensated absences are paid 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.

M. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures expenses in the fund that is reimbursed.

During the course of normal operations, the City has transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Operating subsidies are also recorded as operating transfers. All of the transfers described below occur on a consistent basis.

The General Fund had transfers to the Capital Improvement Fund of \$1,000,000 to use for current capital improvements. The General Fund also transferred \$1,749,816 to other governmental funds to subsidize operations.

The Capital Improvement Fund had transfers of \$773,512 to other governmental funds to service debt, subsidize capital improvements at the Airport, and for equipment replacement.

Other governmental funds had transfers of \$2,391,816 to other governmental funds to service debt and subsidize operations.

All transfers are considered in compliance with Ohio Revised Code § 5705.14 – 5705.16.

N. Reserves

Reserves of fund equity in governmental funds indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use, or both. Fund balances are reserved for encumbrances, materials and supplies inventory, prepaid items and debt service.

O. Intergovernmental Revenues

In governmental funds, federal and state grants awarded on a non-reimbursement basis, state shared revenues, and federal entitlements are recorded as intergovernmental receivables and revenues when measurable and available. They must also meet timing, eligibility, and contingency requirements. Reimbursable-type grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

P. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Q. 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. Net assets are reported as restricted when there are limitations imposed on their use, either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

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

2. *CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND EQUITY*

A. Change in Accounting Principles

For 2005, the City has reclassified the Storm Sewer fund from a governmental-type fund to a business-type fund. In the past, the fund was subsidized by the General fund. The fund now has a steady and reliable revenue source, storm sewer fees, charged to residents and businesses within the City, and has become self-sustaining.

For 2005, the City has implemented GASB Statement No. 40 "Deposit and Investment Risk Disclosures", and GASB Statement No. 42, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries".

GASB Statement No. 40 establishes and modifies disclosure requirements related to investment risks: credit risk, including custodial credit risk and concentrations of credit risk, and interest rate risk. This statement also establishes and modifies disclosure requirements for custodial credit risk on deposits.

GASB Statement No. 42 amends GASB Statement No. 34 and establishes accounting and financial reporting standards for impairment of capital assets and accounting requirements for insurance recoveries.

The implementation of GASB Statement No. 40 and GASB Statement No. 42 did not have an effect on the financial statements of the City, however, additional note disclosure can be found in Note 4.

B. Restatement of Net Assets

The reclassification of the Storm Sewer fund from a governmental-type fund to a business-type fund, as described above, results in a restatement of beginning net assets for both governmental activities and business-type activities of \$9,326,814. Other errors in accounting for capital assets further reduced beginning net assets for both Governmental and Business-type activities. Governmental activities' beginning net assets is reduced to \$49,414,688 and business-type activities' beginning net assets is increased to \$58,982,429.

	<i>Storm Sewer</i>			
	<u>12/31/2004</u>	<u>Reclass</u>	<u>Other</u>	<u>1/1/2005</u>
Gov't Activities	\$ 59,250,250	\$ (9,326,814)	\$ (326,194)	\$ 49,597,242
Bus Type Activities	52,607,246	9,326,814	(2,950,671)	58,983,389

C. Restatement of Fund Balance

The reclassification of the Storm Sewer fund also results in a restatement of fund balance for the governmental funds. Also, notes payable in the Capital Improvement and Airport Improvement funds should have been reported on the Balance Sheet. This also results in a restatement of fund balance.

	<u>12/31/2004</u>	<u>restatement</u>	<u>1/1/2005</u>
Storm Sewer	\$ 862,133	\$ (862,133)	\$ 0
Capital Impr.	182,411	(475,000)	(292,589)
Airport Constr.	0	(1,145,000)	(1,145,000)

3. COMPLIANCE AND ACCOUNTABILITY

Fund Deficits

At December 31, 2005, the following funds had a deficit fund balance:

<i>Special Revenue Fund Type</i>		
Comm. Dev. Block Grant	\$	(10,285)
Economic Development		(16,981)
<i>Debt Service Fund Type</i>		
Gen Obligation Bond Retirement		(321,335)
<i>Capital Project Fund Type</i>		
Airport Improvement Construction		(1,035,873)

The fund deficits in the *Community Development Block Grant* and the *Economic Development Grant Fund* were caused by a delay in receiving reimbursement from the Federal Government. The funds were paid from the General Fund to cover these expenditures.

The *General Obligation Bond Retirement* and *Airport Improvement Construction* fund deficits were caused by applying generally accepted accounting principles. The *General Fund* is not liable for any deficits when accruals occur.

Appropriations in Excess of Estimated Revenues

The following funds had appropriations that were in excess of all sources available [estimated revenues plus unencumbered fund balance from prior year] for the fiscal year ended December 31, 2005, contrary to Ohio Revised Code, Section 5705.39 at December 31, 2005:

<u>Fund Type/Fund</u>	<u>Appropriations</u>	<u>Estimated Resources</u>	<u>Excess</u>
Special Revenue			
State Highway Improvement	\$ 232,000	\$ 221,435	\$ 10,565
Comm Development Block Grant	114,801	111,031	3,770
Enterprise			
Parking Lots	60,975	58,174	2,801
Sewer	47,455,852	44,639,975	2,815,877
Refuse	3,459,093	3,178,934	280,159
Internal Service			
Garage Rotary	831,831	809,969	21,862

The County requires the Estimated Resources for the following year to be filed by August 15th. The Annual Appropriations are not required to be filed with the County. The City passes its permanent appropriations by December 31st, proceeding the year covered by the appropriations. Projects were included in the original budget which were not known about at the time the original estimated resources was filed. The City amended its estimated resources throughout the year to more accurately reflect what was expected to be received, which, in many funds, meant a reduction in the amount originally estimated. The City did not, however, reduce its appropriations in those funds to reflect that the expenditures would not occur since the resources were not available. The "Actual" columns in the aforementioned funds' *Budget and Actual [Budget Basis]* schedules do demonstrate this fact.

4. CASH AND CASH EQUIVALENTS

State statutes classify monies held by the City into three categories:

1. Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.
2. Inactive deposits are public deposits that Council has identified as not required for use within the current five-year designation period of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.
3. Interim deposits are deposits of interim monies. Interim monies are those monies that are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including pass book accounts.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

State statute permits interim monies to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, governmental national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio).

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivisions of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the finance director, or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits *Custodial credit risk* is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy is to place deposits with major local banks approved by City Council. All deposits, except those held by fiscal and escrow agents or trustees, are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code § 135, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system in the name of the respective depository bank, and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at a Federal Reserve Bank in the name of the City.

At December 31, 2005, the carrying amount of the City's deposits was \$699,568, and the bank balance was \$1,455,712. Of the bank balance, \$421,843 was covered by Federal Depository Insurance and \$1,033,869 was uninsured and uncollateralized. Although all statutory requirements for these deposits of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC. A liability was not recorded for the negative carrying amount of deposits because there was no actual overdraft, due to the "zero-balance" nature of the City's bank accounts. The negative carrying amount of deposits is due to the sweeping of monies into overnight repurchase agreements which are reported as "investments".

Restricted Assets: The City is holding \$1,482,118 in restricted assets in the City Treasury. These assets are restricted by construction contracts and as deposits for utility service and T-hangar rentals. The balance of these amounts is included in the amount of “deposits”, reported above.

Investments As of December 31, 2005, the City had the following investments, which are reported at fair value:

	<u>Maturity in 6 months or less</u>
Repurchase Agreement	\$ 14,165,000
STAR Ohio	36,050,249
Total Investments	<u>\$ 50,215,249</u>

Interest Rate Risk As a means of limiting its exposure to fair value losses arising from rising interest rates, the City’s investment policy generally limits investment maturities of two years or less.

Credit Risk The City’s investments in STAR Ohio are rated AAAM by Standard & Poor’s.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Of the City’s investment in repurchase agreements, the entire balance is collateralized by underlying securities pledged by the investment’s counterparty, not in the name of the City.

Concentration of Credit Risk The City places no limits on the amount which may be invested in any one issuer. The following table includes the percentage of each investment type held by the City at December 31, 2005:

	<u>Fair Value</u>	<u>% of Total</u>
Repurchase Agreement	\$ 14,165,000	28.21
STAR Ohio	36,050,249	71.79
Total Investments	<u>\$ 50,215,249</u>	<u>100.00</u>

5. MUNICIPAL INCOME TAX

The City collects an income tax of one and four-tenths percent of Delaware taxable income, defined as gross wages and salaries before any deductions and profits. Filing is mandatory for all residents. Employers within the City are required to withhold tax on all employees working in the City and remit those monies on either a quarterly or monthly schedule. Employers are required to reconcile those withholdings on an annual basis.

6. PROPERTY TAX

Property taxes include amounts levied against real, public utility and tangible (used in business) property located in the City. Real property taxes collected during 2005 had lien and levy dates of January 1, 2004. One half of this tax was due February 10, 2005, with the remaining balance due on July 10, 2005. Tangible personal property taxes had lien and levy dates of January 1, 2005. This assessment is 25 percent of true

City of Delaware, Ohio
Notes to the Basic Financial Statements
 December 31, 2005
 (continued)

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

Assessed values on real property are established by state law at 35 percent of appraised market value. A re-evaluation of all property is required to be completed no less than every six years. The last re-evaluation was completed in 2005. Tangible personal property assessments are 25 percent of true value (true values are based on cost and established by the state of Ohio). The assessed value in 2004, upon which the 2005 collections were based, was approximately \$582 million. The assessed value for 2005, upon which the 2006 collections will be based, is approximately \$614 million.

<u>Category</u>	<u>Assessed Value</u> <u>[in thousands]</u>
Real Estate	\$ 528,006
Public Utility Property	13,416
Tangible Property	72,441
Total Property Taxes	<u>\$ 613,863</u>

Ohio law prohibits taxation of property from all taxing authorities in excess of 1 percent of assessed value without a vote of the people. Under current procedures, the City's share is .27 percent (2.7 mills) of assessed value. Increases in the property tax rate are restricted only by voter willingness to approve such increases.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Delaware. The County Auditor periodically remits to the City its portion of the taxes collected. Taxes receivable represents *property taxes*; real and tangible personal property taxes, public utility taxes, outstanding delinquencies, and *special assessments*; taxes levied against properties involved with the Downtown Streetscape project, which are measurable as of December 31, 2005. Although total property and special assessment tax collections for the next year are measurable, amounts to be received during the available period are not intended to finance 2005 operations. The receivable is offset by deferred revenue.

7. RECEIVABLES

Receivables at December 31, 2005, consisted of taxes, accounts (billings for user charged services including unbilled utility services), interest, interfund, and intergovernmental receivables arising from grants, entitlements, and shared revenues. Amounts not considered fully collectible are shown.

A summary of accounts related to utility services is as follows:

	<u>Water</u>	<u>Sewer</u>	<u>Refuse</u>	<u>Storm Sewer</u>	<u>Total</u>
Gross receivable	\$631,175	\$830,297	\$299,073	\$177,231	\$1,937,776
Less: Allowance for Uncollectible	(42,568)	(74,462)	(15,372)	(21,964)	(154,366)
Net Receivable	<u>\$588,607</u>	<u>\$755,835</u>	<u>\$283,701</u>	<u>\$155,267</u>	<u>\$1,783,410</u>

City of Delaware, Ohio
Notes to the Basic Financial Statements
December 31, 2005
(continued)

A summary of the principal items of intergovernmental receivables were as follows:

	<u>Amount</u>
Governmental Activities	
Major Funds	
General Fund	
Local Government	\$ 774,731
Homestead and Rollback	65,888
County Reimbursements	241,930
Inheritance Tax	135,331
Total General Fund	<u>1,217,880</u>
Total Major Funds	<u>1,217,880</u>
Nonmajor Funds	
Street Maintenance and Repair	506,757
State Highway	41,088
License Fee	170,548
Municipal Court	136,096
Court Alcohol Treatment	8,538
Police & Fire Pension	18,000
FAA Airport Grant	299,820
FAA Allocation/Improvement Grant	142,932
Total Nonmajor Funds	<u>1,323,779</u>
Total Governmental Activities	<u>\$ 2,541,659</u>

8. INTERFUND BALANCES

At December 31, 2005, the General Fund had an interfund receivable in the amount of \$476,443 from other governmental funds to provide cash flow resources until a transfer was made. Also, the General Fund had a due from other funds in the amount of \$5,592 from other governmental funds for allocated court costs.

Other governmental funds had other governmental receivables in the amount of \$33,855 for allocated court costs and other governmental payables of \$476,443 for advancement of cash flow resources until a transfer of money was received.

These amounts are not included in the government-wide statement of net assets.

City of Delaware, Ohio
Notes to the Basic Financial Statements
December 31, 2005
(continued)

9. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2005, was as follows:

Governmental Activities	Beginning Balance, as Restated	Additions	Deletions	Ending Balance
<i>Nondepreciable Capital Assets</i>				
Land	\$ 1,410,423	\$ 513,359	\$ 0	\$ 1,923,782
Construction in progress	586,118	435,299	(182,554)	838,863
Subtotal	1,996,541	948,658	(182,554)	2,762,645
<i>Depreciable Capital Assets</i>				
Buildings & Improvements	22,577,294	252,348	0	22,829,642
Machinery & Equipment	9,679,908	297,446	(239,369)	9,737,985
Infrastructure	31,849,819	3,079,054	0	34,928,873
Subtotal	64,107,021	3,628,848	(239,369)	67,496,500
<i>Less Accumulated Depreciation for:</i>				
Buildings & Improvements	(7,992,303)	(769,463)	0	(8,761,766)
Machinery & Equipment	(7,128,402)	(760,496)	239,022	(7,649,876)
Infrastructure	(312,993)	(380,770)	0	(693,763)
Total Accumulated Depreciation	(15,433,698)	(1,910,729)	239,022	(17,105,405)
Total Depreciable Capital Assets, Net	48,673,323	1,718,119	(347)	50,391,095
Governmental Activities Capital Assets, Net	\$ 50,669,864	\$ 2,666,777	\$ (182,901)	\$ 53,153,740

City of Delaware, Ohio
Notes to the Basic Financial Statements
December 31, 2005
(continued)

Business-Type Activities	<i>Beginning Balance, as Restated</i>	<i>Additions</i>	<i>Deletions</i>	<i>Ending Balance</i>
<i>Nondepreciable Capital Assets</i>				
Land	\$ 2,849,437	\$ 167,872	\$ 0	\$ 3,017,309
Construction in progress	5,314,029	19,467,118	\$ 0	24,781,147
Subtotal	8,163,466	19,634,990	0	27,798,456
<i>Depreciable Capital Assets</i>				
Buildings & Improvements	20,143,502	0	0	20,143,502
Machinery & Equipment	5,303,429	396,112	(223,137)	5,476,404
Infrastructure	49,035,818	3,033,440	0	52,069,258
Subtotal	74,482,749	3,429,552	(223,137)	77,689,164
<i>Less Accumulated Depreciation for:</i>				
Buildings & Improvements	(13,317,122)	(481,008)	0	(13,798,130)
Machinery & Equipment	(3,897,111)	(442,224)	221,067	(4,118,268)
Infrastructure	(11,016,646)	(1,054,450)	0	(12,071,096)
Total Accumulated Depreciation	(28,230,879)	(1,977,682)	221,067	(29,987,494)
Total Depreciable Capital Assets, Net	46,251,870	1,451,870	(2,070)	47,701,670
Business-Type Activities Capital Assets, Net	\$ 54,415,336	\$ 21,086,860	\$ (2,070)	\$ 75,500,126

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

Governmental Activities:	
General Government	\$ 344,368
Public Safety	478,727
Parks & Recreation	163,540
Community Development	677
Airport	340,682
Public Works	571,523
Capital assets held by the government's internal service funds are charged to the various functions based on the usage of the assets	11,212
Total depreciation expense -- governmental activities	\$ 1,910,729
Business-type Activities	
Water	\$ 432,650
Sewer	1,024,765
Storm Sewer	319,616
Refuse	190,483
Other	10,168
Total depreciation expense -- business-type activities	\$ 1,977,682

City of Delaware, Ohio
Notes to the Basic Financial Statements
December 31, 2005
(continued)

10. LONG TERM OBLIGATIONS AND NOTES PAYABLE

A summary of long-term obligations and notes payable for the year ended December 31, 2005, is as follows:

	Balance 12/31/2004	Additions	Deletions	Balance 12/31/2005	Amounts Due in One Year
Governmental Activities					
Special Assessment Bonds	\$ 79,000	\$ 0	\$ (15,000)	\$ 64,000	\$ 15,000
1999 Streetscape Bonds - 5.75%					
Special Assessment Bonds	123,000	0	(18,000)	105,000	19,000
2000 Streetscape Bonds - 5.75%					
General Obligation Bonds	5,290,000	0	(220,000)	5,070,000	225,000
2002 Various Purpose Bonds - 2%					
Accrued Liabilities					
Compensated absences	3,499,067	1,184,368	(701,827)	3,981,608	554,948
Past police and fire service liability	325,309	0	(5,376)	319,933	5,400
Capital Lease					
2004 Copiers - 3.74%	55,567	0	(19,551)	36,016	20,293
Total Governmental Activities Noncurrent Liabilities	\$ 9,371,943	\$ 1,184,368	\$ (979,754)	\$ 9,576,557	\$ 839,641
Business-type Activities					
Sewer General Obligation Bonds	\$ 6,840,000	\$ 0	\$ (460,000)	\$ 6,380,000	\$ 470,000
2002 Sewer Sys Imp & Refund Bonds - 1.5%					
Compensated Absences	595,404	246,096	(144,719)	696,781	144,533
Postclosure Landfill Obligation	275,000	0	(5,000)	270,000	5,000
Sewer Loans Payable					
2004 OWDA Wastewater Expansion - 3.59%	4,984,900	13,608,592	0	18,593,492	0
Capital Lease					
2004 Parking Meters - 3.74%	37,779	0	(13,292)	24,487	13,796
Total Business-Type Activities Noncurrent Liabilities	12,733,083	13,854,688	(623,011)	25,964,760	633,329
Grand Total Long Term Obligations	\$ 22,105,026	\$ 15,039,056	\$ (1,602,765)	\$ 35,541,317	\$ 1,472,970
Notes Payable					
*Airport Hangar Construction - 4.00%	\$ 1,145,000	\$ 1,145,000	\$ (1,145,000)	\$ 1,145,000	\$ 1,145,000
*Land Acquisition - 4.00%	475,000	475,000	(475,000)	475,000	475,000
*Airport Expansion - 2.25%	1,115,000	0	(1,115,000)	0	0
*Glenn Road Design - 4.00%	0	5,070,000	0	5,070,000	5,070,000
*South Houk Road Extension - 4.00%	0	825,000	0	825,000	825,000
**Kingman Hill Water Tower - 4.00%	0	3,545,000	0	3,545,000	3,545,000
**23 North Sewer - 4.00%	0	1,000,000	0	1,000,000	1,000,000
**S/E Highland Sewer - 4.50%	0	15,000,000	0	15,000,000	15,000,000
**Landfill Remediation - 4.00%	400,000	475,000	(400,000)	475,000	475,000
Total Notes Payable	\$ 3,135,000	\$ 27,535,000	\$ (3,135,000)	\$ 27,535,000	\$ 27,535,000

*Governmental notes
**Business-type notes

Special Assessment Bonds: Special assessment bonds are payable from the proceeds of assessments levied against the specific property owners who primarily benefited from the project. Special assessment monies will be received in and the debt will be retired through the Special Assessment Bond Retirement Debt Service Fund. In the event that property owners fail to make their payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

Past Service Police and Firefighters Liability: Past service liability for police and firefighters are being paid out of the General fund over time through the year 2035.

Compensated Absences: Additions and deletions of accrued vacation and sick leave are shown combined. Compensated absences are recorded in the fund from which the liability will be paid.

Future Debt Service Requirements: The principal and interest requirements to retire long-term debt obligations outstanding at December 31, 2005 are:

Year	General Long-Term Obligations			Enterprise Fund Obligations		
	Principle	Interest	Total	Principle	Interest	Total
2006	\$ 259,000	\$ 203,364	\$ 462,364	\$ 470,000	\$ 263,673	\$ 733,673
2007	266,000	192,815	458,815	485,000	244,248	729,248
2008	272,000	181,961	453,961	495,000	224,204	719,204
2009	279,000	170,857	449,857	510,000	203,747	713,747
2010	273,000	159,448	432,448	525,000	182,670	707,670
2011-2015	1,400,000	639,760	2,039,760	1,830,000	615,787	2,445,787
2016-2020	1,700,000	351,390	2,051,390	1,410,000	314,713	1,724,713
2021-2022	790,000	45,643	835,643	655,000	40,915	695,915
Total	\$ 5,239,000	\$ 1,945,238	\$ 7,184,238	\$ 6,380,000	\$ 2,089,957	\$ 8,469,957

The Ohio Revised Code (ORC) provides that the net general obligation debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2005, the City's total net debt and unvoted net debt were approximately .8% of the total assessed value of all property within the City.

As of December 31, 2005, the City had no debt approved by the voters or Council, which had not been issued.

The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with Delaware County and the Delaware City School District. As of December 31, 2005, these entities have complied with the requirement that overlapping debt must not exceed 1% (10 mills) of the assessed property value.

OWDA Loan: During 2005, the City continued its loan agreement with the Ohio Water Development Authority to fund the new Wastewater Treatment Expansion Facility. This loan replaces the note issued in 2003. The loan proceeds are on a progression basis over the duration of construction, up to a maximum of \$26,172,500 at an interest rate of 3.59%. In order to qualify for the loan, the entire multi-year construction contract had to be budgeted. Therefore, an appropriation has been made to the budget for

City of Delaware, Ohio
Notes to the Basic Financial Statements
 December 31, 2005
 (continued)

the contract, and a receivable booked for the amount of the loan. The OWDA loan is not yet fully disbursed as of December 31, 2005. Upon final disbursement, OWDA will finalize financing terms and repayment requirements.

Capital Lease: During 2004, the City entered into a capital lease for copiers. This lease agreement meets the criteria of a capital lease as defined by FASB Statement No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as operation expenditures on the budgetary statements.

Capital assets consisting of equipment have been capitalized in the amount of \$60,342. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability is recorded in the government-wide financial statements. Principal payments in fiscal year 2005 totaled \$19,551 by the General fund.

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the future minimum lease payments as of December 31, 2005:

<u>Year Ending December 31:</u>	<u>Amount:</u>
2006	\$ 21,357
2007	<u>16,019</u>
Total minimum lease payments	37,376
Less amount representing interest	<u>(1,360)</u>
Total	<u><u>\$ 36,016</u></u>

Capital Lease: During 2005, the City entered into a capital lease for parking meters. This lease agreement meets the criteria of a capital lease as defined by FASB Statement No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. These expenditures are reported as operation expenditures on the budgetary statements.

Capital assets consisting of equipment have been capitalized in the amount of \$41,025. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability is recorded in the government-wide financial statements. Principal payments in fiscal year 2005 totaled \$13,292 by the Parking Lot fund.

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the future minimum lease payments as of December 31, 2005:

<u>Year Ending December 31:</u>	<u>Amount:</u>
2006	\$ 14,520
2007	<u>10,891</u>
Total minimum lease payments	25,411
Less amount representing interest	<u>(924)</u>
Total	<u><u>\$24,487</u></u>

Notes Payable: During 2005, the City retired and reissued 4 notes that were outstanding as of December 31, 2004, including a Airport Hangar Construction Notes used to finance the City's additional 30 T-hangars at the Delaware Municipal Airport, a Land Acquisition Note to purchase property for the Grounds & Facilities and Recreational Services departments, an Airport Expansion Note used to fund the expansion of the Delaware Municipal Airport, and a Landfill Remediation Note for funding at the City's local landfill. The City also issued 5 new notes for the construction of the Kingman Hill Water Tower, 2 wastewater projects, and 2 road projects.

Defeasance of Bonds: In prior years, the City defeased certain revenue obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. The amount of defeased debt outstanding at December 31, 2005 is \$2,570,000.

II. LANDFILL CLOSURES

The City closed the Cherry Street Landfill [CSL] in 1975 and the Curve Road Landfill [CRL] in 1990. The City properly notified the Ohio Environmental Protection Agency for both closings. Both landfills were at 100% capacity and postclosure costs reflect estimates to monitor the landfills, as required by Ohio Administrative Code §3745-27, through the year 2020. The City awarded contracts to URS Greiner Corporation for monitoring and testing the CSL and to Burgess & Niple for monitoring and testing the CRL. No assets are restricted for payment of postclosure care costs and these costs are subject to changes related to the effects of inflation, revision of laws and other variables. The costs for monitoring and testing the landfills will be expended from the Refuse fund.

12. DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

The City of Delaware contributes to the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans, as described below:

1. The Traditional Pension Plan [TP] – a cost-sharing multiple-employer defined benefit pension plan.
2. The Member-Directed Plan [MD] – 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, thereon.
3. The Combined Plan [CO] – a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the Traditional Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Plan and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is

provided by state statute according to 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 writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-6705 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2005, member and employer contribution rates were consistent across all three plans [TP, MD, and CO]. Separate divisions for law enforcement and public safety exist only within the Traditional Plan.

For 2005, plan members, other than law enforcement and public safety, are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The law enforcement classification consists of sheriffs, deputy sheriffs, and township police, with an employee contribution rate of 10.1%. Public safety division members contribute at 9%. The contribution rates are determined actuarially and for 2005, the City's employer share of contribution was 13.55% of covered payroll. The City's contributions to OPERS, including employee and employer amount paid by the City, for the years ended December 31, 2005, 2004, and 2003, were \$1,745,470, \$1,652,045, and \$1,565,939, respectively. The full amount has been contributed for 2005, 2004, and 2003.

B. Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10% of their annual covered salary to fund pension obligations and the City is required to contribute 19.5 percent for police and 24 percent for firefighters. The City pays the entire 10% employee share for all police and firefighters. The City pays 8.5% of the 10% required employee contribution for police and fire management. Contributions are authorized by State statute. The City's contributions to OP&F, including employee and employer amounts paid by the City, for the years ended December 31, 2005, 2004, and 2003 amount was \$1,454,380, \$1,454,195, and \$1,330,780, respectively, or 100% of the required contribution for 2005, 2004, and 2003.

In addition to the current contribution, the City pays semiannual installments to the Fund for its portion of past service costs determined at the time the Fund was established. All payments to date have been budgeted and paid from the General Fund. Payment from the General Fund is financed through an operating transfer from the Special Revenue Fund. The Special Revenue Fund receives property tax revenues equal to .6 mills, which is designated for the payment of pension liabilities. The unpaid balance of \$319,933 is included in the Statement of Net Assets and is to be amortized through 2035.

13. *POSTEMPLOYMENT BENEFITS*

A. Ohio Public Employees Retirement Systems (OPERS)

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

OPERS provides retirement, disability, survivor and post-retirement health care coverage to qualifying members of both the Traditional and the Combined Plans; however, health care benefits are not statutorily guaranteed. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-retirement health care coverage, age and service retirees must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the Retirement System is considered an Other Post-employment Benefit [OPEB] as described in GASB Statement No. 12.

A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 2005 employer contribution rate was 13.55 percent of covered payroll and the law enforcement employer rate was 16.7 percent. The portion of employer contributions for all employers allocated to health care was 4 percent.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. An entry-age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience [actuarial gains and losses] becomes part of the 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 annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2004 was 8%. An annual increase of 4%, compounded annually, is the base portion of the individual pay increase assumption. Additionally, annual pay increases, over and above the 4.00% base increase, were assumed to range from 0.50% to 6.30%. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 1% to 6% for the next 8 years. In subsequent years [9 and beyond], health care costs were assumed to increase at 4% [the projected wage inflation rate].

OPEBs are advance-funded on an actuarially determined basis. The number of active contributing participants to the Traditional Pension and Combined Plans at December 31, 2005 was 376,109. During 2005, the portion of the City's contributions that were used to fund post-employment benefits was \$322,290. The number of active contributing participants for both plans used in the December 31, 2004, actuarial valuation was 355,287. As of December 31, 2004, the estimated net

assets available for future OPEB payments were \$10.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$29.5 billion and \$18.7 billion, respectively.

The Health Care Preservation Plan [HCPP] adopted by the OPERS Retirement Board on September 9, 2004, will be effective January 1, 2007. In addition to the GCPP, 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, which will allow additional funds to be allocated to the health care plan.

B. Ohio Police and Fire Pension Fund (OP&F)

The Ohio Police and Fire Pension Fund (OP&F) provides access to post-retirement health care coverage to any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of eighteen whether or not he is attending school or under twenty-two 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 *GASB Statement No. 12*. The Ohio Revised Code provides that health care cost paid from the funds of OP&F shall be included in the employer's contribution rate. The total police employer contribution is 19.5% of covered payroll and the total firefighter's employer contribution rate is 24% of covered payroll.

The Ohio Revised Code provides the statutory authority allowing OP&F's Board of Trustees to provide health care coverage to all eligible individuals.

Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 7.75% of covered payroll in 2005 and 2004. In addition, since July 1, 1992, most retirees 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 to receive health care benefits as of December 31, 2004, the latest actuarial valuation available, was 13,812 for Police and 10,528 for firefighters. The City's actual contributions for 2004 that were used to fund post-employment benefits were \$178,945 for police and \$169,837 for firefighters. The Fund's total health care expenses for the year ending December 31, 2004, the latest information available, were \$102,173,796, which was net of member contributions of \$55,665,341.

Deferred Compensation

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death, or an unforeseeable emergency.

14. SELF INSURANCE

The City provides medical and dental coverage for its employees and is self-insured up to a stop loss limit for the cost of providing this coverage. Under the self-insurance program, the Self-Insurance Fund (an internal service fund) provides coverage for up to a maximum of \$35,000 in any one year for each employee. The City purchases commercial insurance for claims in excess of coverage provided by the Self-Insurance Fund. The City carries \$1,000,000 of comprehensive combined single limit general liability coverage with a \$1,000 deductible, a \$1,000,000 general law enforcement liability insurance policy and \$1,000,000 public officials' liability, each with a \$5,000 deductible, as well as \$5,000,000 umbrella coverage. The City had no occurrences in which settled claims exceeded the total stop-loss coverage in any of the last three years.

All funds of the City participate in the program and make payments to the Self-Insurance Fund based on a per-employee charge. These monies are recorded as a charge for service in the Self-Insurance Fund and as an expenditure or expense, as applicable, in the disbursing fund.

The claims liability is accrued if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in claims liability for the Self-Insurance Fund and the Worker's Compensation Fund, in 2005 and 2004, were:

	<i>Beginning of Year Liability</i>	<i>Current Year Claims & Changes in Estimates</i>	<i>Claims Payments</i>	<i>End of Year Liability</i>
Self-Insurance				
2004	\$ 153,000	\$ 2,363,298	\$ (2,398,741)	\$ 117,557
2005	117,557	2,484,460	(2,466,883)	\$ 135,134
Workers Compensation				
2004	\$ 643,627	\$ 181,456	\$ (294,156)	\$ 530,927
2005	530,927	382,962	(400,197)	513,692

15. SEGMENT INFORMATION - ENTERPRISE FUNDS

The City maintains three nonmajor enterprise funds to account for Golf, Parking Lot, and Watershed Grant activities. None of these activities is supported by revenue bonds or other revenue-backed debt

instruments and, therefore, segment information is not required. See the combining statements included as part of this CAFR for detailed fund activity of the nonmajor enterprise funds.

16. CONTINGENT LIABILITIES

The City is a party to various legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The City management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

17. SUBSEQUENT EVENTS

In May, 2006, the City issued \$12,570,000 in notes to finance construction of the Glenn Road extension. The City has intentions to refinance the Airport T-hangar notes \$1,145,000 in June, 2006. Also in June, the City will refinance the notes for land acquisition and landfill remediation, each for \$475,000. The land acquisition was, in part, for a recreation center and improvements. The landfill remediation note is for the monitoring and testing of the City's closed landfill located on Curve Road.

City of Delaware, Ohio

Combining Statements and
Individual Fund Schedules

Nonmajor Special Revenue Funds

Street Maintenance and Repair Fund – Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

State Highway Improvement Fund – Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for the maintenance of state highways within the City.

License Fee Fund – Required by the Ohio Revised Code to account for monies received from the State of Ohio for the maintenance of public roads, highways, streets and bridges within the City.

Parks and Recreation Fund – To account for fees charged for recreational activities, and park rentals, and transfers from the General Fund to be used for park and recreation purposes.

Airport Improvement Fund – To account for fuel sales, T-hangar rentals, tie-downs, miscellaneous sales, and transfers from the General Fund used to maintain the City's Municipal Airport.

Airport T-Hangars Fund – To account for expansion T-hangar rentals used to maintain the City's Municipal Airport T-hangars.

Court/Police Building Income Tax Fund – To account for the collection of the City's 0.2% Building Income Tax. Proceeds to be used to build and equip the City's Justice Center and remodel City Hall.

Municipal Court Fund – To account for the collection and distribution of the Municipal Court's money, collected from fines and forfeitures. The court acts as the municipal court for all of Delaware County.

Drug Enforcement Fund – To account for a portion of money seized during drug-related arrests used in educating students in the consequences of using drugs.

Court Alcohol Treatment Fund – Required by the Ohio Revised Code to account for 50 percent of fines received by the City for convictions related to persons whose drivers license was suspended for driving under the influence of alcohol.

OMVI Enforcement and Education Fund – To account for fines imposed under Section 4511.99 (A) of the Ohio Revised Code. These monies are used to pay costs incurred in enforcing Section 4511.99 of the Ohio Revised Code, and to educate the public about laws governing the operation of a motor vehicle under the influence of alcohol and the danger thereof.

Nonmajor Special Revenue Funds [continued]

Police Judgment Fund – To account for a portion of seized money used for purchasing of equipment and for training.

Law Enforcement Trust Fund – Required by the Ohio Revised Code to account for monies received from the Federal Law Enforcement Agencies designated for law enforcement related purposes.

Park Exaction Fees Fund – To account for developers' fees used in park improvements.

Computer Legal Research Fund – To account for fines imposed under Section 1901.26.1 of the Ohio Revised Code to assure the efficient operation of the court by means of computerization, and to make available computerized legal research services.

Court Special Projects Fund – To account for fines imposed under Section 1901.26(B)(1) of the Ohio Revised Code to acquire and pay for special projects of the court including, but not limited to, the acquisition of additional facilities or the rehabilitation of existing facilities, the acquisition of equipment, the hiring and training of staff, community service programs, mediation or dispute resolution services, the employment of magistrates, the training and education of judges, acting judges, and magistrates, and other related services.

Indigent EMHA Fund– To account for specific costs used to fund the electronic home monitoring of indigent defendants.

Probation Services Fund – To account for specific court costs used to maintain ongoing probation services.

Police and Fire Pension Fund – To account for a voted real estate tax operating levy which pays for the accrued past service liability for police and fire disability and pension benefits.

Homeland Security Grant Fund – To account for the purchase of gas masks for the City and surrounding public safety agencies which were supplemented by federal funding.

FEMA – To account for assistance received by the Federal Emergency Management Agency. Funds were received to supplement overtime costs spent toward clearing of the roads during the blizzard of 2003. For 2004, the Fire Department will be purchasing Self Contained Breathing Apparatus, with the assistance from FEMA.

Community Development Block Grant Fund – To account for Federal-funded housing, development, and City-wide improvement programs.

Community Police Block Grant Fund – To account for Federal monies used to supplement Police Department activities and the purchase of equipment under the Local Law Enforcement Block Grant from the Bureau of Justice.

Nonmajor Special Revenue Funds [continued]

Economic Development Grant Fund – To account for Federal pass-through monies distributed to businesses within the City of Delaware.

Revolving Loan Fund – To account for State of Ohio economic development funds loaned to qualified Delaware businesses. The loan payments are made available for future loans to new businesses.

Rental Rehabilitation Grant Fund – To account for Federally-funded rehabilitation of low income housing within the City.

CHIP Grant Fund – To account for Federal grant money received for improving rental and owner-occupied properties within the City.

Fire Donations Fund – To account for donations received by the City's Fire Department. The donations are used, in part, to purchase equipment for the Fire Department.

Police Donations Fund – To account for donations given to the City Police Department. Most of the donations are used to purchase new equipment.

Park Donations Fund – To account for donations received by the City to help beautify and decorate the City's parks.

Mayor's Donations Fund – To account, in part, for donations received for marriage ceremonies performed by the Mayor.

Project Trust Fund – To account for money received from developers prior to the development of land to assure the developers provide the required elements, such as park land, water retention site, etc.

Unclaimed Funds – To account for outstanding checks that have not been cashed in a year or more.

Nonmajor Debt Service Funds

General Obligation Bond Retirement Fund – To account for transfers in, interest earned, and proceeds of debt, that are utilized for the repayment of general obligation bonds of the City.

Special Assessment Bond Retirement Fund – To account for the collection of special assessments levied against certain property owners used for the payment of special assessment bonds and related interest.

Nonmajor Capital Projects Funds

Downtown Streetscape Fund – To account for capital improvements made to the downtown and eastside business section of the City.

FAA Airport Expansion Fund – To account for Federal and State funds used for the relocation and expansion of the City’s Municipal Airport.

FAA Allocation Improvement Grant Fund – To account for Federal funds used for the Automatic Weather Observation System [AWOS] installation and the replacement of the non-directional beacon [NDB].

Equipment Replacement Fund – To account for transfers from departments to provide for the future replacement of equipment.

Airport Improvement Construction Fund – To account for non-grant funded improvements at the City’s Municipal Airport.

Park Impact Fees Fund – To account for developers’ fees collected to maintain a level of service associated with the City’s parks required with the increased growth.

Police Impact Fees Fund – To account for developers’ fees collected to maintain a level of service associated with the City’s Police Department required with the increased growth.

Fire Impact Fees Fund – To account for developers’ fees collected to maintain a level of service associated with the City’s Fire Department required with the increased growth.

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2005

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 2,973,763	\$ 158,846	\$ 2,490,569	\$ 5,623,178
Receivables:				
Accrued Interest	102	158	1,879	2,139
Property Taxes	303,754	0	0	303,754
Accounts	10,195	0	0	10,195
Special Assessments	0	38,800	0	38,800
Restricted Assets:				
Retainage	0	0	62,963	62,963
Customer Deposits	12,105	0	0	12,105
Prepaid Items	15,564	0	0	15,564
Material and Supplies Inventory	31,571	0	0	31,571
Due From:				
Federal Government	0	0	442,752	442,752
State Government	628,805	0	0	628,805
County Government	252,222	0	0	252,222
Other Funds	33,855	0	0	33,855
Total Assets	\$ 4,261,936	\$ 197,804	\$ 2,998,163	\$ 7,457,903
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 83,355	\$ 2,400	\$ 10,810	\$ 96,565
Accrued Wages & Benefits	140,339	0	0	140,339
Contracts Payable	0	0	333,547	333,547
Interfund Payable	1,090	475,353	0	476,443
Due to Other Funds	39,447	0	0	39,447
Compensated Absences Payable-Matured	27,160	0	0	27,160
Deferred Revenue	841,844	38,800	113,649	994,293
Payables from Restricted Assets				
Retainage	0	0	62,963	62,963
Customer Deposits	12,105	0	0	12,105
Notes Payable	0	0	1,145,000	1,145,000
Total Liabilities	1,145,340	516,553	1,665,969	3,327,862
Fund Balances:				
Reserved for Encumbrances	56,644	80	1,152,797	1,209,521
Reserved for Prepaid Items	15,564	0	0	15,564
Reserved for Material and Supplies Inventory	31,571	0	0	31,571
Reserved for Debt Service	0	2,586	0	2,586
Undesignated, Reported in:				
Special Revenue Funds	3,012,817	0	0	3,012,817
Debt Service Funds	0	(321,415)	0	(321,415)
Capital Projects Funds	0	0	179,397	179,397
Total Fund Balances	3,116,596	(318,749)	1,332,194	4,130,041
Total Liabilities and Fund Balances	\$ 4,261,936	\$ 197,804	\$ 2,998,163	\$ 7,457,903

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2005

	<i>Street</i>				
	<i>Maintenance & Repair</i>	<i>State Highway Improvement</i>	<i>License Fee</i>	<i>Parks & Recreation</i>	<i>Airport Improvement</i>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 324,788	\$ 11,430	\$ 90,767	\$ 36,273	\$ 14,772
Receivables:					
Accrued Interest	0	10	92	0	0
Property Taxes	0	0	0	0	0
Accounts	0	0	0	0	9,626
Restricted Assets:					
Customer Deposits	0	0	0	0	5,100
Prepaid Items	0	0	0	5,398	10,166
Materials and Supplies Inventory	0	0	0	0	31,571
Due From:					
State Government	399,340	32,379	170,548	0	0
County Government	107,417	8,709	0	0	0
Other Funds	0	0	0	0	0
Total Assets	\$ 831,545	\$ 52,528	\$ 261,407	\$ 41,671	\$ 71,235
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 29,135	\$ 0	\$ 12,000	\$ 7,410	\$ 2,528
Accrued Wages & Benefits	44,747	0	0	27,918	4,761
Compensated Absences Payable-Matured	12,098	0	0	6,253	18
Interfund Payable	0	0	0	0	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	369,890	29,991	120,209	0	0
Payables from Restricted Assets:					
Customer Deposits	0	0	0	0	5,100
Total Liabilities	455,870	29,991	132,209	41,581	12,407
Fund Balances:					
Reserved for Encumbrances	18,017	0	0	1,535	15,909
Reserved for Prepaid Items	0	0	0	5,398	10,166
Reserved for Material and Supplies Inventory	0	0	0	0	31,571
Unreserved	357,658	22,537	129,198	(6,843)	1,182
Total Fund Balances (Deficit)	375,675	22,537	129,198	90	58,828
Total Liabilities and Fund Balances	\$ 831,545	\$ 52,528	\$ 261,407	\$ 41,671	\$ 71,235

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2005

(continued)

	<u>Airport T- Hangars</u>	<u>Court/Police Building Income Tax</u>	<u>Municipal Court</u>	<u>Drug Enforcement</u>	<u>Court Alcohol Treatment</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 142,670	\$ 18,275	\$ 272,280	\$ 7,579	\$ 405,084
Receivables:					
Accrued Interest	0	0	0	0	0
Property Taxes	0	0	0	0	0
Accounts	569	0	0	0	0
Restricted Assets:					
Customer Deposits	7,005	0	0	0	0
Prepaid Items	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Due From:					
State Government	0	0	0	0	8,538
County Government	0	0	136,096	0	0
Other Funds	0	0	0	613	1,280
Total Assets	\$ 150,244	\$ 18,275	\$ 408,376	\$ 8,192	\$ 414,902
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 447	\$ 0	\$ 2,549	\$ 0	\$ 0
Accrued Wages & Benefits	0	0	62,913	0	0
Compensated Absences Payable-Matured	0	0	8,791	0	0
Interfund Payable	0	0	0	0	0
Due to Other Funds	0	0	39,447	0	0
Deferred Revenue	0	0	0	0	0
Payables from Restricted Assets:					
Customer Deposits	7,005	0	0	0	0
Total Liabilities	7,452	0	113,700	0	0
Fund Balances:					
Reserved for Encumbrances	0	0	0	0	0
Reserved for Prepaid Items	0	0	0	0	0
Reserved for Material and Supplies Inventory	0	0	0	0	0
Unreserved	142,792	18,275	294,676	8,192	414,902
Total Fund Balances (Deficit)	142,792	18,275	294,676	8,192	414,902
Total Liabilities and Fund Balances	\$ 150,244	\$ 18,275	\$ 408,376	\$ 8,192	\$ 414,902

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2005

(continued)	OMVI Enforcement & Education	Police Judgment	Law Enforcement Trust	Park Exaction Fees	Computer Legal Research
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 31,988	\$ 88,427	\$ 4,809	\$ 130,382	\$ 104,418
Receivables:					
Accrued Interest	0	0	0	0	0
Property Taxes	0	0	0	0	0
Accounts	0	0	0	0	0
Restricted Assets:					
Customer Deposits	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Due From:					
State Government	0	0	0	0	0
County Government	0	0	0	0	0
Other Funds	166	0	0	0	20,212
Total Assets	\$ 32,154	\$ 88,427	\$ 4,809	\$ 130,382	\$ 124,630
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,551
Accrued Wages & Benefits	0	0	0	0	0
Compensated Absences Payable-Matured	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Payables from Restricted Assets:					
Customer Deposits	0	0	0	0	0
Total Liabilities	0	0	0	0	1,551
Fund Balances:					
Reserved for Encumbrances	4,239	0	0	0	0
Reserved for Prepaid Items	0	0	0	0	0
Reserved for Material and Supplies Inventory	0	0	0	0	0
Unreserved	27,915	88,427	4,809	130,382	123,079
Total Fund Balances (Deficit)	32,154	88,427	4,809	130,382	123,079
Total Liabilities and Fund Balances	\$ 32,154	\$ 88,427	\$ 4,809	\$ 130,382	\$ 124,630

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2005

(continued)

	<u>Court Special Projects</u>	<u>Indigent EMHA</u>	<u>Probation Services</u>	<u>Police & Fire Pension</u>	<u>Homeland Security</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 244,153	\$ 34,848	\$ 58,574	\$ 0	\$ 1
Receivables:					
Accrued Interest	0	0	0	0	0
Property Taxes	0	0	0	303,754	0
Accounts	0	0	0	0	0
Restricted Assets:					
Customer Deposits	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Due From:					
State Government	0	0	0	18,000	0
County Government	0	0	0	0	0
Other Funds	6,667	85	4,832	0	0
Total Assets	\$ 250,820	\$ 34,933	\$ 63,406	\$ 321,754	\$ 1
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 247	\$ 0	\$ 1,312	\$ 0	\$ 0
Accrued Wages & Benefits	0	0	0	0	0
Compensated Absences Payable-Matured	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	0	0	0	321,754	0
Payables from Restricted Assets:					
Customer Deposits	0	0	0	0	0
Total Liabilities	247	0	1,312	321,754	0
Fund Balances:					
Reserved for Encumbrances	0	0	0	0	0
Reserved for Prepaid Items	0	0	0	0	0
Reserved for Material and Supplies Inventory	0	0	0	0	0
Unreserved	250,573	34,933	62,094	0	1
Total Fund Balances (Deficit)	250,573	34,933	62,094	0	1
Total Liabilities and Fund Balances	\$ 250,820	\$ 34,933	\$ 63,406	\$ 321,754	\$ 1

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2005

(continued)	<i>Community Dev. Block Grant</i>	<i>Community Police Block Grant</i>	<i>Economic Development Grant</i>	<i>Revolving Loan</i>	<i>Rental Rehabilitation</i>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 1,301	\$ 0	\$ 16,092	\$ 1,725
Receivables:					
Accrued Interest	0	0	0	0	0
Property Taxes	0	0	0	0	0
Accounts	0	0	0	0	0
Restricted Assets:					
Customer Deposits	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Due From:					
State Government	0	0	0	0	0
County Government	0	0	0	0	0
Other Funds	0	0	0	0	0
Total Assets	\$ 0	\$ 1,301	\$ 0	\$ 16,092	\$ 1,725
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 9,195	\$ 0	\$ 16,981	\$ 0	\$ 0
Accrued Wages & Benefits	0	0	0	0	0
Compensated Absences Payable-Matured	0	0	0	0	0
Interfund Payable	1,090	0	0	0	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Payables from Restricted Assets:					
Customer Deposits	0	0	0	0	0
Total Liabilities	10,285	0	16,981	0	0
Fund Balances:					
Reserved for Encumbrances	(6,430)	0	0	0	0
Reserved for Prepaid Items	0	0	0	0	0
Reserved for Material and Supplies Inventory	0	0	0	0	0
Unreserved	(3,855)	1,301	(16,981)	16,092	1,725
Total Fund Balances (Deficit)	(10,285)	1,301	(16,981)	16,092	1,725
Total Liabilities and Fund Balances	\$ 0	\$ 1,301	\$ 0	\$ 16,092	\$ 1,725

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2005

(continued)

	<u>CHIP</u>	<u>Fire Donation</u>	<u>Park Donation</u>	<u>Police Donation</u>	<u>Mayor Donation</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 42,634	\$ 6,290	\$ 340,805	\$ 3,995	\$ 2,769
Receivables:					
Accrued Interest	0	0	0	0	0
Property Taxes	0	0	0	0	0
Accounts	0	0	0	0	0
Restricted Assets:					
Customer Deposits	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Due From:					
State Government	0	0	0	0	0
County Government	0	0	0	0	0
Other Funds	0	0	0	0	0
Total Assets	<u>\$ 42,634</u>	<u>\$ 6,290</u>	<u>\$ 340,805</u>	<u>\$ 3,995</u>	<u>\$ 2,769</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages & Benefits	0	0	0	0	0
Compensated Absences Payable-Matured	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Payables from Restricted Assets:					
Customer Deposits	0	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:					
Reserved for Encumbrances	16,800	0	6,574	0	0
Reserved for Prepaid Items	0	0	0	0	0
Reserved for Material and Supplies Inventory	0	0	0	0	0
Unreserved	25,834	6,290	334,231	3,995	2,769
Total Fund Balances (Deficit)	<u>42,634</u>	<u>6,290</u>	<u>340,805</u>	<u>3,995</u>	<u>2,769</u>
Total Liabilities and Fund Balances	<u>\$ 42,634</u>	<u>\$ 6,290</u>	<u>\$ 340,805</u>	<u>\$ 3,995</u>	<u>\$ 2,769</u>

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2005

(continued)

	<u>Project Trust</u>	<u>Unclaimed Funds</u>	<u>Total</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 497,141	\$ 39,493	\$ 2,973,763
Receivables:			
Accrued Interest	0	0	102
Property Taxes	0	0	303,754
Accounts	0	0	10,195
Restricted Assets:			
Customer Deposits	0	0	12,105
Prepaid Items	0	0	15,564
Materials and Supplies Inventory	0	0	31,571
Due From:			
State Government	0	0	628,805
County Government	0	0	252,222
Other Funds	0	0	33,855
Total Assets	\$ 497,141	39,493	\$ 4,261,936
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ 0	0	\$ 83,355
Accrued Wages & Benefits	0	0	140,339
Compensated Absences Payable-Matured	0	0	27,160
Interfund Payable	0	0	1,090
Due to Other Funds	0	0	39,447
Deferred Revenue	0	0	841,844
Payables from Restricted Assets:			
Customer Deposits	0	0	12,105
Total Liabilities	0	0	1,145,340
Fund Balances:			
Reserved for Encumbrances	0	0	56,644
Reserved for Prepaid Items	0	0	15,564
Reserved for Material and Supplies Inventory	0	0	31,571
Unreserved	497,141	39,493	3,012,817
		0	
Total Fund Balances (Deficit)	497,141	39,493	3,116,596
Total Liabilities and Fund Balances	\$ 497,141	\$ 39,493	\$ 4,261,936

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Debt Service Funds
 December 31, 2005

	<i>General Obligation Bond Retirement</i>	<i>Special Assessment Bond Retirement</i>	<i>Total</i>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 156,265	\$ 2,581	\$ 158,846
Accrued Interest Receivable	153	5	158
Special Assessments Receivable	0	38,800	38,800
<i>Total Assets</i>	<u>\$ 156,418</u>	<u>\$ 41,386</u>	<u>\$ 197,804</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ 2,400	\$ 0	\$ 2,400
Interfund Payable	475,353	0	475,353
Deferred Revenue	0	38,800	38,800
<i>Total Liabilities</i>	<u>477,753</u>	<u>38,800</u>	<u>516,553</u>
Fund Balances			
Reserved for Encumbrances	80	0	80
Reserved for Debt Service	0	2,586	2,586
Unreserved	(321,415)	0	(321,415)
<i>Total Fund Balances</i>	<u>(321,335)</u>	<u>2,586</u>	<u>(318,749)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 156,418</u>	<u>\$ 41,386</u>	<u>\$ 197,804</u>

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2005

	<u>FAA Airport Expansion</u>	<u>FAA Airport Allocation Improvements</u>	<u>Equipment Replacement</u>	<u>Airport Improvement Construction</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 103,479	\$ 204,085	\$ 194,545	\$ 118,337
Accrued Interest Receivable	0	0	0	0
Restricted Assets:				
Retainage	62,963	0	0	0
Due From Federal Government	299,820	142,932	0	0
Total Assets	<u>\$ 466,262</u>	<u>\$ 347,017</u>	<u>\$ 194,545</u>	<u>\$ 118,337</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Contracts Payable	166,442	157,895	0	9,210
Deferred Revenue	113,649	0	0	0
Payables from Restricted Assets:				
Retainage	62,963	0	0	0
Notes Payable	0	0	0	1,145,000
Total Liabilities	<u>343,054</u>	<u>157,895</u>	<u>0</u>	<u>1,154,210</u>
Fund Balances:				
Reserved for Encumbrances	0	186,695	0	41,218
Unreserved	123,208	2,427	194,545	(1,077,091)
Total Fund Balances (Deficit)	<u>123,208</u>	<u>189,122</u>	<u>194,545</u>	<u>(1,035,873)</u>
Total Liabilities and Fund Balances	<u>\$ 466,262</u>	<u>\$ 347,017</u>	<u>\$ 194,545</u>	<u>\$ 118,337</u>

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2005

(continued)

	<u>Park Impact Fees</u>	<u>Police Impact Fees</u>	<u>Fire Impact Fees</u>	<u>Total</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 926,442	\$ 157,260	\$ 786,421	\$ 2,490,569
Accrued Interest Receivable	932	158	789	1,879
Restricted Assets:				
Retainage	0	0	0	62,963
Due From Federal Government	0	0	0	442,752
Total Assets	<u>\$ 927,374</u>	<u>\$ 157,418</u>	<u>\$ 787,210</u>	<u>\$ 2,998,163</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 10,810	\$ 0	\$ 0	\$ 10,810
Contracts Payable	0	0	0	333,547
Deferred Revenue	0	0	0	113,649
Payables from Restricted Assets:				
Retainage Payable	0	0	0	62,963
Notes Payable	0	0	0	1,145,000
Total Liabilities	<u>10,810</u>	<u>0</u>	<u>0</u>	<u>1,665,969</u>
Fund Balances:				
Reserved for Encumbrances	705,245	382	219,257	1,152,797
Unreserved	211,319	157,036	567,953	179,397
Total Fund Balances (Deficit)	<u>916,564</u>	<u>157,418</u>	<u>787,210</u>	<u>1,332,194</u>
Total Liabilities and Fund Balances	<u>\$ 927,374</u>	<u>\$ 157,418</u>	<u>\$ 787,210</u>	<u>\$ 2,998,163</u>

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Year Ended December 31, 2005

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$ 333,459	\$ 0	\$ 0	\$ 333,459
Income Taxes	7,799	0	0	7,799
Special Assessments	0	35,994	0	35,994
Intergovernmental	2,690,305	0	950,577	3,640,882
Interest	5,599	38,390	46,698	90,687
Fees, Licenses and Permits	289,538	0	0	289,538
Fines and Forfeitures	2,012,898	0	0	2,012,898
Impact Fees	0	0	716,595	716,595
Charges for Services	944,138	0	0	944,138
Contributions and Donations	22,153	0	0	22,153
Miscellaneous	65,912	253	0	66,165
Total Revenues	6,371,801	74,637	1,713,870	8,160,308
Expenditures				
Current:				
Public Safety				
Police/911	182,320	0	382	182,702
Fire	182,377	0	382	182,759
Muni Court	1,831,658	0	0	1,831,658
Parks & Recreation	1,242,109	0	11,192	1,253,301
Community Development	1,172,550	0	0	1,172,550
Airport	554,198	0	0	554,198
Public Works	2,059,117	0	0	2,059,117
General Government	4,937	0	0	4,937
Capital Outlay	0	0	1,060,138	1,060,138
Debt Service:				
Principal Retirement	0	253,000	0	253,000
Interest and Fiscal Charges	0	302,127	0	302,127
Refunds	0	0	5,908	5,908
Total Expenditures	7,229,266	555,127	1,078,002	8,862,395
Excess of Revenues Over (Under) Expenditures	(857,465)	(480,490)	635,868	(702,087)
Other Financing Sources (Uses)				
Transfers In	2,056,735	1,196,654	1,450,674	4,704,063
Transfers Out	(535,500)	(1,115,000)	(741,316)	(2,391,816)
Total Other Financing Sources (Uses)	1,521,235	81,654	709,358	2,312,247
Net Change in Fund Balances	663,770	(398,836)	1,345,226	1,610,160
Fund Balances (Deficits) Beginning of Year	2,452,826	80,087	(13,032)	2,519,881
Fund Balances (Deficits) End of Year	\$ 3,116,596	\$ (318,749)	\$ 1,332,194	\$ 4,130,041

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2005

	Street Maintenance & Repair	State Highway Improvement	License Fee	Parks & Recreation	Airport Improvement
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0
Intergovernmental	1,029,894	83,505	332,002	0	0
Interest	0	2,962	2,630	0	0
Fees, Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Charges for Services	0	0	0	265,264	435,163
Contributions and Donations	0	0	0	0	0
Miscellaneous	2,369	0	0	18,495	3,754
Total Revenues	<u>1,032,263</u>	<u>86,467</u>	<u>334,632</u>	<u>283,759</u>	<u>438,917</u>
Expenditures					
Current:					
Public Safety					
Police/911	0	0	0	0	0
Fire	0	0	0	0	0
Muni Court	0	0	0	0	0
Parks & Recreation	0	0	0	1,160,814	0
Community Development	0	0	0	0	0
Airport	0	0	0	0	534,450
Public Works	1,525,132	216,090	317,895	0	0
General Government	0	0	0	0	0
Total Expenditures	<u>1,525,132</u>	<u>216,090</u>	<u>317,895</u>	<u>1,160,814</u>	<u>534,450</u>
Excess of Revenues Over (Under) Expenditures	<u>(492,869)</u>	<u>(129,623)</u>	<u>16,737</u>	<u>(877,055)</u>	<u>(95,533)</u>
Other Financing Sources (Uses)					
Transfers In	747,267	0	0	887,138	150,592
Transfers Out	<u>(175,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>572,267</u>	<u>0</u>	<u>0</u>	<u>887,138</u>	<u>150,592</u>
Net Change in Fund Balances	<u>79,398</u>	<u>(129,623)</u>	<u>16,737</u>	<u>10,083</u>	<u>55,059</u>
Fund Balances (Deficits) Beginning of Year	<u>296,277</u>	<u>152,160</u>	<u>112,461</u>	<u>(9,993)</u>	<u>3,769</u>
Fund Balances (Deficits) End of Year	<u>\$ 375,675</u>	<u>\$ 22,537</u>	<u>\$ 129,198</u>	<u>\$ 90</u>	<u>\$ 58,828</u>

(continued)

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2005

(continued)

	Airport T- Hangars	Court/Police Building Income Tax	Municipal Court	Drug Enforcement	Court Alcohol Treatment	OMVI Enforcement & Education
Revenues						
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	7,799	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Fees, Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	0	0	1,463,336	3,664	42,614	2,870
Charges for Services	89,363	0	138,263	0	0	0
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	1,801	0	0	0	0	0
Total Revenues	91,164	7,799	1,601,599	3,664	42,614	2,870
Expenditures						
Current:						
Public Safety						
Police/911	0	0	0	0	0	0
Fire	0	0	0	0	0	0
Muni Court	0	0	1,687,575	0	0	0
Parks & Recreation	0	0	0	0	0	0
Community Development	0	0	0	0	0	0
Airport	19,748	0	0	0	0	0
Public Works	0	0	0	0	0	0
General Government	0	3,453	0	0	0	0
Total Expenditures	19,748	3,453	1,687,575	0	0	0
Excess of Revenues Over (Under) Expenditures	71,416	4,346	(85,976)	3,664	42,614	2,870
Other Financing Sources (Uses)						
Transfers In	0	0	267,000	0	0	0
Transfers Out	(17,500)	0	0	0	0	0
Total Other Financing Sources (Uses)	(17,500)	0	267,000	0	0	0
Net Change in Fund Balances	53,916	4,346	181,024	3,664	42,614	2,870
Fund Balances (Deficits) Beginning of Year	88,876	13,929	113,652	4,528	372,288	29,284
Fund Balances (Deficits) End of Year	\$ 142,792	\$ 18,275	\$ 294,676	\$ 8,192	\$ 414,902	\$ 32,154

(continued)

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2005

(continued)

	Police Judgment	Law Enforcement Trust	Park Exaction Fees	Computer Legal Research	Court Special Projects	Indigent EMHA
Revenues						
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Fees, Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	85,221	893	0	263,361	94,190	2,580
Charges for Services	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Total Revenues	85,221	893	0	263,361	94,190	2,580
Expenditures						
Current:						
Public Safety						
Police/911	0	0	0	0	0	0
Fire	0	0	0	0	0	0
Muni Court	0	0	0	106,723	25,597	0
Parks & Recreation	0	0	9,751	0	0	0
Community Development	0	0	0	0	0	0
Airport	0	0	0	0	0	0
Public Works	0	0	0	0	0	0
General Government	0	0	0	0	0	0
Total Expenditures	0	0	9,751	106,723	25,597	0
Excess of Revenues Over (Under) Expenditures	85,221	893	(9,751)	156,638	68,593	2,580
Other Financing Sources (Uses)						
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	0	(135,594)	(160,000)	0
Total Other Financing Sources (Uses)	0	0	0	(135,594)	(160,000)	0
Net Change in Fund Balances	85,221	893	(9,751)	21,044	(91,407)	2,580
Fund Balances (Deficits) Beginning of Year	3,206	3,916	140,133	102,035	341,980	32,353
Fund Balances (Deficits) End of Year	\$ 88,427	\$ 4,809	\$ 130,382	\$ 123,079	\$ 250,573	\$ 34,933

(continued)

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2005

(continued)

	Probation Services	Police & Fire Pension	Homeland Security	FEMA	Community Dev. Block Grant	Community Police Block Grant
Revenues						
Property Taxes	\$ 0	\$ 333,459	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0
Intergovernmental	0	31,238	0	46,316	96,236	0
Interest	0	0	0	0	0	0
Fees, Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	54,169	0	0	0	0	0
Charges for Services	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
<i>Total Revenues</i>	<u>54,169</u>	<u>364,697</u>	<u>0</u>	<u>46,316</u>	<u>96,236</u>	<u>0</u>
Expenditures						
Current:						
Public Safety						
Police/911	0	182,320	0	0	0	0
Fire	0	182,377	0	0	0	0
Muni Court	11,763	0	0	0	0	0
Parks & Recreation	0	0	0	0	0	0
Community Development	0	0	0	0	107,552	0
Airport	0	0	0	0	0	0
Public Works	0	0	0	0	0	0
General Government	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>11,763</u>	<u>364,697</u>	<u>0</u>	<u>0</u>	<u>107,552</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>42,406</u>	<u>0</u>	<u>0</u>	<u>46,316</u>	<u>(11,316)</u>	<u>0</u>
Other Financing Sources (Uses)						
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	(1,090)	(46,316)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>(1,090)</u>	<u>(46,316)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>42,406</u>	<u>0</u>	<u>(1,090)</u>	<u>0</u>	<u>(11,316)</u>	<u>0</u>
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>19,688</u>	<u>0</u>	<u>1,091</u>	<u>0</u>	<u>1,031</u>	<u>1,301</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 62,094</u>	<u>\$ 0</u>	<u>\$ 1</u>	<u>\$ 0</u>	<u>\$ (10,285)</u>	<u>\$ 1,301</u>

(continued)

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2005

(continued)

	<i>Economic Development Grant</i>	<i>Revolving Loan</i>	<i>Rental Rehabilitation</i>	<i>CHIP</i>	<i>Fire Donation</i>	<i>Park Donation</i>
Revenues						
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0
Intergovernmental	29,331	765,000	0	276,783	0	0
Interest	0	7	0	0	0	0
Fees, Licenses and Permits	0	0	0	0	0	189,050
Fines and Forfeitures	0	0	0	0	0	0
Charges for Services	0	16,085	0	0	0	0
Contributions and Donations	0	0	0	14,918	810	4,000
Miscellaneous	0	0	0	0	0	0
<i>Total Revenues</i>	<u>29,331</u>	<u>781,092</u>	<u>0</u>	<u>291,701</u>	<u>810</u>	<u>193,050</u>
Expenditures						
Current:						
Public Safety						
Police/911	0	0	0	0	0	0
Fire	0	0	0	0	0	0
Muni Court	0	0	0	0	0	0
Parks & Recreation	0	0	0	0	0	71,544
Community Development	46,027	765,000	0	253,971	0	0
Airport	0	0	0	0	0	0
Public Works	0	0	0	0	0	0
General Government	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>46,027</u>	<u>765,000</u>	<u>0</u>	<u>253,971</u>	<u>0</u>	<u>71,544</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(16,696)</u>	<u>16,092</u>	<u>0</u>	<u>37,730</u>	<u>810</u>	<u>121,506</u>
Other Financing Sources (Uses)						
Transfers In	4,738	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>4,738</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(11,958)</u>	<u>16,092</u>	<u>0</u>	<u>37,730</u>	<u>810</u>	<u>121,506</u>
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>(5,023)</u>	<u>0</u>	<u>1,725</u>	<u>4,904</u>	<u>5,480</u>	<u>219,299</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ (16,981)</u>	<u>\$ 16,092</u>	<u>\$ 1,725</u>	<u>\$ 42,634</u>	<u>\$ 6,290</u>	<u>\$ 340,805</u>

(continued)

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2005

(continued)

	Police Donation	Mayor Donation	Project Trust	Unclaimed Funds	Total
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 333,459
Income Taxes	0	0	0	0	7,799
Intergovernmental	0	0	0	0	2,690,305
Interest	0	0	0	0	5,599
Fees, Licenses and Permits	0	0	100,488	0	289,538
Fines and Forfeitures	0	0	0	0	2,012,898
Charges for Services	0	0	0	0	944,138
Contributions and Donations	0	2,425	0	0	22,153
Miscellaneous	0	0	0	39,493	65,912
Total Revenues	0	2,425	100,488	39,493	6,371,801
Expenditures					
Current:					
Public Safety					
Police/911	0	0	0	0	182,320
Fire	0	0	0	0	182,377
Muni Court	0	0	0	0	1,831,658
Parks & Recreation	0	0	0	0	1,242,109
Community Development	0	0	0	0	1,172,550
Airport	0	0	0	0	554,198
Public Works	0	0	0	0	2,059,117
General Government	0	1,484	0	0	4,937
Total Expenditures	0	1,484	0	0	7,229,266
Excess of Revenues Over (Under) Expenditures	0	941	100,488	39,493	(857,465)
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	2,056,735
Transfers Out	0	0	0	0	(535,500)
Total Other Financing Sources (Uses)	0	0	0	0	1,521,235
Net Change in Fund Balances	0	941	100,488	39,493	663,770
Fund Balances (Deficits) Beginning of Year	3,995	1,828	396,653	0	2,452,826
Fund Balances (Deficits) End of Year	\$ 3,995	\$ 2,769	\$ 497,141	\$ 39,493	\$ 3,116,596

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2005

	<i>General Obligation Bond Retirement</i>	<i>Special Assessment Bond Retirement</i>	<i>Total</i>
Revenues			
Special Assessments	\$ 0	\$ 35,994	\$ 35,994
Interest	37,750	640	38,390
Miscellaneous	253	0	253
<i>Total Revenues</i>	<u>38,003</u>	<u>36,634</u>	<u>74,637</u>
Expenditures			
Debt Service:			
Principal Retirement	220,000	33,000	253,000
Interest and Fiscal Charges	290,204	11,923	302,127
<i>Total Expenditures</i>	<u>510,204</u>	<u>44,923</u>	<u>555,127</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(472,201)</u>	<u>(8,289)</u>	<u>(480,490)</u>
Other Financing Sources (Uses)			
Transfers In	1,189,027	7,627	1,196,654
Transfers Out	(1,115,000)	0	(1,115,000)
<i>Total Other Financing Sources (Uses)</i>	<u>74,027</u>	<u>7,627</u>	<u>81,654</u>
<i>Net Change in Fund Balances</i>	(398,174)	(662)	(398,836)
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>76,839</u>	<u>3,248</u>	<u>80,087</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ (321,335)</u>	<u>\$ 2,586</u>	<u>\$ (318,749)</u>

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2005

	<u>Downtown Streetscape</u>	<u>FAA Airport Expansion</u>	<u>FAA Airport Allocation Improvements</u>	<u>Equipment Replacement</u>
Revenues				
Intergovernmental	\$ 0	\$ 800,577	\$ 150,000	\$ 0
Interest	0	0	0	0
Impact Fees	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>800,577</u>	<u>150,000</u>	<u>0</u>
Expenditures				
Current:				
Police/911	0	0	0	0
Fire	0	0	0	0
Parks & Recreation	0	0	0	0
Capital Outlay	0	255,407	162,895	174,675
Refunds	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>255,407</u>	<u>162,895</u>	<u>174,675</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>545,170</u>	<u>(12,895)</u>	<u>(174,675)</u>
Other Financing Sources				
Transfers In	0	822,318	180,118	296,515
Transfers Out	<u>(77,627)</u>	<u>(653,571)</u>	<u>(10,118)</u>	<u>0</u>
<i>Total Other Financing Sources</i>	<u>(77,627)</u>	<u>168,747</u>	<u>170,000</u>	<u>296,515</u>
<i>Net Change in Fund Balances</i>	<u>(77,627)</u>	<u>713,917</u>	<u>157,105</u>	<u>121,840</u>
<i>Fund Balances (Deficits) Beginning of Year [as restated]</i>	<u>77,627</u>	<u>(590,709)</u>	<u>32,017</u>	<u>72,705</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 0</u>	<u>\$ 123,208</u>	<u>\$ 189,122</u>	<u>\$ 194,545</u>

(continued)

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2005

(continued)

	Airport Improvement Construction	Park Impact Fees	Police Impact Fees	Fire Impact Fees	Total
Revenues					
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 950,577
Interest	0	23,652	3,839	19,207	46,698
Impact Fees	0	456,296	112,317	147,982	716,595
<i>Total Revenues</i>	<u>0</u>	<u>479,948</u>	<u>116,156</u>	<u>167,189</u>	<u>1,713,870</u>
Expenditures					
Current:					
Police/911	0	0	382	0	382
Fire	0	0	0	382	382
Parks & Recreation	0	11,192	0	0	11,192
Capital Outlay	42,596	338,818	85,747	0	1,060,138
Refunds	0	1,036	4,272	600	5,908
<i>Total Expenditures</i>	<u>42,596</u>	<u>351,046</u>	<u>90,401</u>	<u>982</u>	<u>1,078,002</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(42,596)</u>	<u>128,902</u>	<u>25,755</u>	<u>166,207</u>	<u>635,868</u>
Other Financing Sources (Uses)					
Transfers In	151,723	0	0	0	1,450,674
Transfers Out	0	0	0	0	(741,316)
<i>Total Other Financing Sources (Uses)</i>	<u>151,723</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>709,358</u>
<i>Net Change in Fund Balances</i>	109,127	128,902	25,755	166,207	1,345,226
<i>Fund Balances (Deficits) Beginning of Year [as restated]</i>	<u>(1,145,000)</u>	<u>787,662</u>	<u>131,663</u>	<u>621,003</u>	<u>(13,032)</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ (1,035,873)</u>	<u>\$ 916,564</u>	<u>\$ 157,418</u>	<u>\$ 787,210</u>	<u>\$ 1,332,194</u>

Combining Statements – Nonmajor Proprietary Funds

Enterprise Funds

Golf Course Fund – To account for funds received and used at the City’s Municipal Golf Course.

Parking Lots Fund – To account for funds received from the rental of City-owned parking lots and meters. The receipts are used to purchase and maintain traffic enforcement equipment, parking lots, and meters.

Watershed Grant Fund – To account for the funds received from the Environmental Protection Agency which are used to monitor and analyze the water quality of the Upper Olentangy River Watershed, used by the City to provide water to its residents.

City of Delaware, Ohio
Combining Statement of Fund Net Assets
Non-Major Enterprise Funds
December 31, 2005

	Golf Course	Parking Lots	Watershed Grant	Total
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 152,043	\$ 1,068	\$ 1,041	\$ 154,152
<i>Receivables:</i>				
Materials and Supplies Inventory	1,386	0	0	1,386
Prepaid Items	2,107	0	0	2,107
Due From Federal Government	0	0	68,135	68,135
<i>Total Current Assets</i>	<u>155,536</u>	<u>1,068</u>	<u>69,176</u>	<u>225,780</u>
<i>Noncurrent Assets:</i>				
<i>Restricted Assets:</i>				
<i>Capital Assets:</i>				
Nondepreciable Capital Assets	8,500	202,254	0	210,754
Depreciable Capital Assets, Net	211,124	240	0	211,364
<i>Total Noncurrent Assets</i>	<u>219,624</u>	<u>202,494</u>	<u>0</u>	<u>422,118</u>
<i>Total Assets</i>	<u>\$ 375,160</u>	<u>\$ 203,562</u>	<u>\$ 69,176</u>	<u>\$ 647,898</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	\$ 1,113	\$ 457	\$ 0	\$ 1,570
Accrued Wages & Benefits	3,621	0	0	3,621
Compensated Absences Payable	3,386	0	0	3,386
Accrued Interest Payable	0	23	0	23
Capital Leases Payable	0	13,797	0	13,797
<i>Total Current Liabilities</i>	<u>8,120</u>	<u>14,277</u>	<u>0</u>	<u>22,397</u>
<i>Current Liabilities Payable from Restricted Assets:</i>				
<i>Long-Term Liabilities:</i>				
Compensated Absences Payable	10,536	0	0	10,536
Capital Leases Payable	0	10,690	0	10,690
<i>Total Long-Term Liabilities</i>	<u>10,536</u>	<u>10,690</u>	<u>0</u>	<u>21,226</u>
<i>Total Liabilities</i>	<u>18,656</u>	<u>24,967</u>	<u>0</u>	<u>43,623</u>
Net Assets				
Invested in Capital Assets, Net of Related Debt	219,624	178,007	0	397,631
Unrestricted	136,880	588	69,176	206,644
<i>Total Net Assets</i>	<u>\$ 356,504</u>	<u>\$ 178,595</u>	<u>\$ 69,176</u>	<u>\$ 604,275</u>

City of Delaware, Ohio
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Year Ended December 31, 2005

	Golf	Parking Lots	Watershed Grant	Total
Operating Revenues				
Charges for Services	\$ 192,985	\$ 30,726	\$ 0	\$ 223,711
Miscellaneous	5,866	0	0	5,866
<i>Total Operating Revenues</i>	<u>198,851</u>	<u>30,726</u>	<u>0</u>	<u>229,577</u>
Operating Expenses				
Personal Services	110,503	0	0	110,503
Services and Charges	23,483	29,553	0	53,036
Materials and Supplies	37,880	0	0	37,880
Depreciation	9,208	960	0	10,168
<i>Total Operating Expenses</i>	<u>181,074</u>	<u>30,513</u>	<u>0</u>	<u>211,587</u>
<i>Operating Income (Loss)</i>	<u>17,777</u>	<u>213</u>	<u>0</u>	<u>17,990</u>
Non-Operating Expenses				
Other Revenue (Expense)	(423)	0	0	(423)
<i>Total Non-Operating Expenses</i>	<u>(423)</u>	<u>(23)</u>	<u>0</u>	<u>(446)</u>
<i>Change in Net Assets</i>	17,354	190	0	17,544
<i>Net Assets Beginning of Year</i>	<u>339,150</u>	<u>178,405</u>	<u>69,176</u>	<u>586,731</u>
<i>Net Assets End of Year</i>	<u>\$ 356,504</u>	<u>\$ 178,595</u>	<u>\$ 69,176</u>	<u>\$ 604,275</u>

City of Delaware, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2005

	Golf	Parking Lots	Watershed Grant	Total
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 192,985	\$ 30,726	\$ 0	\$ 223,711
Cash Payments for Personal Services	(116,900)	0	0	(116,900)
Cash Payments for Materials and Supplies	(38,445)	0	0	(38,445)
Cash Payments for Services and Charges	(25,292)	(45,281)	0	(70,573)
Other Cash Receipts or Payments	5,866	0	0	5,866
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>18,214</u>	<u>(14,555)</u>	<u>0</u>	<u>3,659</u>
Cash Payments for Reimbursements	(423)	0	0	(423)
<i>Net Cash Provided by (Used in) Noncapital Financing Activities</i>	<u>(423)</u>	<u>0</u>	<u>0</u>	<u>(423)</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition and Construction of Capital Assets	(12,481)	0	0	(12,481)
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	<u>(12,481)</u>	<u>0</u>	<u>0</u>	<u>(12,481)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	5,310	(14,555)	0	(9,245)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>146,733</u>	<u>15,623</u>	<u>1,041</u>	<u>163,397</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 152,043</u>	<u>\$ 1,068</u>	<u>\$ 1,041</u>	<u>\$ 154,152</u>

(continued)

City of Delaware, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds (continued)
For the Year Ended December 31, 2005

	Enterprise Funds			
	Golf	Parking Lots	Watershed Grant	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ 17,777	\$ 213	\$ 0	\$ 17,990
Adjustments:				
Depreciation	9,208	960	0	10,168
(Increase) Decrease in Assets:				
Prepaid Items	577	0	0	577
Materials and Supplies Inventory	(626)	0	0	(626)
Increase (Decrease) in Liabilities:				
Accounts Payable	(2,325)	(15,728)	0	(18,053)
Accrued Wages and Benefits	(8,697)	0	0	(8,697)
Compensated Absences Payable	2,300	0	0	2,300
Net Cash Provided by (Used in) Operating Activities	\$ 18,214	\$ (14,555)	\$ 0	\$ 3,659

Combining Statements – Nonmajor Proprietary Funds

Internal Service Funds

Garage Rotary Fund – To account for the fuel, maintenance and repair for all City vehicles and machinery. The cost is allocated to the various departments.

Self-insurance Fund – To account for premiums charged to various City funds for the payment of employee health care claims.

Worker's Compensation Fund – To account for the potential worker's compensation claims of the City. The City utilizes a retro-payment system where annual premiums are paid, as are retroactive claims. The City charges various departments for these premiums and payments.

City of Delaware, Ohio
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2005

	Garage Rotary	Self-Insurance	Workers Compensation	Total
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 74,875	\$ 592,668	\$ 585,733	\$ 1,253,276
<i>Total Current Assets</i>	<u>74,875</u>	<u>592,668</u>	<u>585,733</u>	<u>1,253,276</u>
<i>Noncurrent Assets:</i>				
<i>Capital Assets:</i>				
Depreciable Capital Assets, Net	37,112	0	0	37,112
<i>Total Noncurrent Assets</i>	<u>37,112</u>	<u>0</u>	<u>0</u>	<u>37,112</u>
<i>Total Assets</i>	<u>\$ 111,987</u>	<u>\$ 592,668</u>	<u>\$ 585,733</u>	<u>\$ 1,290,388</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	\$ 21,438	\$ 0	\$ 0	\$ 21,438
Accrued Wages & Benefits	9,009	0	0	9,009
Compensated Absences Payable	6,210	0	0	6,210
Claims Payable	0	135,134	513,692	648,826
<i>Total Current Liabilities</i>	<u>36,657</u>	<u>135,134</u>	<u>513,692</u>	<u>685,483</u>
<i>Long-Term Liabilities:</i>				
Compensated Absences Payable	17,398	0	0	17,398
<i>Total Long-Term Liabilities</i>	<u>17,398</u>	<u>0</u>	<u>0</u>	<u>17,398</u>
<i>Total Liabilities</i>	<u>54,055</u>	<u>135,134</u>	<u>513,692</u>	<u>702,881</u>
Net Assets				
Invested in Capital Assets, Net of Related Debt	37,112	0	0	37,112
Unrestricted	20,820	457,534	72,041	550,395
<i>Total Net Assets</i>	<u>\$ 57,932</u>	<u>\$ 457,534</u>	<u>\$ 72,041</u>	<u>\$ 587,507</u>

City of Delaware, Ohio
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2005

	Garage Rotary	Self-Insurance	Workers Compensation	Total
Operating Revenues				
Charges for Services	\$ 694,636	\$ 2,771,409	\$ 363,949	\$ 3,829,994
Reimbursements	0	38,172	0	38,172
<i>Total Operating Revenues</i>	<u>694,636</u>	<u>2,809,581</u>	<u>363,949</u>	<u>3,868,166</u>
Operating Expenses				
Personal Services	202,237	0	0	202,237
Services and Charges	24,213	117,267	4,000	145,480
Materials and Supplies	493,836	0	0	493,836
Depreciation	4,440	0	0	4,440
Claims	0	2,367,193	378,962	2,746,155
<i>Total Operating Expenses</i>	<u>724,726</u>	<u>2,484,460</u>	<u>382,962</u>	<u>3,592,148</u>
<i>Operating Income (Loss)</i>	<u>(30,090)</u>	<u>325,121</u>	<u>(19,013)</u>	<u>276,018</u>
Non-Operating Expenses				
Refunds & Reimbursements	0	(7,801)	0	(7,801)
<i>Total Non-Operating Expenses</i>	<u>0</u>	<u>(7,801)</u>	<u>0</u>	<u>(7,801)</u>
<i>Change in Net Assets</i>	(30,090)	317,320	(19,013)	268,217
<i>Net Assets Beginning of Year - Restated; See Note 2</i>	<u>88,022</u>	<u>140,214</u>	<u>91,054</u>	<u>319,290</u>
<i>Net Assets End of Year</i>	<u>\$ 57,932</u>	<u>\$ 457,534</u>	<u>\$ 72,041</u>	<u>\$ 587,507</u>

City of Delaware, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2005

	<u>Garage Rotary</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Total</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 694,636	\$ 0	\$ 0	\$ 694,636
Cash Received for Premiums	0	2,771,409	363,949	3,135,358
Cash Payments for Personal Services	(210,748)	0	0	(210,748)
Cash Payments for Materials and Supplies	(501,955)	0	0	(501,955)
Cash Payments for Services and Charges	(22,390)	(2,466,883)	(400,197)	(2,889,470)
Other Cash Receipts or Payments	0	38,172	0	38,172
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>(40,457)</u>	<u>342,698</u>	<u>(36,248)</u>	<u>265,993</u>
Cash Flows from Noncapital Financing Activities				
Cash Payments for Reimbursements	0	(7,801)	0	(7,801)
<i>Net Cash Provided by (Used in) Noncapital Financing Activities</i>	<u>0</u>	<u>(7,801)</u>	<u>0</u>	<u>(7,801)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(40,457)	334,897	(36,248)	258,192
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>115,333</u>	<u>257,771</u>	<u>621,981</u>	<u>995,085</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 74,876</u>	<u>\$ 592,668</u>	<u>\$ 585,733</u>	<u>\$ 1,253,277</u>

(continued)

City of Delaware, Ohio
 Combining Statement of Cash Flows
 Internal Service Funds (continued)
 For the Year Ended December 31, 2005

	Internal Service Funds			
	Garage Rotary	Self-Insurance	Workers Compensation	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ (30,090)	\$ 325,121	\$ (19,013)	\$ 276,018
Adjustments:				
Depreciation	4,440	0	0	4,440
(Increase) Decrease in Assets:				
Increase (Decrease) in Liabilities:				
Accounts Payable	(6,305)	0	0	(6,305)
Accrued Wages and Benefits	(181)	0	0	(181)
Compensated Absences Payable	(8,321)	0	0	(8,321)
Claims Payable	0	17,577	(17,235)	342
Net Cash Provided by (Used in) Operating Activities	\$ (40,457)	\$ 342,698	\$ (36,248)	\$ 265,993

Combining Statements –Fiduciary Funds

Agency Funds

Highway Patrol Transfer Fund – To account for money received from fines and forfeitures used to support the Delaware County Law Library.

State Building Permit Fund – To account for the allocation of permit fees collected by the City that are due to the State.

Tax Abatement Fund – To account for tax abatements from businesses paid to the Olentangy Local School District.

Municipal Court – To account for the collection and distribution of court fines and forfeitures through the Municipal Court.

City of Delaware, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2005

	<i>Balance at</i> <i>January 1, 2005</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance at</i> <i>December 31, 2005</i>
Highway Patrol Transfer				
Assets				
Due from Other Governments	\$ 2,712	\$ 45,459	\$ 44,997	\$ 3,174
<i>Total Assets</i>	<u>\$ 2,712</u>	<u>\$ 45,459</u>	<u>\$ 44,997</u>	<u>\$ 3,174</u>
Liabilities				
Due to Other Governments	\$ 2,712	\$ 45,459	\$ 44,997	\$ 3,174
<i>Total Liabilities</i>	<u>\$ 2,712</u>	<u>\$ 45,459</u>	<u>\$ 44,997</u>	<u>\$ 3,174</u>
State Building Permit Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 628	\$ 3,196	\$ 3,627	\$ 197
<i>Total Assets</i>	<u>\$ 628</u>	<u>\$ 3,196</u>	<u>\$ 3,627</u>	<u>\$ 197</u>
Liabilities				
Due to Other Governments	\$ 628	\$ 3,196	\$ 3,627	\$ 197
<i>Total Liabilities</i>	<u>\$ 628</u>	<u>\$ 3,196</u>	<u>\$ 3,627</u>	<u>\$ 197</u>
Tax Abatement Fund				
Assets				
Other Taxes Receivable	\$ 1,080,000	\$ 0	\$ 120,000	\$ 960,000
<i>Total Assets</i>	<u>\$ 1,080,000</u>	<u>\$ 0</u>	<u>\$ 120,000</u>	<u>\$ 960,000</u>
Liabilities				
Due to Other Governments	\$ 1,080,000	\$ 0	\$ 120,000	\$ 960,000
<i>Total Liabilities</i>	<u>\$ 1,080,000</u>	<u>\$ 0</u>	<u>\$ 120,000</u>	<u>\$ 960,000</u>
Municipal Court				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 378,240	\$ 4,895,334	\$ 5,116,466	\$ 157,108
<i>Total Assets</i>	<u>\$ 378,240</u>	<u>\$ 4,895,334</u>	<u>\$ 5,116,466</u>	<u>\$ 157,108</u>
Liabilities				
Undistributed Assets	\$ 378,240	\$ 4,895,334	\$ 5,116,466	\$ 157,108
<i>Total Liabilities</i>	<u>\$ 378,240</u>	<u>\$ 4,895,334</u>	<u>\$ 5,116,466</u>	<u>\$ 157,108</u>
Totals				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 378,868	\$ 4,898,530	\$ 5,120,093	\$ 157,305
Other Taxes Receivable	1,080,000	0	120,000	960,000
Due from Other Governments	2,712	45,459	44,997	3,174
<i>Total Assets</i>	<u>\$ 1,461,580</u>	<u>\$ 4,943,989</u>	<u>\$ 5,285,090</u>	<u>\$ 1,120,479</u>
Liabilities				
Due to Other Governments	\$ 1,083,340	\$ 48,655	\$ 168,624	\$ 963,371
Undistributed Assets	378,240	4,895,334	5,116,466	157,108
<i>Total Liabilities</i>	<u>\$ 1,461,580</u>	<u>\$ 4,943,989</u>	<u>\$ 5,285,090</u>	<u>\$ 1,120,479</u>

City of Delaware, Ohio
 Schedule of Revenues, Expenditures
 And Changes In Fund Balance--Budget And Actual--(Budget Basis)
 For The Year Ended December 31, 2005

General Fund				
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Income Taxes	\$ 7,600,000	\$ 7,623,951	\$ 7,974,372	\$ 350,421
Property And Other Taxes	1,243,400	1,300,900	1,206,914	(93,986)
Intergovernmental	1,890,000	1,832,000	1,713,901	(118,099)
Charges For Service	960,000	1,260,000	1,624,434	364,434
Fines And Court Fees	85,000	80,000	85,790	5,790
Licenses And Permits	782,500	920,000	1,001,559	81,559
Interest Income	160,000	215,000	369,810	154,810
Miscellaneous	161,300	175,000	97,943	(77,057)
Total Revenues	12,882,200	13,406,851	14,074,723	667,872
Expenditures:				
Current:				
Public Safety				
Police				
Personal Services	3,808,911	3,808,911	3,495,120	313,791
Materials & Supplies	81,138	81,138	65,379	15,759
Services & Charges	291,803	291,803	266,323	25,480
Refunds	3,000	3,000	0	3,000
Capital Outlay	65,643	65,643	57,107	8,536
911				
Personal Services	587,470	587,470	570,792	16,678
Materials & Supplies	5,400	5,400	820	4,580
Services & Charges	46,500	46,500	43,294	3,206
Capital Outlay	0	0	0	0
Fire				
Personal Services	370,173	370,173	188,033	182,140
Materials & Supplies	104,874	104,874	91,511	13,363
Services & Charges	168,520	168,520	147,120	21,400
Capital Outlay	69,642	69,642	69,105	537
Prosecutor				
Personal Services	359,590	359,590	323,929	35,661
Materials & Supplies	3,200	3,200	3,136	64
Services & Charges	12,100	12,100	9,384	2,716
Capital Outlay	200	200	0	200
Street Lighting				
Services & Charges	190,000	190,000	170,800	19,200
Total Public Safety	6,168,163	6,168,164	5,501,853	666,311

(continued)

City of Delaware, Ohio
 Schedule of Revenues, Expenditures
 And Changes In Fund Balance--Budget And Actual--(Budget Basis)
 For The Year Ended December 31, 2005

(continued)

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
General Government				
Council				
Personal Services	64,962	64,962	55,502	9,460
Materials & Supplies	1,080	1,080	311	769
Services & Charges	12,960	24,460	22,741	1,719
City Manager's Office				
Personal Services	345,666	345,666	344,002	1,664
Materials & Supplies	4,517	4,517	3,598	919
Services & Charges	41,000	104,750	100,172	4,578
Capital Outlay	0	0	0	0
Human Resources				
Personal Services	120,555	120,555	119,855	700
Materials & Supplies	3,200	3,200	2,540	660
Services & Charges	103,691	105,191	99,425	5,766
Capital Outlay	0	0	280	(280)
Information Technology				
Personal Services	142,266	142,266	152,205	(9,939)
Materials & Supplies	3,172	3,172	2,187	985
Services & Charges	25,000	56,000	57,774	(1,774)
Capital Outlay	40,120	40,120	33,073	7,047
Economic Development				
Personal Services	85,478	85,478	85,181	297
Materials & Supplies	1,100	1,100	136	964
Services & Charges	13,200	13,200	10,792	2,408
Legal Affairs				
Personal Services	94,092	94,092	95,471	(1,379)
Materials & Supplies	2,400	2,400	2,038	362
Services & Charges	67,600	67,600	25,477	42,123
Finance				
Personal Services	752,852	752,852	727,449	25,403
Materials & Supplies	27,938	27,938	30,079	(2,141)
Services & Charges	96,500	96,500	91,680	4,820
Capital Outlay	4,500	4,500	4,080	420
General Administration				
Services & Charges	356,582	416,582	344,336	72,246
Refunds	56,067	67,067	33,860	33,207
Capital Outlay	31,000	191,000	180,454	10,546
Risk Management				
Services & Charges	128,329	128,329	103,711	24,618
Capital Outlay	0	0	0	0

(continued)

City of Delaware, Ohio
 Schedule of Revenues, Expenditures
 And Changes In Fund Balance--Budget And Actual--(Budget Basis)
 For The Year Ended December 31, 2005

(continued)

General Fund				
	Original Budget	Final Budget	Actual	Variance from Final Budget
Planning & Community Development				
Personal Services	801,836	801,836	719,376	82,460
Materials & Supplies	14,500	14,500	11,264	3,236
Services & Charges	81,899	81,899	69,265	12,634
Refunds	39,033	39,033	40,639	(1,606)
Capital Outlay	3,600	3,600	614	2,986
Engineering				
Personal Services	627,724	627,724	618,493	9,231
Materials & Supplies	25,867	25,867	16,495	9,372
Services & Charges	139,582	139,582	234,930	(95,348)
Capital Outlay	16,850	21,850	20,088	1,762
Municipal Building And Grounds Maintenance				
Personal Services	60,190	60,190	52,794	7,396
Materials & Supplies	15,500	15,500	17,669	(2,169)
Services & Charges	184,582	184,582	183,072	1,510
Capital Outlay	3,000	3,000	3,000	0
Total General Government	4,639,988	4,983,738	4,716,108	267,630
Income Tax Refunds	250,000	265,000	276,077	(11,077)
Engineering Refunds	511,227	936,227	737,224	199,003
Total Expenditures	11,569,378	12,353,129	11,231,262	1,121,867
Excess (Deficiency) Of Revenues Over Expenditures	1,312,822	1,053,722	2,843,461	1,789,739
Other Financing Sources and Uses:				
Advances Out	0	0	(475,353)	(475,353)
Transfers In	0	0	36,081	36,081
Transfers Out	(2,730,079)	(2,755,079)	(2,749,816)	5,263
Total Other Financing Sources and Uses	(2,730,079)	(2,755,079)	(3,189,088)	(434,009)
Net Change in Fund Balance	(1,417,257)	(1,701,357)	(345,627)	1,355,730
Fund Balance At Beginning Of Year:	2,150,672	2,150,672	2,150,672	0
Prior Years Encumbrances	267,461	267,461	267,461	0
Fund Balance At End Of Year:	\$ 1,000,876	\$ 716,776	\$ 2,072,506	\$ 1,355,730

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Fire/EMS Income Tax			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Income Taxes	\$ 3,000,000	\$ 3,201,000	\$ 3,189,528	\$ (11,472)
Total Revenues	<u>3,000,000</u>	<u>3,201,000</u>	<u>3,189,528</u>	<u>(11,472)</u>
Expenditures:				
Current:				
Public Safety				
Personal Services	3,066,000	3,201,000	3,189,528	11,472
Total Expenditures	<u>3,066,000</u>	<u>3,201,000</u>	<u>3,189,528</u>	<u>11,472</u>
Net Change in Fund Balance	(66,000)	0	0	0
Fund Balance At Beginning Of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u>\$ (66,000)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Capital Projects Fund: Capital Improvements			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 0	\$ 240,000	\$ 0	\$ (240,000)
Total Revenues	<u>0</u>	<u>240,000</u>	<u>0</u>	<u>(240,000)</u>
Expenditures:				
Current:				
General Government				
Services & Charges	36,517	36,517	0	36,517
Capital Outlay	1,501,363	2,259,240	1,880,458	378,782
Total Expenditures	<u>1,537,880</u>	<u>2,295,757</u>	<u>1,880,458</u>	<u>415,299</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,537,880)	(2,055,757)	(1,880,458)	175,299
Other Financing Sources (Uses):				
Proceeds of Notes	475,000	1,025,000	825,000	(200,000)
Transfers In	1,000,000	1,175,000	1,175,000	0
Transfers Out	(506,990)	(465,122)	(476,997)	(11,875)
Total Other Financing Sources (Uses)	<u>968,010</u>	<u>1,734,878</u>	<u>1,523,003</u>	<u>(211,875)</u>
Net Change in Fund Balance	(569,870)	(320,879)	(357,455)	(36,576)
Fund Balance At Beginning Of Year:	28,095	28,095	28,095	0
Prior Years Encumbrances	<u>372,677</u>	<u>372,677</u>	<u>372,677</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u>\$ (169,098)</u>	<u>\$ 79,893</u>	<u>\$ 43,317</u>	<u>\$ (36,576)</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Capital Projects Fund: Glenn Road South Construction			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Transportation Impact Fees	\$ 0	\$ 30,000	\$ 38,800	\$ 8,800
Developer Payments	0	350,000	350,000	0
Interest Income	0	0	72,657	72,657
Total Revenues	<u>0</u>	<u>380,000</u>	<u>461,457</u>	<u>81,457</u>
Expenditure:				
Capital Outlay	0	5,070,000	1,491,382	3,578,618
Total Expenditures	<u>0</u>	<u>5,070,000</u>	<u>1,491,382</u>	<u>3,578,618</u>
Excess (Deficiency) Of Revenues Over Expenditures	0	(4,690,000)	(1,029,925)	3,660,075
Other Financing Sources:				
Proceeds of Notes	0	5,070,000	5,070,000	0
Premium on Note	0	60,000	59,978	(22)
Total Other Financing Sources	<u>0</u>	<u>5,130,000</u>	<u>5,129,978</u>	<u>(22)</u>
Net Change in Fund Balance	0	440,000	4,100,053	3,660,053
Fund Balance At Beginning Of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 0</u>	<u>\$ 440,000</u>	<u>\$ 4,100,053</u>	<u>\$ 3,660,053</u>

City of Delaware, Ohio
Schedule Of Revenues, Expenses, And Changes In Fund Balance
Budget And Actual [Budget Basis]
For The Year Ended December 31, 2005

	Enterprise Fund: Water			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 3,070,000	\$ 3,025,493	\$ 3,114,576	\$ 89,083
Capacity Fees	1,500,000	1,550,000	1,258,493	(291,507)
Interest Income	0	26,250	171,711	145,461
Water Deposits	35,000	38,500	40,283	1,783
Miscellaneous	35,000	84,100	79,176	(4,924)
Total Revenues	<u>4,640,000</u>	<u>4,724,343</u>	<u>4,664,239</u>	<u>(60,104)</u>
Expenses:				
Administration				
Personal Services	216,954	216,954	197,818	19,136
Materials & Supplies	2,250	2,250	1,746	504
Services & Charges	180,148	180,148	176,253	3,895
Refunds	40,943	65,943	80,160	(14,217)
Capital Outlay	17,500	17,500	976	16,524
Treatment				
Personal Services	628,952	628,952	635,345	(6,393)
Materials & Supplies	270,456	270,456	268,437	2,019
Services & Charges	591,271	591,271	545,823	45,448
Capital Outlay	17,800	17,800	14,548	3,252
Distribution				
Personal Services	508,651	508,651	466,954	41,697
Materials & Supplies	182,733	182,733	144,018	38,715
Services & Charges	363,021	363,021	318,999	44,022
Refunds	0	0	79,560	(79,560)
Capital Outlay	51,439	51,439	44,465	6,974
Capital Projects				
Services & Charges	570,000	776,855	872,082	(95,227)
Capital Outlay	15,703,419	16,203,419	8,670,849	7,532,570
Total Expenses	<u>19,345,537</u>	<u>20,077,392</u>	<u>12,518,033</u>	<u>7,559,359</u>
Excess (Deficiency) Of Revenues Over Expenses	(14,705,537)	(15,353,049)	(7,853,794)	7,499,255
Other Financing Sources:				
Proceeds Of Note	0	9,950,000	3,545,000	(6,405,000)
Premium on Note	0	0	41,937	41,937
Total Other Financing Sources	<u>0</u>	<u>9,950,000</u>	<u>3,586,937</u>	<u>(6,363,063)</u>
Net Change in Fund Balance	(14,705,537)	(5,403,049)	(4,266,857)	1,136,192
Fund Balance At Beginning Of Year:	7,684,456	7,684,456	7,684,456	0
Prior Years Encumbrances	<u>1,556,332</u>	<u>1,556,332</u>	<u>1,556,332</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u>\$ (5,464,749)</u>	<u>\$ 3,837,739</u>	<u>\$ 4,973,931</u>	<u>\$ 1,136,192</u>

City of Delaware, Ohio
Schedule Of Revenues, Expenses, And Changes In Fund Balance
Budget And Actual [Budget Basis]
For The Year Ended December 31, 2005

	Enterprise Fund: Sewer			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 3,580,000	\$ 3,620,400	\$ 3,880,710	\$ 260,310
Capacity Fees	2,000,000	2,000,000	1,701,394	(298,606)
Interest Income	60,000	63,000	294,585	231,585
Miscellaneous	55,000	45,000	101,328	56,328
Total Revenues	<u>5,695,000</u>	<u>5,728,400</u>	<u>5,978,017</u>	<u>249,617</u>
Expenses:				
Administration				
Personal Services	216,604	216,604	176,853	39,751
Materials & Supplies	2,000	2,000	1,477	523
Services & Charges	364,727	464,727	516,592	(51,865)
Refunds	15,000	15,000	0	15,000
Capital Outlay	9,000	9,000	976	8,024
Treatment				
Personal Services	772,327	772,327	759,778	12,549
Materials & Supplies	130,052	130,052	105,164	24,888
Services & Charges	820,308	820,308	813,854	6,454
Capital Outlay	28,220	28,220	11,396	16,824
Collection				
Personal Services	332,073	332,073	329,488	2,585
Materials & Supplies	37,002	37,002	34,063	2,939
Services & Charges	232,328	232,328	232,010	318
Capital Outlay	69,362	69,362	63,135	6,227
Capital Projects				
Services & Charges	150,000	150,000	12,820	137,180
Refunds	0	0	112,710	(112,710)
Capital Outlay	39,090,426	43,469,776	29,740,897	13,728,879
Debt Service				
Principal Retirement	460,000	460,000	460,000	0
Interest & Fiscal Charges	247,073	247,073	247,073	0
Total Expenses	<u>42,976,502</u>	<u>47,455,852</u>	<u>33,618,286</u>	<u>13,837,566</u>
Excess (Deficiency) Of Revenues Over Expenses	(37,281,502)	(41,727,452)	(27,640,269)	14,087,183
Other Financing Sources:				
Proceeds of Note	0	12,000,000	16,000,000	4,000,000
Proceeds of Bond	15,000,000	16,400,000	1,153,233	(15,246,767)
Proceeds of Loan	0	0	12,455,359	12,455,359
Premium on Note	0	0	173,230	173,230
Total Other Financing Sources	<u>15,000,000</u>	<u>28,400,000</u>	<u>29,781,822</u>	<u>1,381,822</u>
Net Change in Fund Balance	(22,281,502)	(13,327,452)	2,141,553	15,469,005
Fund Deficit At Beginning Of Year:	(12,371,450)	(12,371,450)	(12,371,450)	0
Prior Years Encumbrances	22,883,025	22,883,025	22,883,025	0
Fund Balance (Deficit) At End Of Year:	<u>\$ (11,769,927)</u>	<u>\$ (2,815,877)</u>	<u>\$ 12,653,128</u>	<u>\$ 15,469,005</u>

City of Delaware, Ohio
Schedule Of Revenues, Expenses, And Changes In Fund Balance
Budget And Actual [Budget Basis]
For the Year Ended December 31, 2005

	Enterprise Fund: Storm Sewer Fund			Variance
	Original Budget	Final Budget	Actual	from Final Budget
Revenues:				
Charges For Services	\$ 750,000	\$ 735,000	\$ 720,042	\$ (14,958)
Miscellaneous	0	0	99	99
Total Revenues	<u>750,000</u>	<u>735,000</u>	<u>720,141</u>	<u>(14,859)</u>
Expenses:				
Public Works				
Operations				0
Personal Services	165,418	165,418	108,880	56,538
Materials & Supplies	17,098	17,098	16,803	295
Services & Charges	38,521	38,521	13,425	25,096
Refunds	6,000	6,000	231	5,769
Capital Outlay	19,000	19,000	19,116	(116)
				0
Capital Projects				0
Services & Charges	131,250	131,250	76,602	54,648
Refunds	100,000	100,000	0	100,000
Capital Outlay	1,684,038	1,798,838	720,928	1,077,910
Total Expenses	<u>2,161,325</u>	<u>2,276,125</u>	<u>955,985</u>	<u>1,320,140</u>
Excess (Deficiency) Of Revenues Over Expenses	(1,411,325)	(1,541,125)	(235,844)	1,305,281
Other Financing Sources:				
Proceeds of Note	0	1,315,000	0	(1,315,000)
Total Other Financing Sources	<u>0</u>	<u>1,315,000</u>	<u>0</u>	<u>(1,315,000)</u>
Net Change in Fund Balance	(1,411,325)	(226,125)	(235,844)	(9,719)
Fund Balance At Beginning Of Year:	650,313	650,313	650,313	0
Prior Years Encumbrances	<u>130,819</u>	<u>130,819</u>	<u>130,819</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u><u>\$(630,193)</u></u>	<u><u>\$ 555,007</u></u>	<u><u>\$ 545,288</u></u>	<u><u>\$ (9,719)</u></u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2005

	Enterprise Fund: Refuse			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 2,200,000	\$ 2,089,500	\$ 2,173,611	\$ 84,111
Miscellaneous	60,000	50,000	17,363	(32,637)
Total Revenues	<u>2,260,000</u>	<u>2,139,500</u>	<u>2,190,974</u>	<u>51,474</u>
Expenses:				
Administration				
Services & Charges	106,911	106,911	89,913	16,998
Refunds	750	750	26	724
Capital Outlay	8,058	483,058	470,101	12,957
Collection				
Personal Services	384,051	384,051	365,873	18,178
Materials & Supplies	47,000	47,000	22,420	24,580
Services & Charges	1,076,392	1,076,392	1,066,537	9,855
Capital Outlay	285,311	285,311	271,169	14,142
Recycling				
Personal Services	253,373	253,373	256,227	(2,854)
Materials & Supplies	45,390	45,390	35,903	9,487
Services & Charges	125,380	125,380	112,226	13,154
Capital Outlay	122,000	122,000	102,236	19,764
Debt Service				
Principal Retirement	400,000	400,000	400,000	0
Interest & Fiscal Charges	10,000	10,000	9,972	28
Total Expenses	<u>2,864,616</u>	<u>3,339,616</u>	<u>3,202,603</u>	<u>137,013</u>
Excess (Deficiency) Of Revenues Over Expenses	(604,616)	(1,200,116)	(1,011,629)	188,487
Other Financing Sources:				
Proceeds of Note	0	300,000	475,000	175,000
Operating Transfers Out	(119,477)	(119,477)	(119,477)	0
Total Other Financing Sources	<u>(119,477)</u>	<u>180,523</u>	<u>355,523</u>	<u>175,000</u>
Net Change in Fund Balance	(724,093)	(1,019,593)	(656,106)	363,487
Fund Balance At Beginning Of Year:	822,288	822,288	822,288	0
Prior Years Encumbrances	217,146	217,146	217,146	0
Fund Balance (Deficit) At End Of Year:	<u>\$ 315,341</u>	<u>\$ 19,841</u>	<u>\$ 383,328</u>	<u>\$ 363,487</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Street Maintenance & Repair			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 990,000	\$ 1,048,150	\$ 1,024,688	\$ (23,462)
Licenses and Permits	0	0	2,000	2,000
Miscellaneous	0	0	370	370
Total Revenues	<u>990,000</u>	<u>1,048,150</u>	<u>1,027,058</u>	<u>(21,092)</u>
Expenditures:				
Current:				
Public Works				
Administration				
Personal Services	377,380	377,380	370,121	7,259
Materials & Supplies	7,409	7,409	6,016	1,393
Services & Charges	48,290	48,290	45,450	2,840
Street Division				
Personal Services	561,642	561,642	549,744	11,898
Materials & Supplies	170,350	180,350	168,775	11,575
Services & Charges	153,839	153,839	148,055	5,784
Capital Outlay	3,000	3,000	0	3,000
Traffic Division				
Personal Services	255,808	255,808	226,480	29,328
Materials & Supplies	92,694	92,694	86,268	6,426
Services & Charges	95,586	95,586	82,807	12,779
Capital Outlay	9,250	9,250	7,020	2,230
Total Expenditures	<u>1,775,248</u>	<u>1,785,248</u>	<u>1,690,736</u>	<u>94,512</u>
Excess (Deficiency) Of Revenues Over Expenditures	(785,248)	(737,098)	(663,678)	73,420
Other Financing Sources (Uses):				
Transfers In	750,000	815,825	866,744	50,919
Transfers Out	(175,000)	(175,000)	(175,000)	0
Total Other Financing Sources (Uses)	<u>575,000</u>	<u>640,825</u>	<u>691,744</u>	<u>50,919</u>
Net Change in Fund Balance	(210,248)	(96,273)	28,066	124,339
Fund Balance At Beginning Of Year:	<u>223,559</u>	<u>223,559</u>	<u>223,559</u>	<u>0</u>
Prior Years Encumbrances	28,880	28,880	28,880	0
Fund Balance At End Of Year:	<u>\$ 42,191</u>	<u>\$ 156,166</u>	<u>\$ 280,505</u>	<u>\$ 124,339</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: State Highway Improvement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 81,000	\$ 79,700	\$ 83,083	\$ 3,383
Interest Income	100	250	2,952	2,702
Total Revenues	<u>81,100</u>	<u>79,950</u>	<u>86,035</u>	<u>6,085</u>
Expenditures:				
Current:				
Public Works				
Capital Outlay	145,000	232,000	216,090	15,910
Total Expenditures	<u>145,000</u>	<u>232,000</u>	<u>216,090</u>	<u>15,910</u>
Net Change in Fund Balance	(63,900)	(152,050)	(130,055)	21,995
Fund Balance At Beginning Of Year:	126,485	126,485	126,485	0
Prior Years Encumbrances	15,000	15,000	15,000	0
Fund Balance (Deficit) At End Of Year:	<u>\$ 77,585</u>	<u>\$ (10,565)</u>	<u>\$ 11,430</u>	<u>\$ 21,995</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: License Fee			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 360,000	\$ 340,000	\$ 332,002	\$ (7,998)
Interest Income	1,200	1,400	2,538	1,138
Total Revenues	<u>361,200</u>	<u>341,400</u>	<u>334,540</u>	<u>(6,860)</u>
Expenditures:				
Current:				
Public Works				
Capital Outlay	387,000	387,000	317,895	69,105
Total Expenditures	<u>387,000</u>	<u>387,000</u>	<u>317,895</u>	<u>69,105</u>
Net Change in Fund Balance	(25,800)	(45,600)	16,645	62,245
Fund Balance At Beginning Of Year:	55,122	55,122	55,122	0
Prior Years Encumbrances	7,000	7,000	7,000	0
Fund Balance At End Of Year:	<u>\$ 36,322</u>	<u>\$ 16,522</u>	<u>\$ 78,767</u>	<u>\$ 62,245</u>

City of Delaware, Ohio
Schedule Of Revenues, Expenditures And Changes In Fund Balance
Budget And Actual [Budget Basis]
For the Year Ended December 31, 2005

	Special Revenue Fund: Parks & Recreation			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 293,500	\$ 277,900	\$ 266,695	\$ (11,205)
Miscellaneous	18,200	22,500	18,495	(4,005)
Total Revenues	<u>311,700</u>	<u>300,400</u>	<u>285,190</u>	<u>(15,210)</u>
Expenditures:				
Current:				
Parks & Recreation				
Grounds & Facilities Maintenance				
Personal Services	505,198	505,198	494,338	10,860
Materials & Supplies	26,500	26,500	27,638	(1,138)
Services & Charges	146,213	156,213	162,660	(6,447)
Capital Outlay	3,800	3,800	2,574	1,226
Recreational Services				
Personal Services	215,276	215,276	200,706	14,570
Materials & Supplies	8,342	8,342	6,343	1,999
Services & Charges	29,107	29,107	40,997	(11,890)
Refunds	300	300	135	165
Programs				
Materials & Supplies	34,800	34,800	34,918	(118)
Services & Charges	74,500	74,500	64,693	9,807
Refunds	3,800	3,800	4,789	(989)
Pool Operations				
Personal Services	90,584	90,584	78,765	11,819
Materials & Supplies	27,850	27,850	24,364	3,486
Services & Charges	30,850	30,850	22,384	8,466
Refunds	500	500	161	339
Capital Outlay	0	0	1,689	(1,689)
Total Expenditures	<u>1,197,620</u>	<u>1,207,620</u>	<u>1,167,154</u>	<u>40,466</u>
Excess (Deficiency) Of Revenues Over Expenditures	(885,920)	(907,220)	(881,964)	25,256
Other Financing Sources:				
Transfers In	800,000	887,138	887,138	0
Total Other Financing Sources	<u>800,000</u>	<u>887,138</u>	<u>887,138</u>	<u>0</u>
Net Change in Fund Balance	(85,920)	(20,082)	5,174	25,256
Fund Balance At Beginning Of Year:	21,429	21,429	21,429	0
Prior Years Encumbrances	2,614	2,614	2,614	0
Fund Balance (Deficit) At End Of Year:	<u>\$ (61,877)</u>	<u>\$ 3,961</u>	<u>\$ 29,217</u>	<u>\$ 25,256</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Airport Improvement			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 330,000	\$ 427,688	\$ 404,134	\$ (23,554)
Miscellaneous	24,000	23,725	25,417	1,692
Total Revenues	<u>354,000</u>	<u>451,413</u>	<u>429,551</u>	<u>(21,862)</u>
Expenditures:				
Current:				
Airport				
Personal Services	135,230	135,230	130,507	4,723
Materials & Supplies	250,880	275,880	272,549	3,331
Services & Charges	139,425	139,425	144,046	(4,621)
Refunds	500	500	970	(470)
Capital Outlay	40,550	40,550	32,647	7,903
Total Expenditures	<u>566,585</u>	<u>591,585</u>	<u>580,719</u>	<u>10,866</u>
Excess (Deficiency) Of Revenues Over Expenditures	(212,585)	(140,172)	(151,168)	(10,996)
Other Financing Sources:				
Transfers In	60,000	160,592	150,592	(10,000)
Total Other Financing Sources	<u>60,000</u>	<u>160,592</u>	<u>150,592</u>	<u>(10,000)</u>
Net Change in Fund Balance	(152,585)	20,420	(576)	(20,996)
Fund Balance At Beginning Of Year:	2,593	2,593	2,593	0
Prior Years Encumbrances	1,574	1,574	1,574	0
Fund Balance (Deficit) At End Of Year:	<u>\$ (148,418)</u>	<u>\$ 24,587</u>	<u>\$ 3,591</u>	<u>\$ (20,996)</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Airport T-Hangars			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 95,000	\$ 81,912	\$ 87,453	\$ 5,541
Miscellaneous	1,000	1,850	1,801	(49)
Total Revenues	<u>96,000</u>	<u>83,762</u>	<u>89,254</u>	<u>5,492</u>
Expenditures:				
Current:				
Airport				
Services & Charges	33,843	36,843	34,567	2,276
Refunds	1,000	1,000	1,433	(433)
Total Expenditures	<u>34,843</u>	<u>37,843</u>	<u>36,000</u>	<u>1,843</u>
Excess (Deficiency) Of Revenues Over Expenditures	61,157	45,919	53,254	7,335
Other Financing Uses:				
Transfers Out	(17,500)	(17,500)	(17,500)	0
Total Other Financing Uses	<u>(17,500)</u>	<u>(17,500)</u>	<u>(17,500)</u>	<u>0</u>
Net Change in Fund Balance	43,657	28,419	35,754	7,335
Fund Balance At Beginning Of Year:	<u>113,921</u>	<u>113,921</u>	<u>113,921</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 157,578</u>	<u>\$ 142,340</u>	<u>\$ 149,675</u>	<u>\$ 7,335</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Court/Police Building Income Tax			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Income Taxes	\$ 2,500	\$ 3,500	\$ 7,799	\$ 4,299
Total Revenues	<u>2,500</u>	<u>3,500</u>	<u>7,799</u>	<u>4,299</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	15,000	15,000	2,654	12,346
Capital Outlay	0	0	799	(799)
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>3,453</u>	<u>11,547</u>
Net Change in Fund Balance	(12,500)	(11,500)	4,346	15,846
Fund Balance At Beginning Of Year:	<u>13,929</u>	<u>13,929</u>	<u>13,929</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 1,429</u>	<u>\$ 2,429</u>	<u>\$ 18,275</u>	<u>\$ 15,846</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Municipal Court			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Fines And Court Fees	\$ 1,368,000	\$ 1,365,750	\$ 1,424,933	\$ 59,183
Charges for Service	135,000	142,000	132,060	(9,940)
Miscellaneous	0	0	9,578	9,578
Total Revenues	<u>1,503,000</u>	<u>1,507,750</u>	<u>1,566,571</u>	<u>58,821</u>
Expenditures:				
Current:				
Public Safety				
Court Administration				
Personal Services	811,419	811,419	814,175	(2,756)
Materials & Supplies	15,500	15,500	18,717	(3,217)
Services & Charges	41,700	41,700	27,178	14,522
Capital Outlay	3,000	3,000	0	3,000
Clerk of Court				
Personal Services	774,828	774,828	743,500	31,328
Materials & Supplies	19,000	19,000	18,709	291
Services & Charges	71,975	71,975	64,801	7,174
Capital Outlay	5,000	5,000	1,658	3,342
Total Expenditures	<u>1,742,422</u>	<u>1,742,422</u>	<u>1,688,738</u>	<u>53,684</u>
Excess (Deficiency) Of Revenues Over Expenditures	(239,422)	(234,672)	(122,167)	112,505
Other Financing Sources:				
Transfers In	150,000	267,000	267,000	0
Total Other Financing Sources	<u>150,000</u>	<u>267,000</u>	<u>267,000</u>	<u>0</u>
Net Change in Fund Balance	(89,422)	32,328	144,833	112,505
Fund Balance At Beginning Of Year:	10,000	10,000	10,000	0
Prior Years Encumbrances	1,975	1,975	1,975	0
Fund Balance (Deficit) At End Of Year:	<u>\$ (77,447)</u>	<u>\$ 44,303</u>	<u>\$ 156,808</u>	<u>\$ 112,505</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Drug Enforcement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines And Court Fees	\$ 1,000	\$ 2,850	\$ 3,880	\$ 1,030
Total Revenues	<u>1,000</u>	<u>2,850</u>	<u>3,880</u>	<u>1,030</u>
Expenditures:				
Current:				
Public Safety	3,000	3,000	0	3,000
Total Expenditures	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>3,000</u>
Net Change in Fund Balance	(2,000)	(150)	3,880	4,030
Fund Balance At Beginning Of Year:	<u>3,699</u>	<u>3,699</u>	<u>3,699</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 1,699</u>	<u>\$ 3,549</u>	<u>\$ 7,579</u>	<u>\$ 4,030</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Court Alcohol Treatment			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Fines And Court Fees	\$ 40,000	\$ 32,000	\$ 33,911	\$ 1,911
Total Revenues	<u>40,000</u>	<u>32,000</u>	<u>33,911</u>	<u>1,911</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	200,000	200,000	0	200,000
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
Net Change in Fund Balance	(160,000)	(168,000)	33,911	201,911
Fund Balance At Beginning Of Year:	<u>371,172</u>	<u>371,172</u>	<u>371,172</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 211,172</u>	<u>\$ 203,172</u>	<u>\$ 405,083</u>	<u>\$ 201,911</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: OMVI Enforcement & Education			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines And Court Fees	\$ 5,000	\$ 6,500	\$ 3,040	\$ (3,460)
Total Revenues	<u>5,000</u>	<u>6,500</u>	<u>3,040</u>	<u>(3,460)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	3,000	3,000	0	3,000
Capital Outlay	1,500	1,500	0	1,500
Total Expenditures	<u>4,500</u>	<u>4,500</u>	<u>0</u>	<u>4,500</u>
Excess (Deficiency) Of Revenues Over Expenditures	500	2,000	3,040	1,040
Other Financing Uses:				
Transfers Out	(3,000)	(3,000)	0	3,000
Total Other Financing Uses	<u>(3,000)</u>	<u>(3,000)</u>	<u>0</u>	<u>3,000</u>
Net Change in Fund Balance	(2,500)	(1,000)	3,040	4,040
Fund Balance At Beginning Of Year:	<u>28,948</u>	<u>28,948</u>	<u>28,948</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 26,448</u>	<u>\$ 27,948</u>	<u>\$ 31,988</u>	<u>\$ 4,040</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Police Judgment			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Miscellaneous	\$ 1,200	\$ 1,000	\$ 85,221	\$ 84,221
Total Revenues	<u>1,200</u>	<u>1,000</u>	<u>85,221</u>	<u>84,221</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	2,000	2,000	0	2,000
Capital Outlay	2,000	2,000	0	2,000
Total Expenditures	<u>4,000</u>	<u>4,000</u>	<u>0</u>	<u>4,000</u>
Net Change in Fund Balance	(2,800)	(3,000)	85,221	88,221
Fund Balance At Beginning Of Year:	<u>3,206</u>	<u>3,206</u>	<u>3,206</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 406</u>	<u>\$ 206</u>	<u>\$ 88,427</u>	<u>\$ 88,221</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Law Enforcement Trust			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Miscellaneous	\$ 500	\$ 500	\$ 893	\$ 393
Total Revenues	<u>500</u>	<u>500</u>	<u>893</u>	<u>393</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	500	500	0	500
Capital Outlay	1,000	1,000	0	1,000
Total Expenditures	<u>1,500</u>	<u>1,500</u>	<u>0</u>	<u>1,500</u>
Net Change in Fund Balance	(1,000)	(1,000)	893	1,893
Fund Balance At Beginning Of Year:	<u>3,916</u>	<u>3,916</u>	<u>3,916</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 2,916</u>	<u>\$ 2,916</u>	<u>\$ 4,809</u>	<u>\$ 1,893</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Park Exaction Fees			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Donations & Contributions	\$ 40,000	\$ 15,000	\$ 0	\$ (15,000)
Total Revenues	<u>40,000</u>	<u>15,000</u>	<u>0</u>	<u>(15,000)</u>
Expenditures:				
Current:				
Recreation And Parks				
Capital Outlay	29,209	29,209	24,723	4,486
Total Expenditures	<u>29,209</u>	<u>29,209</u>	<u>24,723</u>	<u>4,486</u>
Net Change in Fund Balance	10,791	(14,209)	(24,723)	(10,514)
Fund Balance At Beginning Of Year:	140,895	140,895	140,895	0
Prior Years Encumbrances	<u>14,209</u>	<u>14,209</u>	<u>14,209</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 165,895</u>	<u>\$ 140,895</u>	<u>\$ 130,381</u>	<u>\$ (10,514)</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Computer Legal Research			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Fines And Court Fees	\$ 290,000	\$ 285,000	\$ 256,986	\$ (28,014)
Total Revenues	<u>290,000</u>	<u>285,000</u>	<u>256,986</u>	<u>(28,014)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	130,000	130,000	106,674	23,326
Capital Outlay	100,000	100,000	0	100,000
Total Expenditures	<u>230,000</u>	<u>230,000</u>	<u>106,674</u>	<u>123,326</u>
Excess (Deficiency) Of Revenues Over Expenditures	60,000	55,000	150,312	95,312
Other Financing Uses:				
Transfers Out	<u>(107,000)</u>	<u>(107,000)</u>	<u>(135,594)</u>	<u>(28,594)</u>
Total Other Financing Uses	<u>(107,000)</u>	<u>(107,000)</u>	<u>(135,594)</u>	<u>(28,594)</u>
Net Change in Fund Balance	(47,000)	(52,000)	14,718	66,718
Fund Balance At Beginning Of Year:	83,499	83,499	83,499	0
Prior Years Encumbrances	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 41,499</u>	<u>\$ 36,499</u>	<u>\$ 103,217</u>	<u>\$ 66,718</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Court Special Projects			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Fines And Court Fees	\$ 130,000	\$ 95,000	\$ 93,738	\$ (1,262)
Total Revenues	<u>130,000</u>	<u>95,000</u>	<u>93,738</u>	<u>(1,262)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	100,000	100,000	6,351	93,649
Capital Outlay	100,000	100,000	19,025	80,975
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>25,376</u>	<u>174,624</u>
Excess (Deficiency) Of Revenues Over Expenditures	(70,000)	(105,000)	68,362	173,362
Other Financing Uses:				
Transfers Out	<u>(160,000)</u>	<u>(160,000)</u>	<u>(160,000)</u>	<u>0</u>
Total Other Financing Uses	<u>(160,000)</u>	<u>(160,000)</u>	<u>(160,000)</u>	<u>0</u>
Net Change in Fund Balance	(230,000)	(265,000)	(91,638)	173,362
Fund Balance At Beginning Of Year:	<u>335,792</u>	<u>335,792</u>	<u>335,792</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 105,792</u>	<u>\$ 70,792</u>	<u>\$ 244,154</u>	<u>\$ 173,362</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Indigent EMHA			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines And Court Fees	\$ 6,000	\$ 3,200	\$ 2,773	\$ (427)
Total Revenues	<u>6,000</u>	<u>3,200</u>	<u>2,773</u>	<u>(427)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	16,500	16,500	0	16,500
Total Expenditures	<u>16,500</u>	<u>16,500</u>	<u>0</u>	<u>16,500</u>
Net Change in Fund Balance	(10,500)	(13,300)	2,773	16,073
Fund Balance At Beginning Of Year:	<u>32,076</u>	<u>32,076</u>	<u>32,076</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 21,576</u>	<u>\$ 18,776</u>	<u>\$ 34,849</u>	<u>\$ 16,073</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Probation Services			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Fines And Court Fees	\$ 18,000	\$ 22,500	\$ 51,007	\$ 28,507
Total Revenues	<u>18,000</u>	<u>22,500</u>	<u>51,007</u>	<u>28,507</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	20,000	20,000	12,951	7,049
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>12,951</u>	<u>7,049</u>
Net Change in Fund Balance	(2,000)	2,500	38,056	35,556
Fund Balance At Beginning Of Year:	<u>20,518</u>	<u>20,518</u>	<u>20,518</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 18,518</u>	<u>\$ 23,018</u>	<u>\$ 58,574</u>	<u>\$ 35,556</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Police And Fire Pension			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Property And Other Taxes	\$ 330,600	\$ 341,000	\$ 333,459	\$ (7,541)
Intergovernmental	36,000	38,000	31,238	(6,762)
Total Revenues	<u>366,600</u>	<u>379,000</u>	<u>364,697</u>	<u>(14,303)</u>
Expenditures:				
Current:				
Public Safety				
Personal Services	379,000	379,000	364,697	14,303
Total Expenditures	<u>379,000</u>	<u>379,000</u>	<u>364,697</u>	<u>14,303</u>
Net Change in Fund Balance	(12,400)	0	0	0
Fund Balance At Beginning Of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u>\$ (12,400)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Homeland Security Grant			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Total Expenditures	0	0	0	0
Excess (Deficiency) Of Revenues Over Expenditures	0	0	0	0
Other Financing Uses:				
Transfers Out	0	(1,090)	(1,090)	0
Total Other Financing Uses	0	(1,090)	(1,090)	0
Net Change in Fund Balance	0	(1,090)	(1,090)	0
Fund Balance At Beginning Of Year:	1,090	1,090	1,090	0
Fund Balance At End Of Year:	\$ 1,090	\$ 0	\$ 0	\$ 0

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Federal Emergency Management Agency			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 82,787	\$ 46,316	\$ 46,316	\$ 0
Total Revenues	<u>82,787</u>	<u>46,316</u>	<u>46,316</u>	<u>0</u>
Expenditures:				
Current:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over Expenditures	82,787	46,316	46,316	0
Other Financing Uses:				
Transfers Out	<u>0</u>	<u>(46,316)</u>	<u>(46,316)</u>	<u>0</u>
Total Other Financing Uses	<u>0</u>	<u>(46,316)</u>	<u>(46,316)</u>	<u>0</u>
Net Change in Fund Balance	82,787	0	0	0
Fund Balance At Beginning Of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 82,787</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Community Development Block Grant			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 0	\$ 110,000	\$ 96,236	\$ (13,764)
Total Revenues	<u>0</u>	<u>110,000</u>	<u>96,236</u>	<u>(13,764)</u>
Expenditures:				
Current:				
Community Development				
Personal Services	12,000	14,801	11,763	3,038
Capital Outlay	100,000	100,000	89,359	10,641
Total Expenditures	<u>112,000</u>	<u>114,801</u>	<u>101,122</u>	<u>13,679</u>
Net Change in Fund Balance	(112,000)	(4,801)	(4,886)	(85)
Fund Deficit At Beginning Of Year:	(969)	(969)	(969)	0
Prior Years Encumbrances	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>0</u>
Fund Deficit At End Of Year:	<u>\$ (110,969)</u>	<u>\$ (3,770)</u>	<u>\$ (3,855)</u>	<u>\$ (85)</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Community Police Block Grant			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance At Beginning Of Year:	1,302	1,302	1,302	0
Fund Balance At End Of Year:	<u>\$ 1,302</u>	<u>\$ 1,302</u>	<u>\$ 1,302</u>	<u>\$ 0</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Economic Development			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 0	\$ 200,823	\$ 29,331	\$ (171,492)
Total Revenues	<u>0</u>	<u>200,823</u>	<u>29,331</u>	<u>(171,492)</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	0	195,800	29,046	166,754
Total Expenditures	<u>0</u>	<u>195,800</u>	<u>29,046</u>	<u>166,754</u>
Excess (Deficiency) Of Revenues Over Expenditures	0	5,023	285	(4,738)
Other Financing Sources:				
Transfers In	0	0	4,738	4,738
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>4,738</u>	<u>4,738</u>
Net Change in Fund Balance	0	5,023	5,023	0
Fund Deficit At Beginning Of Year:	<u>(5,023)</u>	<u>(5,023)</u>	<u>(5,023)</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u>\$ (5,023)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Economic Development Revolving Loan			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 0	\$ 765,000	\$ 765,000	\$ 0
Charges For Service	0	0	16,085	16,085
Interest Income	0	0	7	7
Total Revenues	<u>0</u>	<u>765,000</u>	<u>781,092</u>	<u>16,092</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	0	765,000	765,000	0
Total Expenditures	<u>0</u>	<u>765,000</u>	<u>765,000</u>	<u>0</u>
Net Change in Fund Balance	0	0	16,092	16,092
Fund Balance At Beginning Of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 16,092</u>	<u>\$ 16,092</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Rental Rehabilitation Grant			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance At Beginning Of Year:	1,724	1,724	1,724	0
Fund Balance At End Of Year:	\$ 1,724	\$ 1,724	\$ 1,724	\$ 0

City of Delaware, Ohio
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Community Housing Improvement Program			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 277,000	\$ 458,420	\$ 276,783	\$ (181,637)
Charges For Service	0	0	14,918	14,918
Total Revenues	<u>277,000</u>	<u>458,420</u>	<u>291,701</u>	<u>(166,719)</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	93,432	171,579	74,097	97,482
Capital Outlay	149,392	280,020	196,674	83,346
Total Expenditures	<u>242,824</u>	<u>451,599</u>	<u>270,771</u>	<u>180,828</u>
Net Change in Fund Balance	34,176	6,821	20,930	14,109
Fund Deficit At Beginning Of Year:	(120,551)	(120,551)	(120,551)	0
Prior Years Encumbrances	<u>125,455</u>	<u>125,455</u>	<u>125,455</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 39,080</u>	<u>\$ 11,725</u>	<u>\$ 25,834</u>	<u>\$ 14,109</u>

City of Delaware, Ohio
 Schedule Of Revenue , Expenditures, and Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Fire Donations			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Donations	\$ 1,200	\$ 500	\$ 810	\$ 310
Total Revenues	<u>1,200</u>	<u>500</u>	<u>810</u>	<u>310</u>
Expenditures:				
Current:				
Public Safety				
Materials & Supplies	6,250	6,250	1,850	4,400
Total Expenditures	<u>6,250</u>	<u>6,250</u>	<u>1,850</u>	<u>4,400</u>
Net Change in Fund Balance	(5,050)	(5,750)	(1,040)	4,710
Fund Balance At Beginning Of Year:	5,480	5,480	5,480	0
Prior Years Encumbrances	<u>1,850</u>	<u>1,850</u>	<u>1,850</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 2,280</u>	<u>\$ 1,580</u>	<u>\$ 6,290</u>	<u>\$ 4,710</u>

City of Delaware, Ohio
 Schedule Of Revenue , Expenditures, and Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Park Donations			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Donations	\$ 10,500	\$ 15,500	\$ 245,050	\$ 229,550
Total Revenues	<u>10,500</u>	<u>15,500</u>	<u>245,050</u>	<u>229,550</u>
Expenditures:				
Current:				
Recreation and Parks				
Services & Charges	10,000	10,000	9,732	268
Capital Outlay	31,155	76,155	68,634	7,521
Total Expenditures	<u>41,155</u>	<u>86,155</u>	<u>78,366</u>	<u>7,789</u>
Net Change in Fund Balance	(30,655)	(70,655)	166,684	237,339
Fund Balance At Beginning Of Year: <i>[as restated]</i>	163,893	163,893	163,893	0
Prior Years Encumbrances	<u>3,655</u>	<u>3,655</u>	<u>3,655</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 136,893</u>	<u>\$ 96,893</u>	<u>\$ 334,232</u>	<u>\$ 237,339</u>

City of Delaware, Ohio
 Schedule Of Revenue , Expenditures, and Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Police Donations			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Donations	\$ 1,000	\$ 250	\$ 0	\$ (250)
Total Revenues	<u>1,000</u>	<u>250</u>	<u>0</u>	<u>(250)</u>
Expenditures:				
Current:				
Public Safety				
Capital Outlay	3,250	3,250	0	3,250
Total Expenditures	<u>3,250</u>	<u>3,250</u>	<u>0</u>	<u>3,250</u>
Net Change in Fund Balance	(2,250)	(3,000)	0	3,000
Fund Balance At Beginning Of Year:	<u>3,995</u>	<u>3,995</u>	<u>3,995</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 1,745</u>	<u>\$ 995</u>	<u>\$ 3,995</u>	<u>\$ 3,000</u>

City of Delaware, Ohio
 Schedule Of Revenue , Expenditures, and Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Mayor's Donations			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Donations	\$ 2,500	\$ 2,500	\$ 2,425	\$ (75)
Total Revenues	<u>2,500</u>	<u>2,500</u>	<u>2,425</u>	<u>(75)</u>
Expenditures:				
Current:				
General Government				
Services & Charges	3,500	3,500	1,484	2,016
Total Expenditures	<u>3,500</u>	<u>3,500</u>	<u>1,484</u>	<u>2,016</u>
Net Change in Fund Balance	(1,000)	(1,000)	941	1,941
Fund Balance At Beginning Of Year:	<u>1,828</u>	<u>1,828</u>	<u>1,828</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 828</u>	<u>\$ 828</u>	<u>\$ 2,769</u>	<u>\$ 1,941</u>

City of Delaware, Ohio
 Schedule Of Revenue , Expenditures, and Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Special Revenue Fund: Project Trust			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Developers' Fees	\$ 50,000	\$ 25,000	\$ 100,488	\$ 75,488
Total Revenues	<u>50,000</u>	<u>25,000</u>	<u>100,488</u>	<u>75,488</u>
Expenditures:				
Current:				
Community Development				
Capital Outlay	176,650	176,650	0	176,650
Total Expenditures	<u>176,650</u>	<u>176,650</u>	<u>0</u>	<u>176,650</u>
Net Change in Fund Balance	(126,650)	(151,650)	100,488	252,138
Fund Balance At Beginning Of Year:	385,003	385,003	385,003	0
Prior Years Encumbrances	<u>11,650</u>	<u>11,650</u>	<u>11,650</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 270,003</u>	<u>\$ 245,003</u>	<u>\$ 497,141</u>	<u>\$ 252,138</u>

City of Delaware, Ohio
 Schedule Of Revenue, Expenditures, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2005

	Debt Service Fund: General Obligation Bond Retirement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Interest Income	\$ 0	\$ 0	\$ 7,159	\$ 7,159
Miscellaneous	0	0	253	253
Total Revenues	<u>0</u>	<u>0</u>	<u>7,412</u>	<u>7,412</u>
Expenditures:				
Debt Service:				
Services & Charges	25,000	25,000	19,891	5,109
Principal Retirement	2,499,000	2,949,000	2,955,000	(6,000)
Interest And Fiscal Charges	284,088	284,088	270,392	13,696
Total Expenditures	<u>2,808,088</u>	<u>3,258,088</u>	<u>3,245,283</u>	<u>12,805</u>
Excess (Deficiency) Of Revenues Over Expenditures	(2,808,088)	(3,258,088)	(3,237,871)	20,217
Other Financing Sources:				
Proceeds Of Bond Issuance	1,145,000	1,322,723	0	(1,322,723)
Proceeds Of Note Issuance	0	0	1,620,000	1,620,000
Premium on Note	0	0	30,438	30,438
Advances In	0	1,140,000	475,353	(664,647)
Transfer In	500,000	1,417,865	1,189,027	(228,838)
Total Other Financing Sources	<u>1,645,000</u>	<u>3,880,588</u>	<u>3,314,818</u>	<u>(565,770)</u>
Net Change in Fund Balance	(1,163,088)	622,500	76,947	(545,553)
Fund Balance At Beginning Of Year:	<u>76,839</u>	<u>76,839</u>	<u>76,839</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u>\$ (1,086,249)</u>	<u>\$ 699,339</u>	<u>\$ 153,786</u>	<u>\$ (545,553)</u>

City of Delaware, Ohio
 Schedule Of Revenue, Expenditures, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2005

	Debt Service Fund: Special Assessment Bond Retirement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Special Assessments	\$ 42,000	\$ 42,000	\$ 35,994	\$ (6,006)
Interest Income	0	0	635	635
Total Revenues	<u>42,000</u>	<u>42,000</u>	<u>36,629</u>	<u>(5,371)</u>
Expenditures:				
Debt Service:				
Special Assessment Retirement	33,000	33,000	33,000	0
Interest And Fiscal Charges	<u>11,922</u>	<u>11,922</u>	<u>11,922</u>	<u>0</u>
Total Expenditures	<u>44,922</u>	<u>44,922</u>	<u>44,922</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over Expenditures	(2,922)	(2,922)	(8,293)	(5,371)
Other Financing Sources:				
Transfer In	0	0	7,627	7,627
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>7,627</u>	<u>7,627</u>
Net Change in Fund Balance	(2,922)	(2,922)	(666)	2,256
Fund Balance At Beginning Of Year:	<u>3,247</u>	<u>3,247</u>	<u>3,247</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 325</u>	<u>\$ 325</u>	<u>\$ 2,581</u>	<u>\$ 2,256</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Capital Projects Fund: Downtown Streetscape			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	0	0	0	0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) Of Revenues Over Expenditures	0	0	0	0
Other Financing Uses:				
Transfers Out	(77,627)	(77,627)	(77,627)	0
Total Other Financing Uses	(77,627)	(77,627)	(77,627)	0
Net Change in Fund Balance	(77,627)	(77,627)	(77,627)	0
Fund Balance At Beginning Of Year:	77,627	77,627	77,627	0
Fund Balance At End Of Year:	\$ 0	\$ 0	\$ 0	\$ 0

City of Delaware, Ohio
 Schedule Of Revenues, Expenses And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Capital Projects Fund: FAA Airport Expansion			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 0	\$ 744,000	\$ 614,406	\$ (129,594)
Total Revenues	0	744,000	614,406	(129,594)
Expenditures:				
Capital Outlay	407,919	407,919	407,919	0
Total Expenditures	407,919	407,919	407,919	0
Excess (Deficiency) Of Revenues Over Expenditures	(407,919)	336,081	206,487	(129,594)
Other Financing Sources and Uses:				
Transfers In	0	39,159	39,159	0
Transfers Out	(783,159)	(783,159)	(653,571)	129,588
Total Other Financing Sources and Uses	(783,159)	(744,000)	(614,412)	129,588
Net Change in Fund Balance	(1,191,078)	(407,919)	(407,925)	(6)
Fund Balance At Beginning Of Year:	6	6	6	0
Prior Years Encumbrances	407,919	407,919	407,919	0
Fund Balance (Deficit) At End Of Year:	\$ (783,153)	\$ 6	\$ 0	\$ (6)

City of Delaware, Ohio
Schedule Of Revenues, Expenses And Changes In Fund Balance
Budget And Actual [Budget Basis]
For the Year Ended December 31, 2005

	Capital Projects Fund: FAA Airport Allocation/Improvement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 373,250	\$ 393,250	\$ 7,068	\$ (386,182)
Total Revenues	<u>373,250</u>	<u>393,250</u>	<u>7,068</u>	<u>(386,182)</u>
Expenditures:				
Current:				
General Government				
Services & Charges	87,494	87,494	19,951	67,543
Capital Outlay	327,895	327,895	329,639	(1,744)
Total Expenditures	<u>415,389</u>	<u>415,389</u>	<u>349,590</u>	<u>65,799</u>
Excess (Deficiency) Of Revenues Over Expenditures	(42,139)	(22,139)	(342,522)	(320,383)
Other Financing Sources and Uses:				
Transfers In	0	21,868	0	(21,868)
Transfers Out	(180,118)	(180,118)	(10,118)	170,000
Total Other Financing Sources and Uses	<u>(180,118)</u>	<u>(158,250)</u>	<u>(10,118)</u>	<u>148,132</u>
Net Change in Fund Balance	(222,257)	(180,389)	(352,640)	(172,251)
Fund Balance At Beginning Of Year:	31,746	31,746	31,746	0
Prior Years Encumbrances	180,389	180,389	180,389	0
Fund Balance (Deficit) At End Of Year:	<u>\$ (10,122)</u>	<u>\$ 31,746</u>	<u>\$ (140,505)</u>	<u>\$ (172,251)</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Capital Projects Fund: Equipment Replacement			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay	280,030	280,030	174,675	105,355
Total Expenditures	280,030	280,030	174,675	105,355
Excess (Deficiency) Of Revenues Over Expenditures	(280,030)	(280,030)	(174,675)	105,355
Other Financing Sources:				
Transfers In	170,000	280,030	296,515	16,485
Total Other Financing Sources	170,000	280,030	296,515	16,485
Net Change in Fund Balance	(110,030)	0	121,840	121,840
Fund Balance At Beginning Of Year:	<u>72,705</u>	<u>72,705</u>	<u>72,705</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u>\$ (37,325)</u>	<u>\$ 72,705</u>	<u>\$ 194,545</u>	<u>\$ 121,840</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Capital Projects Fund: Airport Improvement Construction			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Current:				
Capital Outlay	151,721	151,721	83,814	67,907
Total Expenditures	151,721	151,721	83,814	67,907
Net Change in Fund Balance	(151,721)	(151,721)	(83,814)	67,907
Fund Balance At Beginning Of Year:	101,295	101,295	101,295	0
Prior Years Encumbrances	50,428	50,428	50,428	0
Fund Balance At End Of Year:	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 67,909</u>	<u>\$ 67,907</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Capital Projects Fund: Park Impact Fees			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Impact Fees	\$ 450,000	\$ 550,000	\$ 456,296	\$ (93,704)
Interest Income	0	0	22,720	22,720
Total Revenues	<u>450,000</u>	<u>550,000</u>	<u>479,016</u>	<u>(70,984)</u>
Expenditures:				
Current:				
Parks & Recreation				
Services & Charges	12,530	12,530	12,939	(409)
Refunds	0	0	1,036	(1,036)
Capital Outlay	1,474,559	1,534,559	1,062,120	472,439
Total Expenditures	<u>1,487,089</u>	<u>1,547,089</u>	<u>1,076,095</u>	<u>470,994</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,037,089)	(997,089)	(597,079)	400,010
Other Financing Sources:				
Proceeds Of Notes	0	715,000	0	(715,000)
Total Other Financing Sources	<u>0</u>	<u>715,000</u>	<u>0</u>	<u>(715,000)</u>
Net Change in Fund Balance	(1,037,089)	(282,089)	(597,079)	(314,990)
Fund Balance At Beginning Of Year:	685,077	685,077	685,077	0
Prior Years Encumbrances	122,389	122,389	122,389	0
Fund Balance (Deficit) At End Of Year:	<u>\$ (229,623)</u>	<u>\$ 525,377</u>	<u>\$ 210,387</u>	<u>\$ (314,990)</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Capital Projects Fund: Police Impact Fees			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Impact Fees	\$ 100,000	\$ 115,000	\$ 112,317	\$ (2,683)
Interest Income	0	0	3,681	3,681
Total Revenues	<u>100,000</u>	<u>115,000</u>	<u>115,998</u>	<u>998</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	2,790	2,790	764	2,026
Refunds	0	2,500	4,272	(1,772)
Capital Outlay	90,017	90,017	85,747	4,270
Total Expenditures	<u>92,807</u>	<u>95,307</u>	<u>90,783</u>	<u>4,524</u>
Net Change in Fund Balance	7,193	19,693	25,215	5,522
Fund Balance At Beginning Of Year:	87,856	87,856	87,856	0
Prior Years Encumbrances	<u>43,807</u>	<u>43,807</u>	<u>43,807</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 138,856</u>	<u>\$ 151,356</u>	<u>\$ 156,878</u>	<u>\$ 5,522</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For the Year Ended December 31, 2005

	Capital Projects Fund: Fire Impact Fees			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Impact Fees	\$ 170,000	\$ 165,000	\$ 147,982	\$ (17,018)
Interest Income	0	0	18,419	18,419
Total Revenues	<u>170,000</u>	<u>165,000</u>	<u>166,401</u>	<u>1,401</u>
Expenditure:				
Current:				
Public Safety				
Services & Charges	17,400	17,400	17,809	(409)
Refunds	0	0	600	(600)
Capital Outlay	50,000	311,875	218,876	92,999
Total Expenditures	<u>67,400</u>	<u>329,275</u>	<u>237,285</u>	<u>91,990</u>
Net Change in Fund Balance	102,600	(164,275)	(70,884)	93,391
Fund Balance At Beginning Of Year:	620,649	620,649	620,649	0
Prior Years Encumbrances	<u>17,400</u>	<u>17,400</u>	<u>17,400</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 740,649</u>	<u>\$ 473,774</u>	<u>\$ 567,165</u>	<u>\$ 93,391</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2005

	Enterprise Fund: Golf Course			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 202,500	\$ 202,500	\$ 198,852	\$ (3,648)
Total Revenues	<u>202,500</u>	<u>202,500</u>	<u>198,852</u>	<u>(3,648)</u>
Expenses:				
Personal Services	120,008	120,008	116,899	3,109
Materials & Supplies	26,500	26,500	27,545	(1,045)
Services & Charges	33,270	33,270	25,969	7,301
Reimbursements	300	300	423	(123)
Capital Outlay	27,500	27,500	23,381	4,119
Total Expenses	<u>207,578</u>	<u>207,578</u>	<u>194,217</u>	<u>13,361</u>
Net Change in Fund Balance	(5,078)	(5,078)	4,635	9,713
Fund Balance At Beginning Of Year:	142,433	142,433	142,433	0
Prior Years Encumbrances	<u>4,300</u>	<u>4,300</u>	<u>4,300</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 141,655</u>	<u>\$ 141,655</u>	<u>\$ 151,368</u>	<u>\$ 9,713</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2005

	Enterprise Fund: Parking Lots			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 34,100	\$ 42,550	\$ 30,725	\$ (11,825)
Total Revenues	<u>34,100</u>	<u>42,550</u>	<u>30,725</u>	<u>(11,825)</u>
Expenses:				
Services & Charges	46,425	46,425	45,281	1,144
Capital Outlay	14,550	14,550	0	14,550
Total Expenses	<u>60,975</u>	<u>60,975</u>	<u>45,281</u>	<u>15,694</u>
Net Change in Fund Balance	(26,875)	(18,425)	(14,556)	3,869
Fund Balance At Beginning Of Year:	5,024	5,024	5,024	0
Prior Years Encumbrances	<u>10,600</u>	<u>10,600</u>	<u>10,600</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u>\$ (11,251)</u>	<u>\$ (2,801)</u>	<u>\$ 1,068</u>	<u>\$ 3,869</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2005

	Enterprise Fund: Watershed Grant			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenses:				
Total Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance At Beginning Of Year:	<u>1,041</u>	<u>1,041</u>	<u>1,041</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 1,041</u>	<u>\$ 1,041</u>	<u>\$ 1,041</u>	<u>\$ 0</u>

City of Delaware, Ohio
Schedule Of Revenues , Expenses, And Changes In Fund Balance
Budget And Actual [Budget Basis]
For The Year Ended December 31, 2005

	Internal Service Fund: Garage Rotary			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Services	\$ 600,000	\$ 694,636	\$ 694,636	\$ 0
Total Revenues	<u>600,000</u>	<u>694,636</u>	<u>694,636</u>	<u>0</u>
Expenses:				
Personal Services	251,846	251,846	210,748	41,098
Materials & Supplies	476,057	556,057	545,674	10,383
Services & Charges	23,928	23,928	23,770	158
Capital Outlay	0	0	2,050	(2,050)
Total Expenses	<u>751,831</u>	<u>831,831</u>	<u>782,242</u>	<u>49,589</u>
Net Change in Fund Balance	(151,831)	(137,195)	(87,606)	49,589
Fund Balance At Beginning Of Year:	58,138	58,138	58,138	0
Prior Years Encumbrances	<u>57,195</u>	<u>57,195</u>	<u>57,195</u>	<u>0</u>
Fund Balance (Deficit) At End Of Year:	<u>\$ (36,498)</u>	<u>\$ (21,862)</u>	<u>\$ 27,727</u>	<u>\$ 49,589</u>

City of Delaware, Ohio
 Schedule Of Revenues , Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2005

	Internal Service Fund: Self-Insurance			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Services	\$ 2,610,000	\$ 2,702,344	\$ 2,771,409	\$ 69,065
Reimbursements	80,000	50,000	38,172	(11,828)
Total Revenues	<u>2,690,000</u>	<u>2,752,344</u>	<u>2,809,581</u>	<u>57,237</u>
Expenses:				
Services & Charges	2,784,300	2,784,300	2,466,883	317,417
Refunds	12,000	12,000	7,801	4,199
Total Expenses	<u>2,796,300</u>	<u>2,796,300</u>	<u>2,474,684</u>	<u>321,616</u>
Net Change in Fund Balance	(106,300)	(43,956)	334,897	378,853
Fund Balance At Beginning Of Year:	<u>257,771</u>	<u>257,771</u>	<u>257,771</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 151,471</u>	<u>\$ 213,815</u>	<u>\$ 592,668</u>	<u>\$ 378,853</u>

City of Delaware, Ohio
 Schedule Of Revenues, Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2005

	Internal Service Fund: Worker's Compensation			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Services	\$ 320,000	\$ 360,670	\$ 363,949	\$ 3,279
Reimbursements	0	2,500	0	(2,500)
Total Revenues	<u>320,000</u>	<u>363,170</u>	<u>363,949</u>	<u>779</u>
Expenses:				
Services & Charges	<u>429,000</u>	<u>429,000</u>	<u>400,197</u>	<u>28,803</u>
Total Expenses	<u>429,000</u>	<u>429,000</u>	<u>400,197</u>	<u>28,803</u>
Net Change in Fund Balance	(109,000)	(65,830)	(36,248)	29,582
Fund Balance At Beginning Of Year:	<u>621,981</u>	<u>621,981</u>	<u>621,981</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 512,981</u>	<u>\$ 556,151</u>	<u>\$ 585,733</u>	<u>\$ 29,582</u>

City of Delaware, Ohio

Statistical Section

Schedule 1

City of Delaware, Ohio

Net Assets by Component,
Last Three Years
[accrual basis of accounting]

	<i>Year</i>		
	2003	2004	2005
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	\$ 48,786,426	\$ 53,734,712	\$ 40,363,724
Restricted	7,178,436	6,499,267	5,345,258
Unrestricted	2,049,620	(983,729)	8,243,880
Total Governmental Activities Net Assets	<u>\$ 58,014,482</u>	<u>\$ 59,250,250</u>	<u>\$ 53,952,862</u>
Business-type Activities			
Invested in Capital Assets, Net of Related Debt	\$ 36,005,376	\$ 40,280,555	\$ 30,482,147
Unrestricted	16,211,765	12,326,691	32,735,271
Total Business-type Activities Net Assets	<u>\$ 52,217,141</u>	<u>\$ 52,607,246</u>	<u>\$ 63,217,418</u>
Primary Government			
Invested in Capital Assets, Net of Related Debt	\$ 84,791,802	\$ 94,015,267	\$ 70,845,871
Restricted	7,178,436	6,499,267	5,345,258
Unrestricted	18,261,385	11,342,962	40,979,151
Total Primary Government Net Assets	<u>\$ 110,231,623</u>	<u>\$ 111,857,496</u>	<u>\$ 117,170,280</u>

City of Delaware, Ohio

Changes in Net Assets

Last Three Years

[accrual basis of accounting]

	Year		
	2003	2004	2005
Expenses			
Governmental Activities			
General Government	\$ 4,439,942	\$ 5,954,344	\$ 5,696,978
Public Safety	10,292,104	11,675,661	11,366,592
Parks & Recreation	1,447,946	1,497,378	1,555,662
Community Development	166,605	552,172	1,269,899
Airport	975,137	846,752	1,097,678
Public Works	2,142,969	2,032,793	2,602,443
Interest and Charges	311,973	282,549	427,008
Total Governmental Activities Expense	<u>19,776,676</u>	<u>22,841,649</u>	<u>24,016,260</u>
Business-type Activities			
Water	3,824,527	3,728,993	4,608,834
Sewer	4,257,567	8,199,201	4,312,244
Storm Sewer ¹	n/a	n/a	1,112,564
Refuse	1,932,540	2,107,979	2,543,973
Other Business-type Activities	238,771	227,703	212,033
Total Business-type Activities	<u>10,253,405</u>	<u>14,263,876</u>	<u>12,789,648</u>
Total Primary Government Expenses	<u>\$ 30,030,081</u>	<u>\$ 37,105,525</u>	<u>\$ 36,805,908</u>
Program Revenues			
Governmental Activities			
Charges for Services			
General Government	\$ 863,541	\$ 1,408,347	\$ 2,103,303
Public Safety	2,477,321	2,321,249	2,740,164
Public Works	706,908	720,427	388,800
Airport	369,913	385,671	524,526
Parks & Recreation	207,361	245,291	265,264
Community Development	0	0	16,085
Operating Grants and Contribution	1,147,921	970,510	798,258
Capital Grants and Contribution	8,387,277	3,490,805	6,036,615
Total Governmental Activities Program Revenue	<u>14,160,242</u>	<u>9,542,300</u>	<u>12,873,015</u>
Business-type Activities			
Charges for Services			
Water	4,281,133	4,281,930	4,442,117
Sewer	5,166,648	5,607,457	5,549,206
Storm Sewer ¹	n/a	n/a	736,246
Refuse	1,922,633	2,028,058	2,196,242
Other Activities	196,634	212,556	223,711
Operating Grants and Contribution	100,000	0	0
Capital Grants and Contribution	2,419,111	2,060,010	2,984,965
Total Business-type Activities Program Revenue	<u>14,086,159</u>	<u>14,190,011</u>	<u>16,132,487</u>
Total Primary Government Program Revenues	<u>\$ 28,246,401</u>	<u>\$ 23,732,311</u>	<u>\$ 29,005,502</u>
Net (Expense)/Revenue			
Governmental Activities:	\$ (5,616,434)	\$ (13,299,349)	\$ (11,143,245)
Business-type Activities:	3,832,754	(73,865)	3,342,839
Total Primary government Net Expense	<u>\$ (1,783,680)</u>	<u>\$ (13,373,214)</u>	<u>\$ (7,800,406)</u>
General Revenues and Other Changes in Net Assets			
Governmental Activities			
Taxes			
Property Taxes	\$ 1,393,088	\$ 1,412,269	\$ 1,473,996
Income Taxes	9,866,116	10,550,673	11,462,224
Other Taxes	985,386	66,055	79,176
Unrestricted Grants and Contribution	1,413,575	2,101,340	1,676,817
Interest Income	163,845	219,904	608,037
Miscellaneous	641,604	256,714	198,615
Total Governmental Activities	<u>14,463,614</u>	<u>14,606,955</u>	<u>15,498,865</u>
Business-type Activities			
Interest Income	159,525	222,859	715,454
Miscellaneous	107,323	241,111	175,736
Total Business-type Activities	<u>266,848</u>	<u>463,970</u>	<u>891,190</u>
Total Primary Government	<u>\$ 14,730,462</u>	<u>\$ 15,070,925</u>	<u>\$ 16,390,055</u>
Change in Net Assets			
Governmental Activities:	\$ 8,847,180	\$ 1,307,606	\$ 4,355,620
Business-type Activities:	4,099,602	390,105	4,234,029
Total Primary Government	<u>\$ 12,946,782</u>	<u>\$ 1,697,711</u>	<u>\$ 8,589,649</u>

¹ Storm Sewer fund was reclassified as an Enterprise fund beginning 2005.

Schedule 3

City of Delaware, Ohio

Fund Balances, Governmental Funds,
Last Ten Years
[modified accrual basis of accounting]

	Year									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
General Fund										
Reserved	\$ 219,678	\$ 173,343	\$ 252,047	\$ 405,016	\$ 339,228	\$ 255,506	\$ 231,661	\$ 226,809	\$ 213,391	\$ 269,444
Unreserved	2,976,172	2,276,030	2,326,992	2,896,296	2,800,842	2,260,832	2,303,518	2,456,378	3,113,297	3,729,728
Total General Fund	<u>\$ 3,195,850</u>	<u>\$ 2,449,373</u>	<u>\$ 2,579,039</u>	<u>\$ 3,301,312</u>	<u>\$ 3,140,070</u>	<u>\$ 2,516,338</u>	<u>\$ 2,535,179</u>	<u>\$ 2,683,187</u>	<u>\$ 3,326,688</u>	<u>\$ 3,999,172</u>
All Other Governmental Funds										
Reserved	\$ 551,254	\$ 3,047,249	\$ 2,414,022	\$ 3,187,317	\$ 1,482,068	\$ 1,491,285	\$ 2,253,052	\$ 1,372,275	\$ 1,253,020	\$ 2,778,059
Unreserved, Reported In:										
Special Revenue Funds	2,235,554	2,934,485	3,410,880	2,988,798	1,079,935	1,276,168	2,179,278	3,140,296	3,539,715	3,541,396
Debt Service Funds	0	0	0	0	0	0	0	0	0	(318,829)
Capital Project Funds	733,796	(468,832)	288,985	(98,327)	(4,516,848)	(4,511,291)	(804,010)	1,506,675	371,534	(2,099,828)
Total All Other Governmental Funds	<u>\$ 3,520,604</u>	<u>\$ 5,512,902</u>	<u>\$ 6,113,887</u>	<u>\$ 6,077,788</u>	<u>\$(1,954,845)</u>	<u>\$(1,743,838)</u>	<u>\$ 3,628,320</u>	<u>\$ 6,019,246</u>	<u>\$ 5,164,269</u>	<u>\$ 3,900,798</u>

Note: For years prior to 2003, Expendable trust fund amounts have been combined with Special Revenue fund amounts.

Schedule 4

City of Delaware, Ohio

Changes in Fund Balances, Governmental Funds,
Last Ten Years

[modified accrual basis of accounting]

	Year									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Revenues										
Taxes [see Schedule 5]	\$ 8,687,864	\$ 9,249,085	\$ 9,917,382	\$ 10,134,150	\$ 10,733,637	\$ 11,230,251	\$ 10,782,142	\$ 11,820,971	\$ 11,749,633	\$ 12,872,452
Intergovernmental	4,071,049	3,853,583	4,934,327	3,817,206	3,626,573	3,120,269	5,530,654	4,355,608	4,543,844	5,354,783
Interest ¹	—	331,205	404,592	527,192	675,754	454,767	292,926	163,845	219,904	608,037
Fees, Licenses, and Permits ²	—	269,294	308,441	560,009	427,603	451,097	741,040	741,570	1,235,725	1,293,068
Fines and Forfeitures	228,598	1,181,509	1,302,481	1,307,329	1,635,375	1,653,540	1,844,675	1,900,594	1,621,581	2,099,499
Impact Fees	0	0	0	0	0	706,551	666,832	893,389	732,316	716,595
Charges for Services	1,259,608	1,037,761	938,891	1,075,354	852,812	1,883,641	2,421,532	1,705,364	3,036,944	2,990,534
Miscellaneous Revenues	759,376	366,813	493,016	483,776	483,754	193,882	567,899	895,782	472,292	182,596
Total Revenues	15,006,495	16,289,250	18,299,130	17,905,016	18,435,508	19,693,998	22,847,700	22,477,123	23,612,239	26,117,564
Expenditures										
Public Safety ³	5,298,793	—	—	—	—	—	—	—	—	—
Police/911	—	2,602,708	2,652,344	2,999,607	3,740,174	3,905,840	3,836,938	4,070,244	4,648,003	4,601,572
Fire	—	2,065,031	2,148,324	2,356,663	3,049,641	3,066,456	3,334,892	3,438,285	3,923,493	3,826,612
Municipal Court	—	1,129,698	1,209,450	1,470,347	1,355,506	1,644,428	1,903,792	1,794,277	1,907,380	1,831,658
Other	—	338,922	381,212	369,244	432,583	440,070	445,741	457,304	507,569	491,003
Parks & Recreation	686,690	888,927	889,358	1,152,614	1,034,662	1,120,855	1,121,938	1,203,380	1,285,589	1,253,301
Community Development ⁴	—	8,393	17,078	161,320	301,165	464,469	752,151	456,969	548,626	1,266,499
Airport ⁵	—	219,649	294,584	362,515	221,863	287,357	369,265	535,025	501,920	554,198
Public Works	1,374,835	1,258,331	1,690,904	2,200,387	2,831,660	2,314,450	2,548,826	2,213,029	2,726,141	2,059,117
General Government	4,117,421	2,782,794	2,843,447	3,156,058	3,476,711	4,642,908	4,643,895	4,020,113	5,048,933	5,336,851
Capital Outlay	2,193,061	3,566,646	5,260,795	4,195,518	3,655,561	1,948,591	3,933,418	2,504,776	2,764,706	2,421,987
Refunds	0	0	0	0	0	0	0	0	0	5,908
Debt Service	—	—	—	—	—	—	—	—	—	—
Principal	467,000	487,000	1,907,000	1,435,000	1,766,000	23,037	24,888	178,000	250,775	272,551
Interest and Charges	187,638	167,490	201,602	242,950	418,382	319,795	193,844	320,187	245,922	305,161
Total Expenditures	14,325,438	15,515,589	19,496,098	20,102,223	22,283,908	20,178,256	23,109,587	21,191,589	24,359,057	24,226,418
Excess of Revenues Over/(Under) Expenditures	681,057	773,661	(1,196,968)	(2,197,207)	(3,848,400)	(484,258)	(261,887)	1,285,534	(746,818)	1,891,146
Other Financing Sources (Uses)										
Proceeds of Bonds	0	0	0	132,794	154,525	0	5,655,000	0	0	0
Proceeds of Notes	0	1,400,000	3,010,000	2,397,635	0	0	0	0	475,000	0
Proceeds of Capital Lease	0	0	0	0	0	0	0	0	60,342	0
Transfers In	5,904,788	4,244,806	3,517,697	5,699,210	6,785,696	4,450,518	8,491,229	3,763,354	3,411,829	5,915,144
Transfers Out	(5,071,788)	(5,172,646)	(4,600,527)	(5,066,203)	(6,785,696)	(4,452,481)	(8,493,341)	(3,763,354)	(3,411,829)	(5,915,144)
Total Other Financing Sources (Uses)	833,000	472,160	1,927,170	3,163,436	154,525	(1,963)	5,652,888	0	535,342	0
Net Change in Fund Balances	\$ 1,514,057	\$ 1,245,821	\$ 730,202	\$ 966,229	\$(3,693,875)	\$ (486,221)	\$ 5,391,001	\$ 1,285,534	\$ (211,476)	\$ 1,891,146
Debt Service as a Percentage of Noncapital Expenditures	5.40%	5.48%	14.81%	10.55%	11.73%	1.88%	1.14%	2.67%	2.30%	2.63%

¹ Interest was reported in Miscellaneous Revenues until 1997.

² Fees, Licenses, and Permits were reported in Charges for Services until 1997.

³ Records to further itemize *Public Safety* were not available for years preceding 1997.

⁴ Community development expenditures, except for grant-related, were included in General Government until 2000.

⁵ Records to further itemize *Airport and Public Works* were not available for years preceding 1997.

Schedule 5

City of Delaware, Ohio

Tax Revenues by Source, Governmental Funds,
 Last Ten Years
[modified accrual basis of accounting]

<i>Year</i>	<i>Property</i>	<i>Income</i>	<i>Other</i>	<i>Total</i>
1996	\$ 694,018	\$ 7,482,590	\$ 511,256	\$ 8,687,864
1997	811,206	7,987,553	450,326	9,249,085
1998	871,387	8,517,434	528,561	9,917,382
1999	913,347	8,773,744	447,059	10,134,150
2000	1,079,982	9,123,165	530,490	10,733,637
2001	1,131,939	9,410,685	687,627	11,230,251
2002	1,189,421	8,812,788	779,933	10,782,142
2003	1,393,088	9,832,755	595,128	11,820,971
2004	1,412,269	10,271,309	66,055	11,749,633
2005	1,473,996	11,319,280	79,176	12,872,452
Change 1996-2005	112.39%	51.27%	-84.51%	48.17%

Schedule 6

City of Delaware, Ohio

Assessed Value and Actual Value of Taxable Property,
Last Ten Years
[in Thousands of Dollars]

Collection Year Ended December 31	Real Property			Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Public Utility					
1996	\$ 142,976	\$ 79,348	\$ 15,427	\$ 47,745	\$ 285,496	\$ 2.70	\$ 851,627	33.52%
1997	175,185	92,130	15,763	54,462	337,540	2.70	1,005,262	33.58%
1998	185,138	91,798	15,804	56,091	348,831	2.70	1,067,685	32.67%
1999	215,645	105,567	15,509	60,516	397,237	2.70	1,131,651	35.10%
2000	247,956	121,403	15,152	70,931	455,442	2.70	1,357,726	33.54%
2001	266,229	111,885	15,066	71,981	465,161	2.70	1,417,595	32.81%
2002	282,578	120,800	12,133	75,336	490,847	2.70	1,494,735	32.84%
2003	330,107	139,991	13,168	71,399	554,666	2.70	1,624,421	34.15%
2004	350,985	154,571	13,402	62,877	581,835	2.70	1,734,245	33.55%
2005	377,678	150,328	13,416	72,441	613,863	2.70	1,836,683	33.42%

Source: Delaware County Auditor's Office

Schedule 7

City of Delaware, Ohio

Direct and Overlapping Property Tax Rates,
Last Ten Years
[rate per \$1,000 of assessed value]

Collection Year	City of Delaware			Overlapping Rates ¹			Total Direct & Overlapping Rates
	General Fund	Police & Fire Pension	Total Direct	County	School District	Other	
1996	2.10	0.60	2.70	5.62	56.10	7.80	72.22
1997	2.10	0.60	2.70	5.62	64.14	8.30	80.76
1998	2.10	0.60	2.70	5.62	63.89	8.30	80.51
1999	2.10	0.60	2.70	5.62	66.91	8.30	83.53
2000	2.10	0.60	2.70	5.62	65.95	8.30	82.57
2001	2.10	0.60	2.70	5.62	66.00	8.30	82.62
2002	2.10	0.60	2.70	5.61	65.37	4.08	77.76
2003	2.10	0.60	2.70	5.61	64.97	4.05	77.33
2004	2.10	0.60	2.70	5.61	64.73	4.02	77.06
2005	2.10	0.60	2.70	5.61	67.96	3.99	80.26

Source: Delaware County Auditor's Office

Note: The City's basic property tax rate may be increased only by a majority vote of the City's residents.

¹ Overlapping rates are those of local and county governments that apply to property owners within the City of Delaware. Not all overlapping rates apply to all Delaware property owners: annexed properties may still pay township taxes in addition to City taxes.

Schedule 8

City of Delaware, Ohio

Principal Property Tax Payers,
Current Year and Four Years Ago

<u>Taxpayer</u>	2005			2001		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Columbus Southern Power Co.	\$ 8,471,130	1	1.46 %	\$ 7,197,222	1	1.55 %
USPG Portfolio Two, LLC	4,664,720	2	0.80	—	—	—
Bowtown Apartments, Inc.	4,585,000	3	0.79	4,508,000	2	0.97
SARBG Delaware, LTD	4,270,010	4	0.73	—	—	—
Olentangy Building & Development LTD	2,794,410	5	0.48	2,645,790	10	0.57
Western Auto Supply	2,434,080	6	0.42	—	—	—
Nippert Electrical Products, Co.	2,430,210	7	0.42	2,830,765	8	0.61
Willow Brook Christian	2,319,040	8	—	4,011,840	4	0.86
Liebert North America, Inc.	2,260,720	9	0.39	—	—	—
Hayes Colony LTD c/o J Helgerson	2,234,870	10	0.38	—	—	—
Glimcher Properties	—	—	—	4,413,150	3	0.95
Crown Group, Ltd.	—	—	—	3,670,695	5	0.79
DMI Distribution	—	—	—	3,276,840	6	0.70
Long Real Estate, Inc.	—	—	—	2,851,170	7	0.61
PPG Industries	—	—	—	2,708,265	9	0.58
	<u>\$ 36,464,190</u>		<u>5.87 %</u>	<u>\$ 38,113,737</u>		<u>8.19 %</u>

Source: Delaware County Auditor's Office.

Schedule 9

City of Delaware, Ohio

Property Tax Levies and Collections,
Last Ten Years

<i>Tax Year/ Collection Year</i>	<i>Total Tax Levy</i>	<i>Current Tax Collections ¹</i>	<i>Percentage of Current Collections to Current Levy</i>	<i>Delinquent Tax Collections</i>	<i>Total Tax Collections</i>	<i>Percentage of Total Collections to Total Tax Levy</i>	<i>Outstanding Delinquent Taxes ²</i>	<i>Percentage of Outstanding Delinquent Taxes to Total Tax Levy</i>
1995/1996	\$ 624,311	\$ 628,882	100.73 %	n/a	\$ 628,882	100.73 %	\$ 13,101	2.10 %
1996/1997	744,079	748,735	100.63	n/a	748,735	100.63	12,854	1.73
1997/1998	796,856	844,444	105.97	4,517	848,961	106.54	9,185	1.15
1998/1999	840,563	836,901	99.56	63,377	900,278	107.10	17,951	2.14
1999/2000	1,014,744	996,574	98.21	61,691	1,058,265	104.29	20,548	2.02
2000/2001	1,065,848	988,055	92.70	60,358	1,048,413	98.36	32,853	3.08
2001/2002	1,094,996	1,054,791	96.33	32,259	1,087,050	99.27	34,330	3.14
2002/2003	1,296,642	1,234,797	95.23	61,652	1,296,449	99.99	34,469	2.66
2003/2004	1,580,882	1,515,521	95.87	43,562	1,559,083	98.62	54,899	3.47
2004/2005	1,608,059	1,592,740	99.05	35,061	1,627,801	101.23	56,590	3.52

¹ State reimbursement of homestead and rollback exemptions are included.

² Amounts listed include penalties and interest.

n/a - data was not available for the year shown

Source: Delaware County Auditor's Office, City of Delaware Finance Department

Schedule 10

City of Delaware, Ohio

Income Tax Revenue by Source,
Last Ten Years
*[modified accrual basis of
accounting, in thousands of dollars]*

	<i>Year</i>									
	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Business Accounts	\$ 751	\$ 739	\$ 745	\$ 1,102	\$ 1,058	\$ 801	\$ 521	\$ 634	\$ 811	\$ 938
Residential Accounts	1,232	1,395	1,536	1,584	1,590	1,730	1,751	1,777	1,880	2,354
Withholding Accounts	5,456	5,719	6,331	6,120	6,459	6,862	6,916	7,422	7,580	7,880
Total Income Tax Revenues	<u>\$ 7,439</u>	<u>\$ 7,853</u>	<u>\$ 8,612</u>	<u>\$ 8,806</u>	<u>\$ 9,107</u>	<u>\$ 9,393</u>	<u>\$ 9,188</u>	<u>\$ 9,833</u>	<u>\$ 10,271</u>	<u>\$ 11,172</u>

Source: City of Delaware Tax Department

Schedule 11

City of Delaware, Ohio

Ratios of Outstanding Debt by Type,
Last Ten Years
[dollars in thousands, except per capita]

Year	Governmental Activities			Business-Type Activities					Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General	Special	Capital	General			Loans Payable	Capital			
	Obligation Bonds	Assessment Bonds		Water Bonds	Sewer Bonds	Obligation Bonds					
1996	\$ 3,279	\$ 0	\$ 0	\$ 0	\$ 4,705	\$ 310	\$ 99	\$ 0	\$ 8,393	1.25 %	\$ 382
1997	2,792	0	0	0	4,510	155	51	0	7,508	1.02	326
1998	2,285	0	0	0	4,310	0	0	0	6,595	0.83	275
1999	1,897	142	0	0	4,100	0	0	0	6,139	0.72	246
2000	0	313	0	0	3,875	0	0	0	4,188	0.47	166
2001	0	288	0	0	3,640	0	0	0	3,928	0.42	151
2002	5,655	261	0	0	0	7,735	0	0	13,651	1.36	497
2003	5,505	233	0	0	0	7,290	0	0	13,028	1.20	449
2004	5,290	202	56	0	0	6,840	4,985	38	17,411	1.53	580
2005	5,070	169	36	0	0	6,380	18,593	24	30,272	2.48	961

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

¹ See Schedule 16 for personal income and population data.

Sources: City of Delaware Finance Department, Economic Development Department

Schedule 12

City of Delaware, Ohio

Ratios of General Bonded Debt Outstanding,
Last Ten Years
[dollars in thousands, except per capita]

<u>Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Estimated Actual Taxable Value of Property¹</u>	<u>Per Capita²</u>
1996	\$ 3,279	\$ 36	\$ 3,243	0.38 %	\$ 147
1997	2,792	28	2,764	0.27	120
1998	2,285	22	2,263	0.21	94
1999	1,897	3	1,894	0.17	76
2000	0	596	(596)	(0.04)	(24)
2001	0	362	(362)	(0.03)	(14)
2002	5,655	230	5,425	0.36	198
2003	5,505	89	5,416	0.33	187
2004	5,290	77	5,213	0.30	174
2005	5,070	157	4,913	0.27	158

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

¹ See Schedule 6 for property value data.

² Population data can be found in Schedule 16.

Schedule 13

City of Delaware, Ohio

Direct and Overlapping Governmental Activities Debt,
As of December 31, 2005

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes: County	\$ 44,513,890	12.58%	\$ 5,601,930
Subtotal, Overlapping Debt			<u>5,601,930</u>
City of Delaware direct debt			<u>5,275,016</u>
Total Direct and Overlapping Debt			<u><u>\$ 10,876,946</u></u>

Sources: Debt outstanding and assessed value data used to estimate applicable percentages provided by the County Auditor.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Delaware. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

City of Delaware, Ohio

Legal Debt Margin Information
Last Ten Years
[dollars in thousands]

	Year																			
	1996		1997		1998		1999		2000		2001		2002		2003		2004		2005	
	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:
Debt Limit	\$ 29,292	\$ 15,343	\$ 34,656	\$ 18,153	\$ 36,882	\$ 19,319	\$ 39,046	\$ 20,453	\$ 46,917	\$ 24,576	\$ 49,073	\$ 25,705	\$ 51,767	\$ 27,116	\$ 58,081	\$ 30,424	\$ 60,492	\$ 31,686	\$ 59,543	\$ 28,849
Total Net Debt Applicable to Limit	3,243	3,243	2,764	2,764	2,263	2,263	1,894	1,894	(465)	(465)	(362)	(362)	5,425	5,425	5,416	5,416	5,213	5,213	4,913	4,913
Legal Debt Margin	<u>\$ 26,049</u>	<u>\$ 12,100</u>	<u>\$ 31,892</u>	<u>\$ 15,389</u>	<u>\$ 34,619</u>	<u>\$ 17,056</u>	<u>\$ 37,152</u>	<u>\$ 18,559</u>	<u>\$ 47,382</u>	<u>\$ 25,041</u>	<u>\$ 49,435</u>	<u>\$ 26,067</u>	<u>\$ 46,342</u>	<u>\$ 21,691</u>	<u>\$ 52,665</u>	<u>\$ 25,008</u>	<u>\$ 55,279</u>	<u>\$ 26,473</u>	<u>\$ 54,630</u>	<u>\$ 23,936</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	88.93%	78.86%	92.02%	84.77%	93.86%	88.29%	95.15%	90.74%	100.99%	101.89%	100.74%	101.41%	89.52%	79.99%	90.68%	82.20%	91.38%	83.55%	91.75%	82.97%

Legal Debt Margin Calculation for Year 2005

	Voted limit: 10.5%	Unvoted Limit: 5.5%
Assessed value	\$ 613,863	\$ 613,863
Debt limit [% of assessed value]	64,456	33,762
Debt applicable to limit:		
General Obligation Bonds	\$ 5,070	
Less amount set aside for repayment of general obligation debt	(157)	
Total Net Debt Applicable to Limit	<u>4,913</u>	<u>4,913</u>
Legal Debt Margin	<u>\$ 59,543</u>	<u>\$ 28,849</u>

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10.5% of total assessed property value for voted debt, nor 5.5% of the total for unvoted debt. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of Delaware, Ohio

Pledged-Revenue Coverage,
Last Ten Years
[dollars in thousands]

Fiscal Year	Water Revenue Bonds						Sewer Revenue Bonds					
	Water Charges and Other ¹	Less:	Net	Debt Service			Sewer Charges and Other ¹	Less:	Net	Debt Service		
		Operating Expenses ²	Available Revenue	Principal	Interest	Coverage		Operating Expenses ²	Available Revenue	Principal	Interest	Coverage
1996	\$ 2,374	\$ 1,335	\$ 1,039	\$ 315	\$ 23	3.07	\$ 2,164	\$ 1,436	\$ 728	\$ 186	\$ 272	1.59
1997	2,465	1,210	1,255	0	0	—	2,424	1,287	1,137	192	262	2.50
1998	2,598	1,380	1,218	0	0	—	2,558	1,286	1,272	201	255	2.79
1999	2,858	1,676	1,182	0	0	—	2,648	1,539	1,109	211	246	2.43
2000	3,183	1,592	1,591	0	0	—	3,026	1,594	1,432	227	234	3.11
2001	2,991	2,927	64	0	0	—	3,059	2,322	737	237	223	1.60
2002	2,886	3,018	(132)	0	0	—	3,408	2,620	788	248	211	1.72
2003	2,805	3,351	(546)	0	0	—	3,518	2,826	692	0	0	—
2004	N/A	N/A	N/A	0	0	—	N/A	N/A	N/A	0	0	—
2005	N/A	N/A	N/A	0	0	—	N/A	N/A	N/A	0	0	—

Fiscal Year	Special Assessment Bonds			
	Assessments	Debt Service		Coverage
	Collections	Principal	Interest	
1996	\$ 2	\$ 0	\$ 0	—
1997	2	0	0	—
1998	1	0	0	—
1999	0	0	3	0
2000	19	11	13	0.79
2001	46	25	18	1.07
2002	37	27	17	0.84
2003	38	28	15	0.88
2004	37	31	14	0.82
2005	36	33	12	0.80

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

¹Charges and Other Revenues do not include Capacity Fees or Contributed Assets.

²Operating Expenses do not include Depreciation or Debt Service.

Schedule 16

City of Delaware, Ohio

Demographic and Economic Statistics,
Last Ten Years

<u>Year</u>	<u>Population</u> ¹	<u>Personal Income</u> <u>[thousands of dollars]</u>	<u>Per Capita Personal</u> <u>Income</u> ²	<u>School</u> <u>Enrollment</u> ³	<u>Unemployment Rate</u> ⁴
1996	22,000	\$ 671,968	\$ 30,544	4,011	3.50 %
1997	23,000	733,079	31,873	4,101	2.90
1998	24,000	797,808	33,242	4,122	2.00
1999	25,000	858,325	34,333	4,121	2.10
2000	25,243	883,505	35,000	4,105	1.80
2001	26,500	943,400	35,600	4,165	2.80
2002	27,450	1,007,415	36,700	4,454	3.70
2003	29,000	1,081,700	37,300	4,499	3.80
2004	30,012	1,140,456	38,000	4,487	3.70
2005	31,000	1,193,500	38,500	4,614	3.20

Sources: U.S Census Bureau, Bureau of Economic Analysis, Delaware City Schools

¹ "Population estimates and Projections ", published by the U.S. Department of Commerce, Bureau of the Census, when available.

When unavailable, estimates are interpolated based on increases in construction of single and double family homes.

² Delaware City School District

³ Ohio Bureau of Employment Services, Civilian Labor Force Research and Statistics Estimates

City of Delaware, Ohio

Principal Business Withholdings Taxpayers,
Current Year and Eight Years Ago

Employer	2005				1997			
	<u>Taxes Paid¹</u>	<u>Rank</u>	<u>Percentage of Total Business¹</u>	<u>Percentage of Total City²</u>	<u>Taxes Paid¹</u>	<u>Rank</u>	<u>Percentage of Total Business¹</u>	<u>Percentage of Total City²</u>
Delaware County Auditor	424,112	1	5.60 %	4.13 %	238,975	2	4.18 %	3.04 %
The Kroger Company	350,545	2	4.62	3.41	58,590	15	1.02	0.75
Delaware City Board of Education	335,274	3	4.42	3.26	235,411	3	4.12	3.00
Ohio Wesleyan University	312,862	4	4.13	3.05	220,666	6	3.86	2.81
Grady Memorial Hospital	291,411	5	3.84	2.84	223,062	5	3.90	2.84
PPG Industries Ohio, Inc.	282,509	6	3.73	2.75	508,666	1	8.89	6.48
State of Ohio	261,435	7	3.45	2.55	226,778	4	3.97	2.89
Honda of America Mfg., Inc.	235,890	8	3.11	2.30	174,836	8	3.06	2.23
Liebert North America, Inc.	204,013	9	2.69	1.99	98,027	12	1.71	1.25
City of Delaware	194,389	10	2.56	1.89	136,471	11	2.39	1.74
Outokumpu Copper Nippert, Inc.	148,233	11	1.96	1.44	152,088	10	2.66	1.94
Advance Stores Co. Inc.	143,993	12	1.90	1.40	—	—	—	—
Weyerhaeuser Co.	133,430	13	1.76	1.30	—	—	—	—
Jegs Automotive	120,793	14	1.59	1.18	—	—	—	—
Midwest Acoust-a-Fiber	84,003	15	1.11	0.82	—	—	—	—
General Castings Co	—	—	—	—	193,540	7	3.38	2.46
Western Auto	—	—	—	—	160,457	9	2.81	2.04
Willamette Industries, Inc.	—	—	—	—	97,079	13	1.70	1.24
Grief Bros.	—	—	—	—	60,040	14	1.05	0.76
	<u>\$ 3,522,892</u>		<u>46.48 %</u>	<u>34.30 %</u>	<u>\$ 2,784,686</u>		<u>39.75 %</u>	<u>28.95 %</u>

¹As compared to total business withholdings for the year from Schedule 10.

²As compared to total taxes received for the year from Schedule 10.

Source: City of Delaware Tax Department

City of Delaware, Ohio

Full-time Equivalent City Government Employees by Function
Last Ten Years

<u>Function</u>	<i>Year</i>									
	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>
General Government	31.3	32.5	34.5	35.5	41.5	44.0	45.0	44.4	44.2	44.2
Public Safety										
Police										
Officers	34.0	34.0	36.0	36.0	37.0	40.0	40.0	40.0	43.0	45.0
Civilians	18.0	18.0	18.3	18.3	18.7	18.7	18.0	18.0	18.0	18.0
Fire										
Firefighters and Officers	33.0	45.5	45.5	45.5	45.5	48.5	48.5	43.2	42.7	44.7
Civilians	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Municipal Court	23.6	25.8	25.8	27.8	30.4	26.0	27.0	29.0	29.0	27.0
Prosecutor	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Parks & Recreation	17.4	17.4	17.8	16.5	19.0	21.7	19.2	14.6	18.0	18.6
Community Development	—	—	—	—	1.0	1.0	1.0	1.0	1.0	1.0
Airport	1.5	1.5	1.5	2.1	1.7	1.5	1.7	1.7	2.8	2.8
Public Works ¹	20.7	22.7	22.4	24.4	25.3	27.0	27.7	24.7	24.7	21.3
Water	17.7	14.7	15.7	15.7	18.2	18.2	19.7	17.7	17.7	17.7
Sewer	16.0	16.0	16.0	16.0	15.5	15.5	17.0	17.0	17.5	17.5
Refuse	10.2	10.2	10.2	9.8	10.8	10.8	11.6	11.6	12.0	12.0
Storm Sewer	—	—	—	—	—	—	—	—	—	2.4
Golf Course	3.0	1.0	1.0	1.5	3.4	3.4	3.3	3.4	3.4	3.4
	<u>231.4</u>	<u>244.3</u>	<u>250.7</u>	<u>255.1</u>	<u>274.0</u>	<u>282.3</u>	<u>285.7</u>	<u>272.3</u>	<u>280.0</u>	<u>281.6</u>

¹ Beginning in 2005, Storm Sewer is no longer part of Public Works; it is now listed separately.

Schedule 19

City of Delaware, Ohio

Operating Indicators by Function,
Last Ten Years

<u>Function</u>	<u>Year</u>									
	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Public Safety										
Police										
Arrests	—	—	—	1,739	1,926	2,115	2,350	2,546	2,577	2,625
Traffic Violations	—	—	—	2,315	2,027	2,622	2,528	1,824	2,611	2,736
Parking Tickets	—	—	—	—	—	4,126	5,193	4,567	3,490	4,304
Fire										
Emergency Responses	2,429	2,538	2,620	2,724	2,686	3,254	3,303	3,517	3,520	2,780
Fires Extinguished	85	101	107	111	109	176	145	108	98	90
Inspections	1,150	1,111	1,359	1,477	1,408	1,603	1,604	740	1,050	2,812
Parks & Recreation										
Pool memberships	—	—	400	516	471	373	227	340	372	352
Airport ¹										
Fuel sales 100 LL [low-lead] [in gallons]	—	—	—	—	—	—	20,712	48,860	47,287	52,860
Fuel sales Jet A [in gallons]	—	—	—	—	—	—	13,843	43,195	57,789	58,379
Public Works										
Lane miles of roads built/donated	3.2	2.5	1.4	2.8	3.9	3.3	5.4	4.8	1.0	5.0
Street lights installed/donated	31	46	29	82	80	64	204	103	24	81
Water										
Average daily consumption [thousands of gallons]	3,230	3,420	3,300	3,590	3,640	3,750	3,840	3,730	3,580	3,473
Miles of lines donated	3.6	2.1	1.8	3.3	3.8	2.8	8.6	5.1	1.0	4.7
Sewer										
Miles of lines donated	5.4	3.8	2.6	5.8	6.8	3.9	11.1	7.2	4.1	4.6
Refuse										
Average monthly tonnage-collected recyclable materials	—	85	62	88	99	81	89	132	91	92
Average monthly tonnage-collected solid waste materia	—	—	960	977	968	1,031	1,071	1,164	1,231	1,197
Golf Course										
Memberships sold	—	—	30	58	89	72	69	70	71	69

¹Fuel sales only available from August 2002 to current.

Source: City of Delaware Staff/Department Heads

Schedule 20

City of Delaware, Ohio

Capital Asset Statistics by Function,
Last Four Years

<u>Function</u>	<i>Year</i>			
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Public Safety				
Police				
Stations	1	1	1	1
Cruisers	14	14	14	14
Fire				
Stations	2	2	2	2
Fire Trucks	8	8	8	8
Ambulances	3	3	3	3
Parks & Recreation				
Parks	12	13	14	16
Acreage	195	200	204	218
Public Works				
Miles of Streets	135	140	141	146
Street Lights	900	1,003	1,027	1,108
Dump Trucks/ Snow Plows	7	7	8	9
Water				
Miles of Water Distribution	125	130	131	158
Sewer				
Miles of Sanitary Sewerline	112	119	123	128
Refuse				
Solid Waste Removal Trucks	7	8	8	9
Recycling Trucks	4	4	4	3



**Auditor of State
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CITY OF DELAWARE

DELAWARE 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
SEPTEMBER 7, 2006**