

**CITY OF DELAWARE
DELAWARE, OHIO**

SUPPLEMENTAL REPORTS

DECEMBER 31, 2006

MR. DEAN P. STELZER, FINANCE DIRECTOR



Mary Taylor, CPA

Auditor of State

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, 2006 through December 31, 2006. 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.

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Mary Taylor, CPA
Auditor of State

August 16, 2007

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**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

**BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

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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 Auditor's 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, 2006, and have issued our report thereon dated June 13, 2007. 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 13, 2007

CITY OF DELAWARE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2006

Federal Grantor/ Pass Through Grantor/ Program Grant Title	Pass Through Entity Number	CFDA Number	Expenditures
U.S. Department of Justice			
Community Oriented Policing Services Grant (Direct)	N/A	16.710	\$ 6,923
Bulletproof Vest Partnership Program (Direct)	N/A	16.607	4,798
Total Department of Justice			<u>11,721</u>
U.S. Department of Transportation; Federal Aviation Administration (FAA)			
Airport Improvement Program Phase III (Direct)	N/A	20.106	297,480
Airport Improvement Program Phase IV (Direct)	N/A	20.106	160,833
Total Department of Transportation (FAA)			<u>458,313</u>
U.S. Department of Transportation; Federal Highway Administration			
<i>Passed through Ohio Department of Transportation:</i>			
Highway Planning and Construction	21319	20.205	518,211
Total Department of Transportation (FHA)			<u>518,211</u>
U.S. Department of Housing and Urban Development			
<i>Passed through Ohio Department of Development</i>			
Community Development Block Grant	A-E-04-112-1	14.228	147,341
Community Development Block Grant	A-F-04-112-1	14.228	14,715
Community Development Block Grant	A-F-05-112-1	14.228	42,523
Total Department of Housing and Urban Development			<u>204,579</u>
Total Federal Awards Expenditures			<u>\$ 1,192,824</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.

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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, as of and for the year ended December 31, 2006, which collectively comprise the City of Delaware's basic financial statements and have issued our report thereon dated June 13, 2007. As disclosed in Note 2 to the basic financial statements, the City has restated its Governmental and Business Type net assets at December 31, 2005 due to errors and omissions in prior years. 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 of Delaware's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Delaware's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Delaware's internal control over financial reporting.

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

Members of Council and Mayor
City of Delaware

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Delaware's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Delaware's financial statements that is more than inconsequential will not be prevented or detected by the City of Delaware's internal control. We consider the deficiency described in the accompanying schedule of findings and responses as 2006-COD-001 to be a significant deficiency in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

Compliance and Other Matters

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

We also noted certain other matters that we reported to the management of the City of Delaware in a separate letter dated June 13, 2007.

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

Members of Council and Mayor
City of Delaware

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

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

Julian & Grube, Inc.
June 13, 2007



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 the City's
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, 2006. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and responses. 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, 2006.

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 13, 2007

**CITY OF DELAWARE
DELAWARE COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2006**

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)?	Yes
<i>(d)(1)(iii)</i>	Was there any reported non-compliance at the financial statement level (GAGAS)?	No
<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:	Highway Planning and Construction CFDA #20.205
<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 AND RESPONSES
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2006**

2. FINDING RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2006-COD-001

The City had a material prior period restatement to its governmental activities net assets due to the understatement of depreciation expense in prior years. The City proactively examined their detailed capital assets and corrected the depreciation expense/accumulated depreciation.

We recommend the City implement a policy and related procedures to record capital asset additions, disposals and depreciation expense in a timely manner and in accordance with generally accepted accounting principles.

Client Response: The City will review its capital asset additions, disposals and depreciation expense annually for proper inclusion in the financial statements.

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, 2006**

<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 <u>Valid</u>; <i>Explain:</i>
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 January 1, 2006.	No	Reported in management letter due to materiality.



CITY OF DELAWARE, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDING DECEMBER 31, 2006
PREPARED BY THE FINANCE DEPARTMENT

City of Delaware, Ohio

Comprehensive Annual Financial Report
For The Year Ended December 31, 2006

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

Stewart Clinger

Utility Billing

Deb Brenner

Kim Johnson

Terri Miller

Cover Picture: City's new water tower located on Cheshire Rd.

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City of Delaware, Ohio
 Comprehensive Annual Financial Report
 For The Year Ended December 31, 2006
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 Comprehensive Annual Financial Report
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June 15, 2007

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, 2006.

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 2006, 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 19 square miles and has a population of some 32,000 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

Home building decreased considerably in 2006. Residential building permits totaled 217 for 2006, down from 619 in 2005. These 217 permits totaled some \$40.1 million in home value. Commercial permits were 191 in number and totaled \$28 million in value, up from 156 and \$17.9 million from 2005.

In 2006 the City completed negotiations with three companies. These projects will result in \$30 million in new investment, 320 jobs and a \$12 million payroll. The three companies are Associated Hygienic Products, Sky Climber and V&P Hydraulics.

The 2006 Tax Incentive Review Council reported to City Council and the Ohio Department of Development the status of the forty-eight active tax incentive agreements. These agreements have created 2,242 jobs with a \$82.5 million payroll. Over \$336 million has been invested in real and personal property.

Interestingly, the tax incentive agreement payroll goal is 140% and the job creation is 112%. 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 \$38,050 in 2006, a 16% increase.

Major Initiatives

Administration; In 2006, the City said good bye to Fire Chief Tom Macklin after 31 years, the last 15 as Fire Chief, and welcomed John Donahue, a 23 year veteran in the field, as the City's 25th Fire Chief.

Justice Center; Planning began on the much-needed addition to the Justice Center in 2006. The cost of the project is estimated at \$1.7 million for the 8,100 square foot addition. This will provide additional space for both the Municipal Court and the Police Department. The Municipal Court will have a newly elected Judge beginning in 2008.

Public Utilities; Work continued in 2006 on the construction of a \$24,000,000 expansion of the City's Wastewater Treatment Facility. The project is scheduled to be completed in the summer of 2007. In 2007, the City will complete construction and bring on-line a new, \$3.5 million, 160-foot, 2-million gallon elevated water storage tank on the City's southeast side. The tank will benefit the entire city with enhanced fire protection and increased water pressure.

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. A majority of the plan was completed in 2006, and the remainder should be completed in 2007. Work on the water plant expansion is expected to begin in 2007 or 2008.

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 entered 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. The system will be implemented early in 2007.

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 began in 2006.

Some 2006 City of Delaware Business Highlights:

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 Old 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, a spin off from a popular Columbus Italian restaurant, was sold to the owner of Bag of Nails and is now named Gaylords (fine Italian dining). 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. Existing eateries have flourished with all the new attention to Delaware dining.

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 County	Unemployment Rate		
		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	75,800	3.8	6.1	5.2

(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 appropriation ordinance on or before January 1 of each year. The City Manager and the Finance Director prepare the budget legislation 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.

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 2006, 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, 2005. 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,

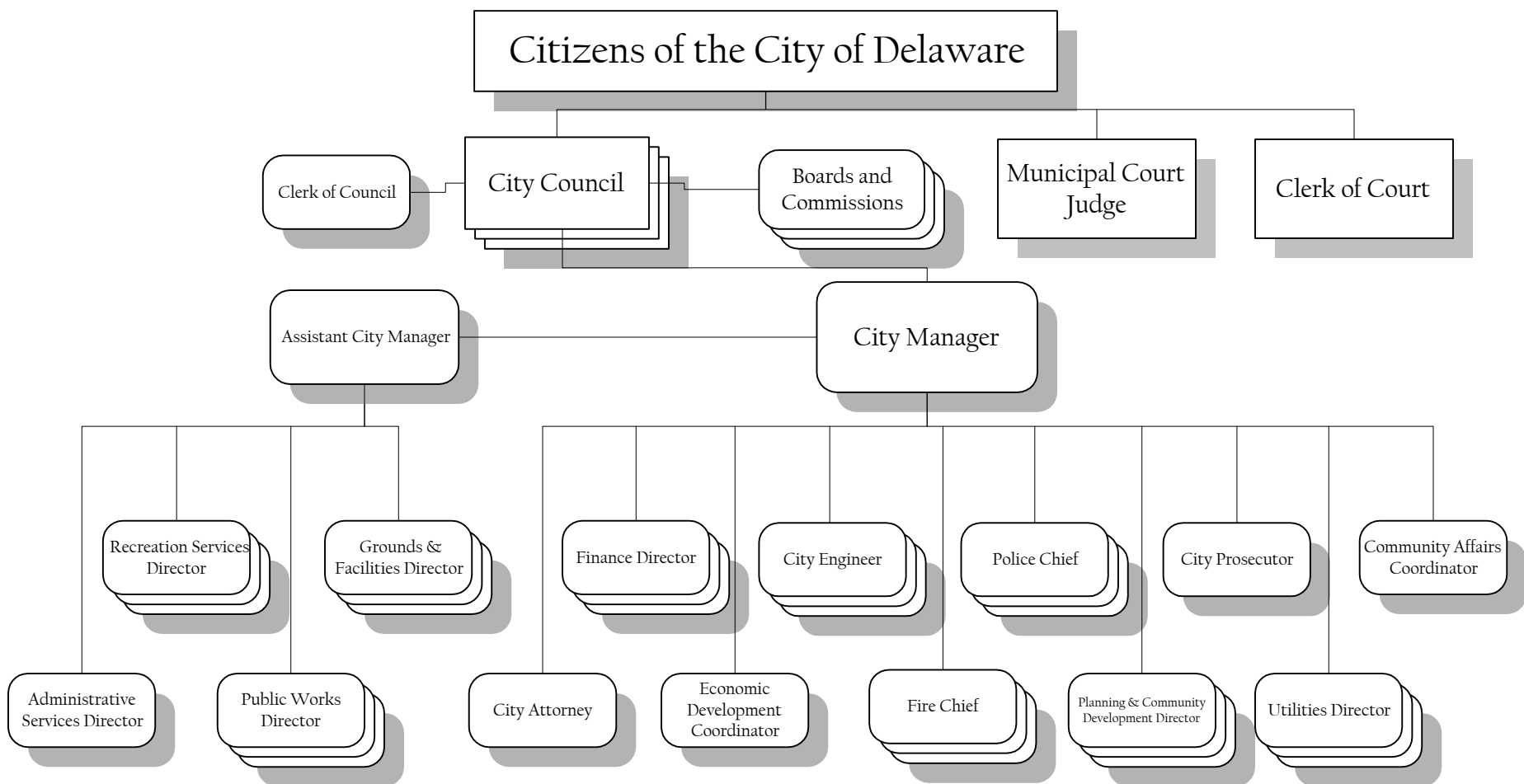


Dean P. Stelzer
Finance Director

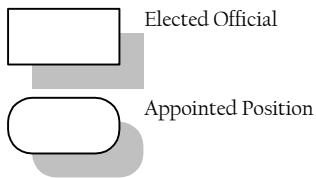


Robert L. Alger
City Accountant

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, 2006

Elected Officials

City Council

Jim Moore --- First Ward
David Berwanger --- Second Ward
Joe Di Genova --- Third Ward
Brad Ebersole --- 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
John Donahue --- Fire Chief
Russell Martin --- Police Chief

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Delaware
Ohio

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

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



President

Executive Director

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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, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City'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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As disclosed in Note 2 to the basic financial statements, the City has restated its Governmental and Business Type net assets at December 31, 2005 due to errors and omissions in prior years.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective 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, 2006, 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.

Members of Council and Mayor
City of Delaware
Page Two

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2007, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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.

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 schedules, 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 and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The 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 it.



Julian & Grube, Inc.
June 13, 2007

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2006

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, 2006. 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 2006, 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 15] reports all assets and liabilities of the City as of December 31, 2006. 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 16] 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, 2006. 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, 2006

Unaudited

[continued]

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 18 and 20.

The City of Delaware maintains 50 separate governmental funds. The governmental fund financial statements on pages 17 and 19 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, 2006

Unaudited

[continued]

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 23 and 24. 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, information technology, 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 four 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 29 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 30 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 60.

City of Delaware, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited
[continued]

Government-Wide Financial Analysis

Table 1 presents condensed information on net assets as of December 31, 2006 and 2005.

Table 1
Net Assets
December 31, 2006 and 2005 [as restated]

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
<i>Assets</i>						
Current and Other Assets	\$ 29,392,287	\$ 22,529,185	\$ 24,436,456	\$ 44,019,297	\$ 53,828,743	\$ 66,548,482
Capital Assets, Net	55,930,984	48,976,917	100,679,266	75,624,618	156,610,250	124,601,535
Total Assets	<u>85,323,271</u>	<u>71,506,102</u>	<u>125,115,722</u>	<u>119,643,915</u>	<u>210,438,993</u>	<u>191,150,017</u>
<i>Liabilities</i>						
Current and Other Liabilities	19,227,156	12,258,114	22,992,479	30,368,093	42,219,635	42,626,207
Long-Term Liabilities	13,060,449	9,576,557	35,973,523	25,964,759	49,033,972	35,541,316
Total Liabilities	<u>32,287,605</u>	<u>21,834,671</u>	<u>58,966,002</u>	<u>56,332,852</u>	<u>91,253,607</u>	<u>78,167,523</u>
<i>Net Assets</i>						
Invested in Capital Assets, Net of Related Debt	34,749,033	36,186,901	51,718,907	30,580,957	86,467,940	66,767,858
Restricted	4,581,679	5,345,258	0	0	4,581,679	5,345,258
Unrestricted	13,704,954	8,139,272	14,430,813	32,730,106	28,135,767	40,869,378
Total Net Assets	<u>\$ 53,035,666</u>	<u>\$ 49,671,431</u>	<u>\$ 66,149,720</u>	<u>\$ 63,311,063</u>	<u>\$ 119,185,386</u>	<u>\$ 112,982,494</u>

Capital assets increased \$32 million for 2006 due to continuous, although slower, growth. Some \$26 million was due to increased construction in progress, mostly for the Wastewater Treatment Expansion facility, the Southeast Highland Sewer project, and the Glenn Road Extension project. 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 \$24 million and should total some \$27 million [including capitalized interest] when the project is completed in 2007. Governmental current liabilities increased due mainly due to an additional \$5 million in Bond Anticipation Notes issued during 2006 for the Glenn Road Extension project. A distribution delay for the City's revolving loan program increased current liabilities by \$500,000. An increase in property tax

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2006

Unaudited

[continued]

receivables increased current liabilities [unearned revenue] by almost \$600 thousand. For business-type activities, the conversion of almost \$5 million in notes to bonds for water, sewer, and refuse projects decreased current liabilities and increased long-term liabilities, added to a reduction in the amount of the OWDA loan still expected [from over \$6.4 million in 2005 to just under \$3 million for December 31, 2006], made up the majority of the decrease. There was also a \$2.5 million increase to contracts payable for the aforementioned projects.

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, 2006, the City's assets exceeded liabilities by \$119 million.

By far, the largest portion of the City's net assets [72.5 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, 3.8%, represents resources that are subject to external restriction on how they may be used. This category of net assets decreased from \$5.3 million at December 31, 2005 to \$4.6 million at December 31, 2006.

The remaining balance of unrestricted net assets, \$28.1 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, 2006 and 2005.

City of Delaware, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited
[continued]

Table 2
Changes in Net Assets
For the Year Ended December 31, 2006 and 2005 [as restated]
(In Thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenues						
Program Revenues:						
Charges For Services	\$ 4,995	\$ 6,038	\$ 12,770	\$ 13,147	\$ 17,765	\$ 19,185
Operating Grants and Contributions	1,071	798	0	0	1,071	798
Capital Grants and Contributions	4,852	6,037	4,082	2,985	8,934	9,022
Total Program Revenues	<u>10,918</u>	<u>12,873</u>	<u>16,852</u>	<u>16,132</u>	<u>27,770</u>	<u>29,005</u>
General Revenues:						
Property Taxes	1,715	1,474			1,715	1,474
Income Taxes	12,182	11,462			12,182	11,462
Other Taxes	71	79			71	79
Grants and Other Contributions not Restricted to Specific Programs	2,228	1,677			2,228	1,677
Interest Income	1,350	608	1,130	715	2,480	1,323
Miscellaneous	1,039	199	122	176	1,161	375
Total General Revenues	<u>18,585</u>	<u>15,499</u>	<u>1,252</u>	<u>891</u>	<u>19,837</u>	<u>16,390</u>
Total Revenues	<u>\$ 29,503</u>	<u>\$ 28,372</u>	<u>\$ 18,104</u>	<u>\$ 17,023</u>	<u>\$ 47,607</u>	<u>\$ 45,395</u>

City of Delaware, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited
[continued]

	Governmental Activities		Business-type Activities		Total	
	2006	2005	2006	2005	2006	2005
Expenses						
General Government	\$ 6,009	\$ 5,697			\$ 6,009	\$ 5,697
Public Safety	12,724	11,366			12,724	11,366
Parks & Recreation	1,473	1,556			1,473	1,556
Community Development	948	1,270			948	1,270
Airport	1,026	1,098			1,026	1,098
Public Works	3,094	2,602			3,094	2,602
Interest and Fiscal Charges	865	427			865	427
Water			\$ 4,076	\$ 4,609	4,076	4,609
Sewer			7,714	4,312	7,714	4,312
Storm Sewer			741	1,112	741	1,112
Refuse			2,451	2,544	2,451	2,544
Other Business-Type Activities			283	212	283	212
Total Expenses	26,139	24,016	15,265	12,789	41,404	36,805
Increase (Decrease) in Net Assets	\$ 3,364	\$ 4,356	\$ 2,839	\$ 4,234	\$ 6,203	\$ 8,590

Program revenues for governmental funds represented 37 percent of total revenues and 93 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 decreased \$1.4 million, mainly due to Engineering Fee receipts [\$800 thousand decrease] the \$350 thousand developer payment to the Glenn Road project received in 2005. The \$765 thousand revolving loan grant funding for 2 local businesses to provide capital improvements in 2005, minimal CHIP and Formula grant funding in 2006, and minimal project activity at the Airport made up the majority of the \$1.2 million decrease in capital grants and contributions. General revenue variances were largest between income taxes and grants and unrestricted contributions. Income taxes receipts increased over \$700 thousand from 2005, property taxes increased \$241 thousand and grants and contributions not restricted to specific programs increased by \$551 thousand, mainly due to an increase in inheritance taxes received of some \$140 thousand, 9-1-1 reimbursement from Delaware County of \$197 thousand, and a \$407 thousand accrual for a reimbursement from Delaware County for Fire/EMS runs.

The major program expense for governmental activities is public safety, which includes police and 911, fire, municipal court, and prosecutorial services, and accounts for 48 percent of all governmental expenses. General city business expenses, 23 percent, and maintenance of the City's roads, lights, and signalization, 12 percent, are other significant governmental cost centers. For 2006, public safety expenses increased some 12% over 2005. Most of this increase

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2006

Unaudited

[continued]

was in the wage and benefit cost centers, and information technology rotary [new for 2006]. General government expenses also increased slightly in 2006. Parks and Recreation expenses decreased slightly [5%] due to an increase in capitalized costs, Community Development expenses decreased by \$322 thousand, mainly due to the \$765 thousand in revolving loan fund loans in 2005 versus \$500 thousand in 2006. Public Works' expenses increased by almost \$500 thousand, mainly due to a decrease in capitalized expenses in 2005; more of the expenses were considered to be services and charges, in nature. Airport expenses decreased slightly [6.5%], as projects continued during 2006. Interest and fiscal charges more than doubled in 2006 due to the maturing of several new notes issued in 2005.

Public utility costs for water, sewer, storm sewer, and refuse account for 98.5 percent of the City's business-type activities and are funded from charges for services. For 2006, there was a \$2.5 million increase in expenses, the majority, \$3.4 million, in services and charges in the sewer fund, against a decrease in services and charges in the Storm Sewer fund of \$370 thousand. Water fund expenses decreased 11.5%, mostly in services and charges, and Refuse fund expenses decreased slightly [3.6%] for 2006.

Governmental Activities

Table 3 Expenses and Program Revenues - Governmental Activities

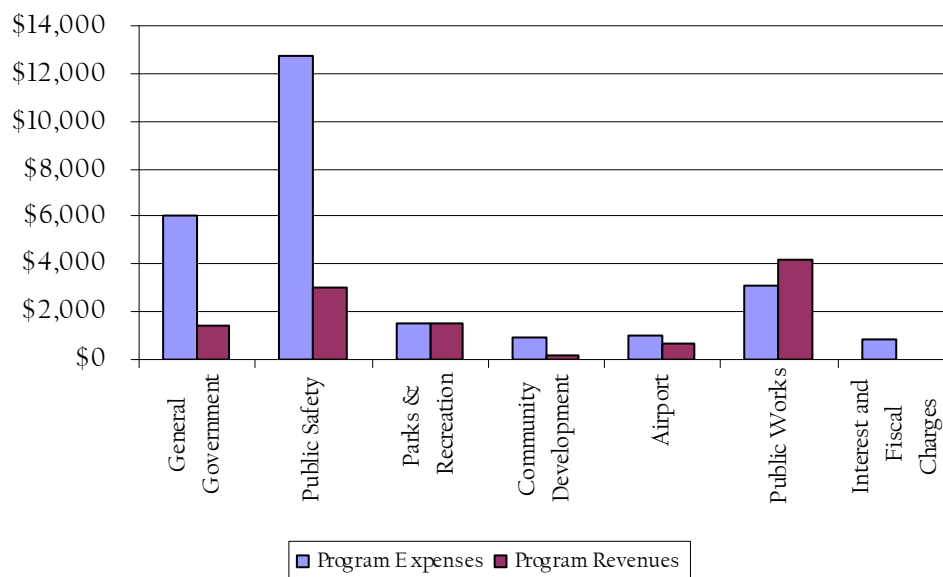


Table 3 indicates the total cost of services and revenues to offset those services for governmental activities. The statement of activities reflects the cost of program services and the charges for

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2006

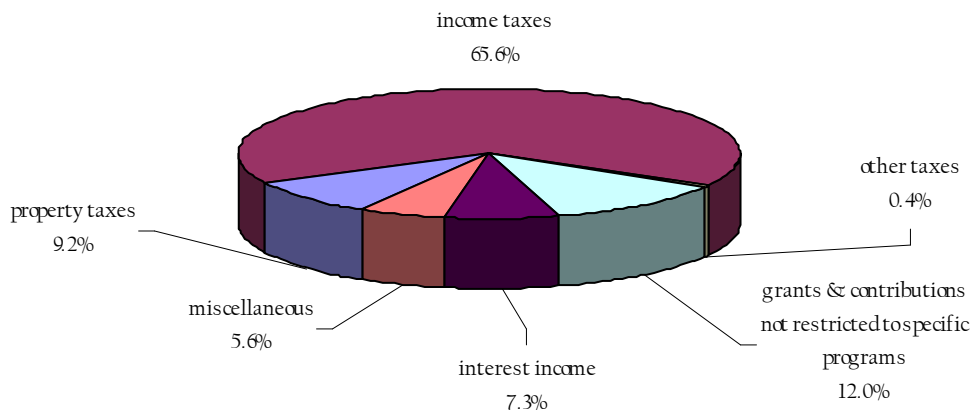
Unaudited

[continued]

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 62 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 2006, most of the Public 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 2006 by a \$12.5 million

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2006

Unaudited

[continued]

bond anticipation note. A \$474 thousand increase in income tax revenue helped increase the General Fund balance, as did a \$189 thousand increase for the Fire/EMS Income Tax fund. A \$550 thousand bond issue for Mingo Pool improvements, a \$500 thousand advance from the General Fund, and transfers totaling \$3.05 million provided the majority of funding to the Capital Improvements fund. A delay in federal fund reimbursements [\$740 thousand] until early 2007 caused the large fund balance decrease from 2005, however.

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 expenses in the Water 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. The Sewer fund normally falls into this category of sufficiency, but current expenses exceeded revenues for 2006, although not the fund's net assets. 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 slightly [\$2 thousand] over the original budget.

Capital Assets and Debt Administration

The City's investment in capital assets for governmental and business-type activities as of December 31, 2006, was \$34,749,033, and \$51,718,907, 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 2006, primarily due to contributed capital assets from newly completed developments, continuing road resurfacing projects, construction of a new water tower, and the Wastewater Treatment Expansion Facility project. More specifically; roads donated were estimated at \$2.167 million, down from \$2.356 million a year ago, storm sewers were estimated at \$1.085 million, down slightly from \$1.086 million, water lines were estimated at \$1.327 million, up from \$903 thousand, and sewer lines at \$1.671 million, up from \$996 thousand in 2005. The \$26+ million

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2006

Unaudited

[continued]

Wastewater Treatment Expansion Facility has thus far cost over \$23 million. Other road resurfacing projects amounted to \$1.2 million. Note 9 to the basic financial statements provides details on the capital asset activity during 2006.

At December 31, 2006, the City had several long-term obligations outstanding. The obligations included \$19,495,000 in general obligation bonds and \$135,000 in special assessment bonds. Of this amount, \$10,930,000 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 \$24 million, which includes capitalized interest of \$850 thousand. 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 \$27.57 million. These notes are for the Glenn Road Extension project notes [\$12.57 million] to extend Glenn Road from Curve Road to US23, 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 Zarembo 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, 2006

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 20,663,219	\$ 16,317,789	\$ 36,981,008
Receivables:			
Accounts (net of allowance for uncollectibles)	53,289	1,924,132	1,977,421
Income Taxes	3,147,571	0	3,147,571
Property Taxes	2,016,160	0	2,016,160
Accrued Interest	5,787	3,872	9,659
Special Assessments	42,000	0	42,000
Loans Receivable	0	2,973,308	2,973,308
Materials and Supplies Inventory	31,682	37,147	68,829
Prepaid Items	68,448	130,089	198,537
Restricted Assets:			
Retainage	115,954	1,753,626	1,871,580
Customer Deposits	24,580	223,931	248,511
Due from Other Governments:			
Federal Government	518,211	0	518,211
State Government	1,082,791	0	1,082,791
County Government	1,485,379	0	1,485,379
Unamortized Bond Discount	18,774	0	18,774
Unamortized Bond Issuance Costs	118,442	128,678	247,120
Deferred Charges	0	941,884	941,884
Nondepreciable Capital Assets	7,767,324	49,643,218	57,410,542
Depreciable Capital Assets(<i>net of accumulated depreciation</i>)	48,163,660	51,036,048	99,199,708
Total Assets	85,323,271	125,115,722	210,438,993
Liabilities			
Accounts Payable	844,731	200,599	1,045,330
Accrued Wages	810,625	143,047	953,672
Contracts Payable	587,032	2,592,806	3,179,838
Accrued Interest Payable	416,435	61,766	478,201
Unamortized Bond Premium	33,444	41,396	74,840
Compensated Absences Payable - Matured	316,918	0	316,918
Claims Payable	965,704	0	965,704
Unearned Revenue	2,541,733	2,973,308	5,515,041
Payables from Restricted Assets:			
Retainage	128,429	1,753,626	1,884,055
Customer Deposits	12,105	223,931	236,036
Notes Payable	12,570,000	15,000,000	27,570,000
Long-Term Liabilities:			
Due Within One Year	1,104,802	807,217	1,912,019
Due in More Than One Year	11,955,647	35,166,306	47,121,953
Total Liabilities	32,287,605	58,966,002	91,253,607
Net Assets			
Invested in Capital Assets, Net of Related Debt	34,749,033	51,718,907	86,467,940
Restricted for:			
Capital Projects	1,343,242	0	1,343,242
Debt Service	7,712	0	7,712
Special Revenue Funds	3,230,725	0	3,230,725
Unrestricted	13,704,954	14,430,813	28,135,767
Total Net Assets	\$ 53,035,666	\$ 66,149,720	\$ 119,185,386

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Activities
For the Year Ended December 31, 2006

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Functions/Programs							
Governmental Activities:							
General Government	\$ 6,008,692	\$ 1,319,928	\$ 93,160	\$ 5,000	\$ (4,590,604)		\$ (4,590,604)
Public Safety	12,723,836	2,721,892	308,131	0	(9,693,813)		(9,693,813)
Parks & Recreation	1,472,748	267,985	241,200	1,002,823	39,260		39,260
Community Development	948,545	93,471	14,928	34,364	(805,782)		(805,782)
Airport	1,025,762	591,341	0	56,332	(378,089)		(378,089)
Public Works	3,094,482	0	413,694	3,753,694	1,072,906		1,072,906
Interest and Fiscal Charges	864,700	0	0	0	(864,700)		(864,700)
<i>Total Governmental Activities</i>	<u>26,138,765</u>	<u>4,994,617</u>	<u>1,071,113</u>	<u>4,852,213</u>	<u>(15,220,822)</u>		<u>(15,220,822)</u>
Business-Type Activities:							
Water	4,075,951	4,252,033	0	1,326,589		\$ 1,502,671	1,502,671
Sewer	7,714,491	5,235,430	0	1,670,512		(808,549)	(808,549)
Storm Sewer	741,292	745,718	0	1,084,945		1,089,371	1,089,371
Refuse	2,451,294	2,307,315	0	0		(143,979)	(143,979)
Other Business-type Activities:							
Golf Course	202,941	179,820	0	0		(23,121)	(23,121)
Parking Lot	41,344	49,714	0	0		8,370	8,370
Watershed	38,330	0	0	0		(38,330)	(38,330)
<i>Total Business-Type Activities</i>	<u>15,265,643</u>	<u>12,770,030</u>	<u>0</u>	<u>4,082,046</u>	<u>0</u>	<u>1,586,433</u>	<u>1,586,433</u>
Total	<u>\$ 41,404,408</u>	<u>\$ 17,764,647</u>	<u>\$ 1,071,113</u>	<u>\$ 8,934,259</u>	<u>\$ (15,220,822)</u>	<u>\$ 1,586,433</u>	<u>\$ (13,634,389)</u>
General Revenues							
Property Taxes Levied for:							
General Purposes					\$ 1,328,597	\$ 0	\$ 1,328,597
Public Safety					386,902	0	386,902
Income Tax Levied for:							
General Purposes					8,699,251	0	8,699,251
Public Safety					3,483,269	0	3,483,269
Other Taxes					71,016	0	71,016
Grants and Contributions not Restricted to Specific Programs							
					2,227,802	0	2,227,802
Interest Income					1,349,548	1,129,902	2,479,450
Miscellaneous					1,038,672	122,322	1,160,994
<i>Total General Revenues</i>					<u>18,585,057</u>	<u>1,252,224</u>	<u>19,837,281</u>
Change in Net Assets					3,364,235	2,838,657	6,202,892
Net Assets Beginning of Year - (See Note 2)					<u>49,671,431</u>	<u>63,311,063</u>	<u>112,982,494</u>
Net Assets End of Year					<u>\$ 53,035,666</u>	<u>\$ 66,149,720</u>	<u>\$ 119,185,386</u>

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio

Balance Sheet

Governmental Funds

December 31, 2006

	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	\$ 700,814	\$ 0	\$ 250,588	\$ 11,808,758	\$ 6,271,731	\$ 19,031,891
Receivables:						
Accrued Interest	2,300	0	0	2,862	625	5,787
Income Taxes	2,248,310	899,261	0	0	0	3,147,571
Property Taxes	1,566,758	0	0	0	449,402	2,016,160
Accounts	48,357	0	0	0	4,932	53,289
Special Assessments	0	0	0	0	42,000	42,000
Interfund	1,690,497	0	0	0	0	1,690,497
Restricted Assets:						
Retainage	0	0	115,954	0	12,475	128,429
Customer Deposits	0	0	0	0	12,105	12,105
Prepaid Items	53,393	0	0	0	15,055	68,448
Material and Supplies Inventory	0	0	0	0	31,682	31,682
Due From:						
Federal Government	0	0	518,211	0	0	518,211
State Government	152,441	0	225,734	0	704,616	1,082,791
County Government	1,225,494	0	0	0	259,885	1,485,379
Other Funds	9,964	0	0	0	37,965	47,929
Total Assets	\$ 7,698,328	\$ 899,261	\$ 1,110,487	\$ 11,811,620	\$ 7,842,473	\$ 29,362,169
Liabilities						
Accounts Payable	\$ 128,738	\$ 0	\$ 31,798	\$ 0	\$ 648,760	\$ 809,296
Accrued Wages & Benefits	642,142	0	0	0	146,415	788,557
Contracts Payable	0	0	236,009	0	351,023	587,032
Interfund Payable	0	0	500,000	0	1,190,497	1,690,497
Due to Other Funds	0	0	0	0	47,929	47,929
Compensated Absences - Matured	244,462	0	0	0	55,909	300,371
Deferred Revenue	3,151,733	378,647	0	0	1,042,639	4,573,019
Payable from Restricted Assets:						
Retainage	0	0	115,954	0	12,475	128,429
Customer Deposits	0	0	0	0	12,105	12,105
Notes Payable	0	0	0	11,528,294	1,041,706	12,570,000
Total Liabilities	4,167,075	378,647	883,761	11,528,294	4,549,458	21,507,235
Fund Balances						
Reserved for Encumbrances	157,271	0	1,060,989	673,169	1,959,981	3,851,410
Reserved for Prepaid Items	53,393	0	0	0	15,055	68,448
Reserved for Material and Supplies Inventory	0	0	0	0	31,682	31,682
Unreserved:						
Designated for:						
Debt Service	0	0	0	0	7,712	7,712
Undesignated (Deficit), Reported in:						
General Fund	3,320,589	0	0	0	0	3,320,589
Special Revenue Funds	0	520,614	0	0	1,973,093	2,493,707
Debt Service Funds	0	0	0	0	(201,861)	(201,861)
Capital Projects Funds	0	0	(834,263)	(389,843)	(492,647)	(1,716,753)
Total Fund Balances	3,531,253	520,614	226,726	283,326	3,293,015	7,854,934
Total Liabilities and Fund Balances	\$ 7,698,328	\$ 899,261	\$ 1,110,487	\$ 11,811,620	\$ 7,842,473	\$ 29,362,169

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, 2006

Total Governmental Funds Balances \$ 7,854,934

*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 55,930,984

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

Income Taxes Receivable	1,325,330	
Due from Other Governments	705,956	
Total	2,031,286	2,031,286

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	18,774	
Unamortized Bond Issuance Costs	118,442	
Total	137,216	137,216

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 12/31/06	580,127	
Capital assets, included above	(32,529)	
Compensated absences, included below	43,976	
Total	591,574	591,574

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	(416,435)	
General Obligation Bonds	(8,565,000)	
Special Assessment Bonds	(135,000)	
Capital Leases Payable	(15,723)	
Unamortized Bond Premium	(33,444)	
Past Police & Fire Service Liability	(314,326)	
Compensated Absences	(4,030,400)	
Total	(13,510,328)	(13,510,328)

Net Assets of Governmental Activities \$ 53,035,666

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, 2006

	General	Fire/EMS Income Tax	Capital Improvement	Glenn Road South Construction	Other Governmental Funds	Total Governmental Funds
Revenues						
Property Taxes	\$ 1,328,597	\$ 0	\$ 0	\$ 0	\$ 386,902	\$ 1,715,499
Income Taxes	8,554,599	3,421,365	0	0	4,047	11,980,011
Miscellaneous Taxes	71,016	0	0	0	0	71,016
Special Assessments	0	0	0	0	36,662	36,662
Intergovernmental	2,203,300	0	743,945	0	1,765,053	4,712,298
Interest	433,152	0	0	818,918	97,478	1,349,548
Fees, Licenses and Permits	807,802	0	0	0	5,000	812,802
Fines and Forfeitures	121,825	0	0	0	2,063,694	2,185,519
Impact Fees	0	0	0	67,800	603,969	671,769
Charges for Services	906,693	0	0	0	1,103,085	2,009,778
Contributions and Donations	0	0	304,468	0	261,728	566,196
Reimbursements	28,637	0	0	0	148,442	177,079
Miscellaneous	127,962	0	0	0	53,462	181,424
Total Revenues	14,583,583	3,421,365	1,048,413	886,718	6,529,522	26,469,601
Expenditures						
Current:						
Public Safety						
Police/911	5,098,333	0	0	0	209,978	5,308,311
Fire	694,327	3,397,759	0	0	209,978	4,302,064
Muni Court	0	0	0	0	1,991,201	1,991,201
Other	354,756	0	0	0	0	354,756
Parks & Recreation	0	0	0	0	1,322,053	1,322,053
Community Development	111,635	0	0	0	825,832	937,467
Airport	0	0	0	0	703,117	703,117
Public Works	0	0	0	0	2,083,994	2,083,994
General Government	5,233,646	0	31,798	0	270,580	5,536,024
Capital Outlay	0	0	2,680,346	1,049,883	3,219,820	6,950,049
Debt Service:						
Principal Retirement	20,293	0	0	0	259,000	279,293
Interest and Fiscal Charges	0	0	0	202,237	384,521	586,758
Bond Issuance Costs	0	0	0	0	35,795	35,795
Refunds	0	0	0	0	1,477	1,477
Total Expenditures	11,512,990	3,397,759	2,712,144	1,252,120	11,517,346	30,392,359
Excess of Revenues Over (Under) Expenditures	3,070,593	23,606	(1,663,731)	(365,402)	(4,987,824)	(3,922,758)
Other Financing Sources (Uses)						
Proceeds of Bonds	0	0	550,000	0	3,170,000	3,720,000
Premium on Debt Issuance	0	0	0	124,192	37,160	161,352
Transfers In	0	0	3,050,000	497,687	4,901,981	8,449,668
Transfers Out	(3,538,512)	0	(956,443)	0	(3,958,343)	(8,453,298)
Total Other Financing Sources (Uses)	(3,538,512)	0	2,643,557	621,879	4,150,798	3,877,722
Net Change in Fund Balances	(467,919)	23,606	979,826	256,477	(837,026)	(45,036)
Fund Balances (Deficits) Beginning of Year [as restated]	3,999,172	497,008	(753,100)	26,849	4,130,041	7,899,970
Fund Balances End of Year	\$ 3,531,253	\$ 520,614	\$ 226,726	\$ 283,326	\$ 3,293,015	\$ 7,854,934

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, 2006

Net Change in Fund Balances - Total Governmental Funds \$ (45,036)

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	7,319,149	
Donated Infrastructure	2,167,089	
Depreciation	<u>(2,532,172)</u>	
Total		6,954,066

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

Income Tax	202,509	
Intergovernmental	<u>(7,886)</u>	
Total		194,623

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal said debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Bonds Issued	(3,720,000)	
Premium on Bond	(37,160)	
Issuance Costs	<u>35,795</u>	
Total		(3,721,365)

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.

279,293

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.

(277,942)

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	(48,792)	
Police and Fire Past Service Liability	<u>5,607</u>	
Total		(43,185)

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 2006	(7,380)	
Capital Outlay, included above	(5,745)	
Depreciation Expense, included above	10,328	
Compensated Absences, included above	<u>26,578</u>	
Total		<u>23,781</u>

Change in Net Assets of Governmental Activities

\$ 3,364,235

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, 2006

General Fund

	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Income Taxes	\$ 8,550,990	\$ 8,550,990	\$ 8,495,580	\$ (55,410)
Property & Other Taxes	1,350,000	1,350,000	1,402,232	52,232
Intergovernmental	1,907,900	1,907,900	2,037,833	129,933
Charges For Service	1,545,000	1,545,000	903,846	(641,154)
Fines & Court Fees	85,000	85,000	117,453	32,453
Licenses & Permits	1,182,000	1,182,000	923,939	(258,061)
Interest Income	425,000	425,000	440,493	15,493
Miscellaneous	175,000	175,000	142,565	(32,435)
Total Revenues	15,220,890	15,220,890	14,463,941	(756,949)
Expenditures:				
Current:				
Public Safety	6,565,840	6,568,340	6,381,074	187,266
General Government	5,063,993	5,064,009	4,490,795	573,214
Income Tax Refunds	280,000	280,000	273,655	6,345
Engineering Refunds	748,610	748,610	501,225	247,385
Total Expenditures	12,658,443	12,660,959	11,646,749	1,014,210
Excess (Deficiency) Of Revenues Over Expenditures	2,562,447	2,559,931	2,817,192	257,261
Other Financing Sources (Uses):				
Advances In	0	0	268,635	268,635
Advances Out	0	0	(1,300,000)	(1,300,000)
Transfers Out	(3,531,000)	(3,551,000)	(3,538,512)	12,488
Total Other Financing Sources (Uses)	(3,531,000)	(3,551,000)	(4,569,877)	(1,018,877)
Net Change in Fund Balance	(968,553)	(991,069)	(1,752,685)	(761,616)
Fund Balance at Beginning of Year:	2,072,506	2,072,506	2,072,506	0
Prior Years Encumbrances	296,150	296,150	296,150	0
Fund Balance at End of Year:	\$ 1,400,103	\$ 1,377,587	\$ 615,971	\$ (761,616)

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, 2006

	Fire/EMS Income Tax			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Income Taxes	\$ 3,420,159	\$ 3,510,159	\$ 3,397,759	\$ (112,400)
Total Revenues	<u>3,420,159</u>	<u>3,510,159</u>	<u>3,397,759</u>	<u>(112,400)</u>
Expenditures:				
Current:				
Public Safety	3,420,159	3,470,159	3,397,759	72,400
Total Expenditures	<u>3,420,159</u>	<u>3,470,159</u>	<u>3,397,759</u>	<u>72,400</u>
Net Change in Fund Balance	0	40,000	0	(40,000)
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>\$ 40,000</u>	<u>\$ 0</u>	<u>\$ (40,000)</u>

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2006

	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	\$ 6,888,516	\$ 7,862,452	\$ 936,199	\$ 474,945	\$ 155,677	\$ 16,317,789	\$ 1,631,328
Accounts Receivable [net of uncollectible accounts]	624,810	811,326	175,731	310,612	1,653	1,924,132	0
Accrued Interest Receivable	1,509	2,248	0	115	0	3,872	0
Loans Receivable	0	2,973,308	0	0	0	2,973,308	0
Materials and Supplies Inventory	31,249	4,802	0	0	1,096	37,147	0
Prepaid Items	40,981	57,036	0	29,388	2,684	130,089	0
Total Current Assets	7,587,065	11,711,172	1,111,930	815,060	161,110	21,386,337	1,631,328
<i>Noncurrent Assets:</i>							
<i>Restricted Assets:</i>							
Customer Deposits	223,931	0	0	0	0	223,931	0
Retainage	339,525	1,416,101	0	0	0	1,755,626	0
Unamortized Financing Costs	27,212	101,466	0	0	0	128,678	0
Deferred Charges	0	941,884	0	0	0	941,884	0
<i>Capital Assets:</i>							
Nondepreciable Capital Assets	7,018,159	42,272,617	13,000	128,688	210,754	49,643,218	0
Depreciable Capital Assets, Net	17,099,833	22,558,247	10,669,314	457,549	251,105	51,036,048	32,529
Total Noncurrent Assets	24,708,660	67,290,315	10,682,314	586,237	461,859	103,729,385	32,529
Total Assets	\$ 32,295,725	\$ 79,001,487	\$ 11,794,244	\$ 1,401,297	\$ 622,969	\$ 125,115,722	\$ 1,663,857
Liabilities							
<i>Current Liabilities:</i>							
Accounts Payable	\$ 57,267	\$ 66,154	\$ 2,590	\$ 30,972	\$ 43,616	\$ 200,599	\$ 35,435
Accrued Wages & Benefits	59,898	48,031	4,550	26,481	4,087	143,047	22,068
Contracts Payable	224,316	2,364,832	0	3,658	0	2,592,806	0
Compensated Absences Payable	74,941	55,170	2,848	20,082	3,486	156,527	16,547
Accrued Interest Payable	11,817	48,323	0	1,583	43	61,766	0
Deferred Revenue	0	2,973,308	0	0	0	2,973,308	0
Capital Leases Payable	0	0	0	0	10,690	10,690	0
Claims Payable	0	0	0	0	0	0	965,704
General Obligation Bonds Payable	85,000	510,000	0	40,000	0	635,000	0
Landfill Post-Closure Obligation	0	0	0	5,000	0	5,000	0
Total Current Liabilities	513,239	6,065,818	9,988	127,776	61,922	6,778,743	1,039,754
<i>Long-Term Liabilities:</i>							
<i>Payable from Restricted Assets:</i>							
Customer Deposits	223,931	0	0	0	0	223,931	0
Retainage Payable	339,525	1,416,101	0	0	0	1,755,626	0
Compensated Absences Payable	296,973	211,370	9,041	33,044	12,042	562,470	43,976
Unamortized Bond Premium	28,250	13,146	0	0	0	41,396	0
Loans Payable	0	24,048,836	0	0	0	24,048,836	0
General Obligation Bonds Payable	3,460,000	6,400,000	0	435,000	0	10,295,000	0
Landfill Post-Closure Obligation	0	0	0	260,000	0	260,000	0
Notes Payable	0	15,000,000	0	0	0	15,000,000	0
Total Long-Term Liabilities	4,348,679	47,089,453	9,041	728,044	12,042	52,187,259	43,976
Total Liabilities	4,861,918	53,155,271	19,029	855,820	73,964	58,966,002	1,083,730
Net Assets							
Invested in Capital Assets, Net of Related Debt	20,572,992	18,872,028	10,682,314	111,237	451,169	50,689,740	45,552
Restricted for Other Purposes	0	0	0	0	0	0	579,077
Unrestricted	6,860,815	6,974,188	1,092,901	434,240	97,836	15,459,980	(44,502)
Total Net Assets	\$ 27,433,807	\$ 25,846,216	\$ 11,775,215	\$ 545,477	\$ 549,005	\$ 66,149,720	\$ 580,127

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, 2006

	Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Storm Sewer	Refuse	Non-major Enterprise Funds		
Operating Revenues							
Charges for Services	\$ 3,228,925	\$ 4,095,989	\$ 745,718	\$ 2,307,315	\$ 229,534	\$ 10,607,481	\$ 5,006,164
Capacity Fees	1,023,108	1,114,329	0	0	0	2,137,437	0
Reimbursements	0	0	0	0	0	0	559,607
Miscellaneous	47,022	0	0	29,999	1,308	78,329	0
						0	
<i>Total Operating Revenues</i>	<u>4,299,055</u>	<u>5,210,318</u>	<u>745,718</u>	<u>2,337,314</u>	<u>230,842</u>	<u>12,823,247</u>	<u>5,565,771</u>
Operating Expenses							
Personal Services	1,387,306	1,318,584	117,347	690,726	120,397	3,634,360	577,707
Cost of Services	507,971	570,484	0	271,857	0	1,350,312	0
Services and Charges	1,087,368	3,791,026	268,456	1,165,198	127,328	6,439,376	411,046
Materials and Supplies	457,075	164,958	52,966	78,880	25,588	779,467	591,629
Depreciation	451,618	1,046,118	301,945	224,654	8,559	2,032,894	10,328
Claims	0	0	0	0	0	0	3,964,421
<i>Total Operating Expenses</i>	<u>3,891,338</u>	<u>6,891,170</u>	<u>740,714</u>	<u>2,431,315</u>	<u>281,872</u>	<u>14,236,409</u>	<u>5,555,131</u>
<i>Operating Income (Loss)</i>	<u>407,717</u>	<u>(1,680,852)</u>	<u>5,004</u>	<u>(94,001)</u>	<u>(51,030)</u>	<u>(1,413,162)</u>	<u>10,640</u>
Non-Operating Revenues (Expenses)							
Interest and Fiscal Charges	(165,783)	(820,775)	0	(19,645)	(743)	(1,006,946)	0
Interest Income	326,569	803,218	0	115	0	1,129,902	0
Other Revenue (Expense)	(12,330)	56,429	(578)	(334)	0	43,187	(18,020)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>148,456</u>	<u>38,872</u>	<u>(578)</u>	<u>(19,864)</u>	<u>(743)</u>	<u>166,143</u>	<u>(18,020)</u>
<i>Income (Loss) before Capital Contributions and Transfers</i>	<u>556,173</u>	<u>(1,641,980)</u>	<u>4,426</u>	<u>(113,865)</u>	<u>(51,773)</u>	<u>(1,247,019)</u>	<u>(7,380)</u>
Donated Infrastructure Transfers In	1,326,589	1,670,512	1,084,945	0	0	4,082,046	0
	0	0	0	0	3,630	3,630	0
<i>Change in Net Assets</i>	<u>1,882,762</u>	<u>28,532</u>	<u>1,089,371</u>	<u>(113,865)</u>	<u>(48,143)</u>	<u>2,838,657</u>	<u>(7,380)</u>
<i>Net Assets Beginning of Year - Restated; See Note 2</i>	<u>25,551,045</u>	<u>25,817,684</u>	<u>10,685,844</u>	<u>659,342</u>	<u>597,148</u>	<u>63,311,063</u>	<u>587,507</u>
<i>Net Assets End of Year</i>	<u>\$ 27,433,807</u>	<u>\$ 25,846,216</u>	<u>\$ 11,775,215</u>	<u>\$ 545,477</u>	<u>\$ 549,005</u>	<u>\$ 66,149,720</u>	<u>\$ 580,127</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, 2006

	Enterprise Funds			
	Water	Sewer	Storm Sewer	Refuse
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 3,156,984	\$ 4,064,272	\$ 725,254	\$ 2,280,404
Cash Received for Premiums	0	0	0	0
Cash Received for Capacity Fees	1,023,108	1,072,904	0	0
Customer Deposits Received	29,887	0	0	0
Customer Deposits Returned	(26,485)	0	0	0
Cash Payments for Personal Services	(1,378,872)	(1,311,315)	(117,475)	(676,683)
Cash Payments for Materials and Supplies	(454,811)	(148,716)	(52,875)	(78,866)
Cash Payments for Services and Charges	(1,636,970)	(3,111,310)	(282,343)	(1,460,518)
Cash Payments for Claims	0	0	0	0
Other Cash Receipts or Payments	52,873	17,651	0	29,999
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>765,714</u>	<u>583,486</u>	<u>272,561</u>	<u>94,336</u>
Cash Flows from Noncapital Financing Activities				
Cash Received from Land Rent	6,500	0	0	0
Cash Payments for Reimbursements	(18,830)	(2,546)	(578)	(334)
<i>Net Cash Provided by (Used in) Noncapital Financing Activities</i>	<u>(12,330)</u>	<u>(2,546)</u>	<u>(578)</u>	<u>(334)</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition and Construction of Capital Assets	(4,397,207)	(18,410,225)	0	(173,484)
Interest Paid on Debt Obligations	(215,528)	(973,670)	0	(28,934)
Principal Paid on Debt Obligations	(3,545,000)	(16,470,000)	0	(480,000)
Proceeds Received from Notes	0	15,000,000	0	0
Proceeds Received from Bonds	3,545,000	1,000,000	0	475,000
Proceeds Received from Loan	0	4,605,699	0	0
Premium on Debt Issuances	1,153	58,975	0	0
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	<u>(4,611,582)</u>	<u>(15,189,221)</u>	<u>0</u>	<u>(207,418)</u>
Cash Flows from Investing Activities				
Interest on Investments	335,868	824,155	0	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>(3,522,330)</u>	<u>(13,784,126)</u>	<u>271,983</u>	<u>(113,416)</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>10,974,302</u>	<u>23,062,679</u>	<u>664,216</u>	<u>588,361</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 7,451,972</u>	<u>\$ 9,278,553</u>	<u>\$ 936,199</u>	<u>\$ 474,945</u>

(continued)

City of Delaware, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2006

(continued)

	Other Enterprise Funds	Total	Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 227,881	\$ 10,454,795	\$ 1,472,549
Cash Received for Premiums	0	0	3,533,615
Cash Received for Capacity Fees	0	2,096,012	0
Customer Deposits Received	0	29,887	0
Customer Deposits Returned	0	(26,485)	0
Cash Payments for Personal Services	(118,325)	(3,602,670)	(527,755)
Cash Payments for Materials and Supplies	(25,321)	(760,589)	(593,557)
Cash Payments for Services and Charges	(85,836)	(6,576,977)	(395,099)
Cash Payments for Claims	0	0	(3,647,543)
Other Cash Receipts or Payments	38,596	139,119	559,607
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>36,995</u>	<u>1,753,092</u>	<u>401,817</u>
Cash Flows from Noncapital Financing Activities			
Cash Received from Land Rent	0	6,500	0
Cash Payments for Reimbursements	0	(22,288)	(18,020)
<i>Net Cash Provided by (Used in) Noncapital Financing Activities</i>	<u>0</u>	<u>(15,788)</u>	<u>(18,020)</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition and Construction of Capital Assets	(24,580)	(23,005,496)	(5,745)
Interest Paid on Debt Obligations	(591)	(1,218,723)	0
Principal Paid on Debt Obligations	(10,299)	(20,505,299)	0
Proceeds Received from Notes	0	15,000,000	0
Proceeds Received from Bonds	0	5,020,000	0
Proceeds Received from Loan	0	4,605,699	0
Premium on Debt Issuances	0	60,128	0
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	<u>(35,470)</u>	<u>(20,043,691)</u>	<u>(5,745)</u>
Cash Flows from Investing Activities			
Interest on Investments	0	1,160,023	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	1,525	(17,146,364)	378,052
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>154,153</u>	<u>35,443,711</u>	<u>1,253,277</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 155,678</u>	<u>\$ 18,297,347</u>	<u>\$ 1,631,329</u>

(continued)

City of Delaware, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2006

	Enterprise Funds			
	Water	Sewer	Storm Sewer	Refuse
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ 407,717	\$ (1,680,852)	\$ 5,004	\$ (94,001)
Adjustments:				
Depreciation	451,618	1,046,118	301,945	224,654
(Increase) Decrease in Assets:				
Accounts Receivable	(36,203)	(55,491)	(20,464)	(26,911)
Intergovernmental Receivable	0	0	0	0
Prepaid Items	(2,466)	3,334	0	(1,923)
Materials and Supplies Inventory	(15,451)	2,952	0	0
Increase (Decrease) in Liabilities:				
Accounts Payable	15,535	5,184	(3,572)	(25,252)
Contracts Payable	(288,191)	896,968	0	3,658
Accrued Wages and Benefits	7,866	(2,379)	(8)	3,590
Compensated Absences Payable	568	9,623	(101)	10,521
Retainage Payable	221,318	358,029	(10,243)	0
Customer Deposits	3,403	0	0	0
Claims Payable	0	0	0	0
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>\$ 765,714</u>	<u>\$ 583,486</u>	<u>\$ 272,561</u>	<u>\$ 94,336</u>

Noncash capital transactions:

The Water fund received water lines donated by developers with a fair value of \$1,326,589. These lines were recorded as capital assets.

The Sewer fund received sewer lines donated by developers with a fair value of \$1,670,512. These lines were recorded as capital assets.

The Storm Sewer fund received storm sewer lines donated by developers with a fair value of \$1,084,945. 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, 2006

(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)	\$ (51,030)	\$ (1,413,162)	\$ 10,640
Adjustments:			
Depreciation	8,559	2,032,894	10,328
(Increase) Decrease in Assets:			
Accounts Receivable	(1,653)	(140,722)	0
Intergovernmental Receivable	37,288	37,288	0
Prepaid Items	(577)	(1,632)	0
Materials and Supplies Inventory	290	(12,209)	0
Increase (Decrease) in Liabilities:			
Accounts Payable	42,046	33,941	13,997
Contracts Payable	0	612,435	0
Accrued Wages and Benefits	466	9,535	13,059
Compensated Absences Payable	1,606	22,217	36,915
Retainage Payable	0	569,104	0
Customer Deposits	0	3,403	0
Claims Payable	0	0	316,878
Net Cash Provided by (Used in) Operating Activities	\$ 36,995	\$ 1,753,092	\$ 401,817

City of Delaware, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2006

Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 130,739
Other Taxes Receivable	840,000
Due from Other Governments	<u>4,026</u>
<i>Total Assets</i>	<u><u>\$ 974,765</u></u>
Liabilities	
Due to Other Governments	\$ 844,893
Undistributed Assets	<u>129,872</u>
<i>Total Liabilities</i>	<u><u>\$ 974,765</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. Indirect interfund and internal service fund activities are generally eliminated to avoid the "doubling-up" effect on revenues and expenses; direct expenses are not eliminated within these functional categories. 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 recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program.

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 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. These activities include funds received from the Municipal Court and passed through to the Law Library or other entities, funds collected from the Planning department and passed through to the State from building permits, and tax abatement collections passed through to the school districts.

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, 2006, 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.

City of Delaware, Ohio
Notes to the Basic Financial Statements
December 31, 2006
(continued)

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/net assets 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 Basic Financial Statements 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:

Net Change in Fund Balance

	<u>General</u>	<u>Fire/EMS</u>
GAAP Basis	\$ (467,919)	\$ 23,606
Revenue Accruals	(119,642)	(23,606)
Expenditure Accruals	134,866	0
Encumbrances at Year End	(268,625)	0
Other Financing Sources (Uses)	(1,031,365)	0
Budget Basis	<u>\$ (1,752,685)</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 principal.

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, 2006.

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 \$433,152, which includes \$321,337 assigned from other funds. The special revenue, debt service, capital project, and enterprise funds also received interest in the amount of \$9,622, \$12,792, \$893,982, and \$1,129,902, 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
Building Improvements	30
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 separately 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. These benefits are accrued into and paid out of the funds the employees' wages are paid from; primarily the General, Street Maintenance & Repair, Parks & Recreation, Airport Improvement, Municipal Court, Water, Sewer, and Refuse funds.

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 \$1,500,000 to use for current capital improvements. The General Fund also transferred \$2,034,882 to other governmental funds and \$3,630 to other business type funds to subsidize operations.

The Capital Improvement Fund also had transfers in of \$1,550,000 from other governmental funds to service debt, and transfers out of \$956,443 to other governmental funds to service debt, subsidize capital improvements at the Airport, and for equipment replacement.

The Glenn Road South Construction Fund had transfers in from other governmental funds of \$497,687 to service debt.

Other governmental funds had transfers of \$1,910,656 to other governmental funds to service debt and subsidize operations [this included a \$250,000 transfer from the Street Maintenance and Repair Fund to the Capital Improvement Fund, included in the \$1,550,000, above].

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

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activities of the proprietary funds. For the City, these revenues are charges for services, capacity fees for the Water and Sewer funds, reimbursements, and miscellaneous revenues. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

S. Donated Infrastructure

Contributions of capital in proprietary funds [donated infrastructure] arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisitions and construction. These contributions are reported as revenue in the proprietary fund financial statements.

2. CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND EQUITY

A. Change in Accounting Principles

For 2006, the City has implemented GASB Statement No. 46 “Net Assets Restricted by Enabling Legislation”. This Statement requires that limitations on the use of net assets imposed by enabling legislation be reported as restricted net assets. The enabling legislation restriction is one that an external party to the City – such as citizens, public interest groups, or the judiciary – can compel the City to honor.

The implementation of GASB Statement No. 46 did not have an effect on the financial statements of the City for 2006.

B. Restatement of Net Assets

Governmental net assets at December 31, 2005 were overstated primarily due to understated accumulated depreciation of capital assets, overstated federal grant receivable, and a state revenue receivable. Business-type net assets at December 31, 2005 were understated due to unrecorded capital assets in the Storm Sewer fund and Parking Lot fund, incorrect estimate of depreciation in the Water, Sewer, and Golf fund, and an overstated federal grant receivable in the Watershed Grant fund.

Governmental Net Assets 12/31/2005		\$ 53,952,862
Unrecorded Capital Assets	114,455	
Accum. Depreciation	(4,291,277)	
Due From Federal Govt	(113,649)	
Due From State Govt	9,040	
Total adjustments		(4,281,431)
Net Assets Restated 1/1/2006		<u>\$ 49,671,431</u>
Business Type Net Assets 12/31/2005		\$ 63,217,418
Unrecorded Capital Assets	127,527	
Accum. Depreciation	(3,035)	
Due From Federal Govt	(30,847)	
Total adjustments		93,645
Net Assets Restated 1/1/2006		<u>\$ 63,311,063</u>

C. Restatement of Fund Balance

A payable was incorrectly recorded on the Balance Sheet in the FAA Airport Allocation Improvement fund instead of the FAA Airport Expansion fund.

	<u>12/31/2005</u>	<u>restatement</u>	<u>1/1/2006</u>
FAA Airport Alloc.	\$ 189,122	\$ 7,504	\$ 196,626
FAA Airport Exp	123,208	(7,504)	115,704

3. COMPLIANCE AND ACCOUNTABILITY

Fund Deficits

At December 31, 2006, the following funds had a deficit fund balance:

<i>Special Revenue Fund Type</i>	
Parks & Recreation	\$ (18,697)
Glenn Road Bridge TIF	(285,873)
Comm. Dev. Block Grant	(106,923)
Economic Development	(140,272)
Revolving Loan	(424,791)
<i>Debt Service Fund Type</i>	
Gen Obligation Bond Retirement	(197,701)
<i>Capital Project Fund Type</i>	
Glenn Road Constr Middle	(312,734)
Glenn Road Constr North	(281,079)
<i>Internal Service Fund Type</i>	
Info Tech Rotary	(32,717)
Workers Compensation	(11,785)

The fund deficits in the *Community Development Block Grant, Economic Development Grant, and Revolving Loan Funds* 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 remaining fund deficits were caused by applying generally accepted accounting principles. The *General Fund* is not liable for any deficits when accruals occur.

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, 2006, the carrying amount of the City's deposits was \$1,549,863, and the bank balance was \$2,225,660. Of the bank balance, \$143,957 was covered by Federal Depository Insurance and \$1,405,906 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.

Restricted Assets: The City is holding \$2,120,091 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, 2006, the City had the following investments, which are reported at fair value:

	<u>Maturity in 6 months or less</u>
Repurchase Agreement	\$ 2,075,000
STAR Ohio	<u>37,734,113</u>
Total Investments	<u>\$ 39,809,113</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, 2006:

	<u>Fair Value</u>	<u>% of Total</u>
Repurchase Agreement	\$ 2,075,000	5.21
STAR Ohio	37,734,113	94.79
Total Investments	<u>\$ 39,809,113</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 2006 had lien and levy dates of January 1, 2005. One half of this tax was due February 10, 2006, with the remaining balance due on July 10, 2006. Tangible personal property tax revenues received in 2006 [other than public utility property] represent the collection of 2006 taxes. Tangible personal property taxes received in 2006 were levied after October 1, 2005, on the true value as of December 31, 2005. In prior years, tangible personal property assessments were twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. Tangible personal property tax is being phased out – the assessment percentage for property, including inventory, is 18.75% for 2006. This percentage will be reduced to 12.5% for 2007, 6.25% for 2008, and zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. This bill phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due

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 December 31, 2006
 (continued)

to the phasing out of the tax. In calendar years 2006-2010, the City will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

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 2006. The assessed value in 2005, upon which the 2006 collections were based, was approximately \$604 million. The assessed value for 2006, upon which the 2007 collections will be based, is approximately \$687 million.

<u>Category</u>	<u>Assessed Value</u> <u>[in thousands]</u>
Real Estate	\$ 616,741
Public Utility Property	13,542
Tangible Property	56,820
Total Property Taxes	<u>\$ 687,103</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, 2006. 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 2006 operations. The receivable is offset by deferred revenue.

7. RECEIVABLES

Receivables at December 31, 2006, 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	\$ 673,553	\$ 869,763	\$ 328,754	\$ 208,468	\$ 2,080,538
Less: Allowance for Uncollectible	<u>(48,743)</u>	<u>(58,437)</u>	<u>(18,142)</u>	<u>(32,737)</u>	<u>(158,059)</u>
Net Receivable	<u>\$ 624,810</u>	<u>\$ 811,326</u>	<u>\$ 310,612</u>	<u>\$ 175,731</u>	<u>\$ 1,922,479</u>

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

Governmental Activities	<u>Amount</u>
Major Funds	
General Fund	
Local Government	\$ 779,078
Homestead and Rollback	63,473
County Reimbursements	407,397
Inheritance Tax	<u>127,987</u>
Total General Fund	1,377,935
Capital Improvement Fund	
Bike Path Grants	<u>743,945</u>
Total Capital Improvement Fund	<u>743,945</u>
Total Major Funds	2,121,880
Nonmajor Funds	
Street Maintenance and Repair	575,189
State Highway	46,636
License Fee	175,692
Municipal Court	139,738
Court Alcohol Treatment	9,040
Police & Fire Pension	<u>18,206</u>
Total Nonmajor Funds	<u>964,501</u>
Total Governmental Activities	<u>\$ 3,086,381</u>

8. INTERFUND BALANCES

At December 31, 2006, the General Fund had an interfund receivable in the amount of \$1,190,497 from other governmental funds, and \$500,000 from the Capital Improvements Fund, to provide cash flow resources until transfers were made or revenues were received. Also, the General Fund had a due from other funds in the amount of \$9,964 from other governmental funds for allocated court costs.

The Capital Improvements Fund had an interfund payable in the amount of \$500,000 to the General Fund.

Other governmental funds had other governmental receivables in the amount of \$37,965 for allocated court costs and other governmental payables of \$1,190,497 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, 2006
(continued)

9. CAPITAL ASSETS

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

Governmental Activities	Beginning Balance, as Restated	Additions	Deletions	Ending Balance
<i>Nondepreciable Capital Assets</i>				
Land	\$ 2,348,807	\$ 712,139	\$ 0	\$ 3,060,946
Construction in progress	838,863	3,867,515	0	4,706,378
Subtotal	3,187,670	4,579,654	0	7,767,324
 <i>Depreciable Capital Assets</i>				
Buildings & Improvements	22,829,642	669,084	0	23,498,726
Machinery & Equipment	9,500,233	860,862	(172,225)	10,188,870
Infrastructure	34,928,871	3,376,638	0	38,305,509
Subtotal	67,258,746	4,906,584	(172,225)	71,993,105
 <i>Less Accumulated Depreciation for:</i>				
Buildings & Improvements	(8,761,765)	(761,561)	0	(9,523,326)
Machinery & Equipment	(7,595,654)	(682,769)	172,225	(8,106,198)
Infrastructure	(5,112,079)	(1,087,842)	0	(6,199,921)
Total Accumulated Depreciation	(21,469,498)	(2,532,172)	172,225	(23,829,445)
Total Depreciable Capital Assets, Net	45,789,248	2,374,412	0	48,163,660
Governmental Activities Capital Assets, Net	\$ 48,976,918	\$ 6,954,066	\$ 0	\$ 55,930,984

City of Delaware, Ohio
Notes to the Basic Financial Statements
December 31, 2006
(continued)

Business-Type Activities	Beginning Balance,			
	as Restated	Additions	Deletions	Ending Balance
<i>Nondepreciable Capital Assets</i>				
Land	\$ 3,015,693	\$ 82,461	\$ 0	\$ 3,098,154
Construction in progress	24,781,147	21,763,917	0	46,545,064
Subtotal	<u>27,796,840</u>	<u>21,846,378</u>	<u>0</u>	<u>49,643,218</u>
<i>Depreciable Capital Assets</i>				
Buildings & Improvements	20,143,502	667,198	0	20,810,700
Machinery & Equipment	5,532,689	491,920	(169,270)	5,855,339
Infrastructure	<u>52,032,602</u>	<u>4,082,046</u>	<u>0</u>	<u>56,114,648</u>
Subtotal	<u>77,708,793</u>	<u>5,241,164</u>	<u>(169,270)</u>	<u>82,780,687</u>
<i>Less Accumulated Depreciation for:</i>				
Buildings & Improvements	(13,798,130)	(485,503)	0	(14,283,633)
Machinery & Equipment	(4,150,290)	(463,129)	169,270	(4,444,149)
Infrastructure	<u>(11,932,595)</u>	<u>(1,084,262)</u>	<u>0</u>	<u>(13,016,857)</u>
Total Accumulated Depreciation	<u>(29,881,015)</u>	<u>(2,032,894)</u>	<u>169,270</u>	<u>(31,744,639)</u>
Total Depreciable Capital Assets, Net	<u>47,827,778</u>	<u>3,208,270</u>	<u>0</u>	<u>51,036,048</u>
Business-Type Activities Capital Assets, Net	<u>\$ 75,624,618</u>	<u>\$ 25,054,648</u>	<u>\$ 0</u>	<u>\$ 100,679,266</u>

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

Governmental Activities:	
General Government	\$ 331,354
Public Safety	441,452
Parks & Recreation	162,772
Community Development	30,274
Airport	341,441
Public Works	1,214,551
Capital assets held by the government's internal service funds are charged to the various functions based on the usage of the assets	10,328
Total depreciation expense -- governmental activities	<u>\$ 2,532,172</u>
Business-type Activities	
Water	\$ 451,618
Sewer	1,046,118
Storm Sewer	301,945
Refuse	224,654
Other	8,559
Total depreciation expense -- business-type activities	<u>\$ 2,032,894</u>

City of Delaware, Ohio
Notes to the Basic Financial Statements
December 31, 2006
(continued)

10. LONG TERM OBLIGATIONS AND NOTES PAYABLE

A summary of long-term obligations and notes payable for the year ended December 31, 2006, is as follows:

	Balance 12/31/2005	Additions	Deletions	Balance 12/31/2006	Amounts Due in One Year
Governmental Activities					
Special Assessment Bonds 1999 Streetscape Bonds - 5.75%	\$ 64,000	\$ 0	\$ (15,000)	\$ 49,000	\$ 16,000
Special Assessment Bonds 2000 Streetscape Bonds - 5.75%	105,000	0	(19,000)	86,000	20,000
General Obligation Bonds 2002 Various Purpose Bonds - 3.77%	5,070,000	0	(225,000)	4,845,000	230,000
General Obligation Bonds 2002 Various Purpose Bonds - 4%	0	3,720,000	0	3,720,000	240,000
Compensated absences	3,981,608	1,740,087	(1,691,295)	4,030,400	577,379
Past police and fire service liability	319,933	0	(5,607)	314,326	5,700
Capital Lease 2004 Copiers - 3.74%	36,016	0	(20,293)	15,723	15,723
Total Governmental Activities Noncurrent Liabilities	\$ 9,576,557	\$ 5,460,087	\$ (1,976,195)	\$ 13,060,449	\$ 1,104,802
Business-type Activities					
Sewer General Obligation Bonds 2002 Swr Sys Imp & Refund Bonds - 3.38%	\$ 6,380,000	\$ 0	\$ (470,000)	\$ 5,910,000	\$ 485,000
Sewer General Obligation Bonds 2006 US 23 N Sewer Bonds - 4%	0	1,000,000	0	1,000,000	25,000
Water General Obligation Bonds 2006 Kingman Hill Water Tower - 4%	0	3,545,000	0	3,545,000	85,000
Refuse General Obligation Bonds 2006 Landfill Remediation - 4%	0	475,000	0	475,000	40,000
Compensated Absences	696,781	418,633	(396,417)	718,997	156,527
Postclosure Landfill Obligation	270,000	0	(5,000)	265,000	5,000
Sewer Loans Payable 2004 OWDA Wastewater Expansion - 3.59%	18,593,492	5,455,344	0	24,048,836	0
Capital Lease 2004 Parking Meters - 3.74%	24,487	0	(13,797)	10,690	10,690
Total Business-Type Activities Noncurrent Liabilities	25,964,760	10,893,977	(885,214)	35,973,523	807,217
Grand Total Long Term Obligations	\$ 35,541,317	\$16,354,064	\$ (2,861,409)	\$ 49,033,972	\$ 1,912,019

City of Delaware, Ohio
Notes to the Basic Financial Statements
December 31, 2006
(continued)

	Balance			Amounts Due in	
	12/31/2005	Additions	Deletions	Balance 12/31/2006	One Year
Notes Payable					
*Airport Hangar Construction	\$ 1,145,000	\$ 0	\$ (1,145,000)	\$ 0	\$ 0
*Land Acquisition	475,000	0	(475,000)	0	0
*Glenn Road Design - 4.75%	5,070,000	5,070,000	(5,070,000)	5,070,000	5,070,000
*Glenn Road Construction - 4.75%	0	7,500,000	0	7,500,000	7,500,000
*South Houk Road Extension - 4.00%	825,000	0	(825,000)	0	0
**Kingman Hill Water Tower - 4.00%	3,545,000	0	(3,545,000)	0	0
**23 North Sewer - 4.00%	1,000,000	0	(1,000,000)	0	0
**S/E Highland Sewer - 4.50%	15,000,000	15,000,000	(15,000,000)	15,000,000	15,000,000
**Landfill Remediation - 4.00%	475,000	0	(475,000)	0	0
Total Notes Payable	\$ 27,535,000	\$27,570,000	\$ (27,535,000)	\$ 27,570,000	\$ 27,570,000

*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 is 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, 2006 are:

Year	Governmental Long-Term Obligations			Business Type Long-Term Obligations		
	Principal	Interest	Total	Principal	Interest	Total
2007	\$ 506,000	\$ 352,503	\$ 858,503	\$ 635,000	\$ 426,922	\$ 1,061,922
2008	522,000	334,507	856,507	650,000	407,584	1,057,584
2009	544,000	315,213	859,213	670,000	386,534	1,056,534
2010	543,000	294,451	837,451	690,000	363,560	1,053,560
2011	540,000	273,578	813,578	720,000	338,584	1,058,584
2012-2016	3,050,000	1,046,304	4,096,304	2,525,000	1,365,665	3,890,665
2017-2021	1,990,000	497,100	2,487,100	2,340,000	888,725	3,228,725
2022-2026	675,000	133,151	808,151	1,405,000	463,164	1,868,164
2027-2031	330,000	48,675	378,675	1,295,000	191,075	1,486,075
Total	\$ 8,700,000	\$ 3,295,482	\$ 11,995,482	\$ 10,930,000	\$ 4,831,813	\$ 15,761,813

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

City of Delaware, Ohio
 Notes to the Basic Financial Statements
 December 31, 2006
 (continued)

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, 2006, the City's total net debt and unvoted net debt were approximately 2.85% of the total assessed value of all property within the City.

As of December 31, 2006, 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, 2006, these entities have complied with the requirement that overlapping debt must not exceed 1% (10 mills) of the assessed property value.

OWDA Loan: During 2006, 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 [plus capitalized interest] 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 the contract, and a receivable booked for the amount of the loan. The OWDA loan is not yet fully disbursed as of December 31, 2006. 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 2006 totaled \$20,293 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, 2006:

<u>Year Ending December 31:</u>	<u>Amount:</u>
2007	\$ 16,019
Less amount representing interest	<u>(296)</u>
Total	<u>\$ 15,723</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 2006 totaled \$13,796 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, 2006:

<u>Year Ending December 31:</u>	<u>Amount:</u>
2007	10,891
Less amount representing interest	<u>(201)</u>
Total	<u>\$ 10,690</u>

Notes Payable: During 2006, the City retired 7 notes and, sold 1 new note, and reissued 2 notes that were outstanding as of December 31, 2006. The 7 notes were retired when the City issued various-purpose bonds in the amount of \$8,740,000 to finance projects including the City's additional 30 T-hangars at the Delaware Municipal Airport, to purchase property for the Grounds & Facilities and Recreational Services departments, to fund the expansion of the Delaware Municipal Airport, for funding landfill remediation at the City's local landfill, for the construction of the Kingman Hill Water Tower, for the US23 wastewater project, and for the South Houk Road project. The City reissued notes for the Glenn Road South construction project [design] and the Southeast Highland sewer project and issued new notes for the Glenn Road South construction project [construction].

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, 2006 is \$2,265,000.

II. LANDFILL CLOSURES

The City closed the Cherry Street Landfill in 1975 and the Curve Road Landfill 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 2006, 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 2006, member contribution rates were 9 percent for members in state, local, and public safety classifications. Members in the law enforcement classification, which consists of sheriffs, deputy sheriffs, and township police, contributed at a rate of 10.1%. The contribution rates are determined actuarially and for 2006, the City's employer share of contribution was 13.70% of covered payroll. The City's contributions to OPERS, including employee and employer amount paid by the City, for the years ended December 31, 2006, 2005, and 2004, were \$1,886,494, \$1,745,470, and, \$1,652,045, respectively. The full amount has been contributed for 2006, 2005, and 2004.

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, 2006, 2005, and 2004 amount was \$1,595,407, \$1,454,380, and \$1,454,195, respectively, or 100% of the required contribution for 2006, 2005, and 2004.

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. The Special Revenue Fund receives property tax revenues equal to .6 mills, which is designated for the payment of current pension liabilities. The unpaid balance of \$314,326 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 2006 employer contribution rate was 13.70 percent of covered payroll and the law enforcement employer rate was 16.93 percent. The portion of employer contributions for all employers allocated to health care was 4.5 percent.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. The assumptions and calculations below were based on OPERS' latest actuarial review performed as of December 31, 2005. The individual entry-age 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 annually, not to exceed a 12% corridor. The investment assumption rate for 2005 was 6.5%. 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 .5% to 6% for the next 9 years. In subsequent years [10 and beyond], health care costs were assumed to increase at 4% [the projected wage inflation rate].

OPEBs are advance-funded on an actuarially determined basis. The number of active contributing participants to the Traditional Pension and Combined Plans at December 31, 2006 was 369,214. The number of active contributing participants for both plans used in the December 31, 2005, actuarial valuation was 358,804. During 2006, the portion of the City's contributions that were used to fund post-employment benefits was \$387,840. As of December 31, 2005, the estimated net assets available for future OPEB payments were \$11.1 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$31.3 billion and \$20.2 billion, respectively.

The Health Care Preservation Plan [HCPP] adopted by the OPERS Retirement Board on September 9, 2004, will be effective January 1, 2007. OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. As an additional component of the HCPP, member and employer contribution rates increased as of January 1, 2006, and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

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 2006. 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 13,922 for Police and 10,537 for firefighters. The City's actual contributions for 2006 that were used to fund post-employment benefits were \$205,437 for police and \$182,137 for firefighters. The Fund's total health care expenses for the year ending December 31, 2004, the latest information available, were \$108,039,449, which was net of member contributions of \$55,271,881.

C. 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 2006 and 2005, were:

City of Delaware, Ohio
Notes to the Basic Financial Statements
December 31, 2006
(continued)

		Beginning of Year	Current Year		End of Year
		Liability	Claims & Changes in Estimates	Claims Payments	Liability
Self-Insurance					
2005	\$	117,557	\$ 2,484,460	\$ (2,466,883)	\$ 135,134
2006		135,134	3,133,065	(2,974,790)	293,409
Workers Compensation					
2005	\$	530,927	\$ 382,962	\$ (400,197)	\$ 513,692
2006		513,692	304,332	(145,729)	672,295

15. SEGMENT INFORMATION - ENTERPRISE FUNDS

The City maintains three nonmajor enterprise funds to account for Golf Course, Parking Lots, 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. CONTRACTUAL COMMITMENTS

At December 31, 2006, the City had uncompleted contracts, as follows:

Description	Remaining Commitment [in thousands]
Wastewater Treatment Plant Expansion	\$ 2,540.0
Mingo Pool Renovation	1,503.3
S/E Highland Elevated Tank	1,425.2
S/E Highland Sewer	1,238.4
Henry St Bike Path	110.9
South Houk Rd	94.3
Springfield Bike Path	51.2
Slack Rd Turn Signal	47.6
Cheshire Rd. Turn Lane	18.9

17. 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.

18. SUBSEQUENT EVENTS

In May, 2007, the City reissued \$12.57 million in notes to finance construction of the Glenn Road extension. The City also issued \$1.7 million in notes to construct an addition to the Justice Center, \$525 thousand in notes to renovate the Mingo Pool facility, and \$300 thousand in notes to construct a skate park at Mingo Park.

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.

Airport TIF Fund – To account for the tax increment financing real estate payments received. The TIF funds are generated from property taxes paid on the corporate hangar and the private t-hangars at the airport. The TIF proceeds must be used for public improvements at the airport.

Glenn Road Bridge TIF Fund – To account for costs incurred with the construction of Glenn Road 1000 feet south of the Glenn Road Railroad Bridge to a point 2000 feet north of the bridge.

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.

Nonmajor Special Revenue Funds [continued]

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.

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.

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.

Glenn Road Middle Construction Fund – To account for costs incurred with the construction of Glenn Road from the northern point of the Glenn Ross development to 1000 feet south of the Glenn Road Railroad Bridge, and the cost of Glenn Road from a point 100 feet north of the bridge, then north to Curve Road.

Glenn Road North Construction Fund – To account for costs incurred with the construction of Glenn Road from Curve Road, then 5500 feet north to US Route 36/37.

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 3,641,728	\$ 16,725	\$ 2,613,278	\$ 6,271,731
Receivables:				
Accrued Interest	64	4	557	625
Income Taxes	0	0	0	0
Property Taxes	449,402	0	0	449,402
Accounts	4,932	0	0	4,932
Special Assessments	0	42,000	0	42,000
Restricted Assets:				
Retainage	12,475	0	0	12,475
Customer Deposits	12,105	0	0	12,105
Prepaid Items	15,055	0	0	15,055
Material and Supplies Inventory	31,682	0	0	31,682
Due From:				
Federal Government	0	0	0	0
State Government	704,616	0	0	704,616
County Government	259,885	0	0	259,885
Other Funds	37,965	0	0	37,965
Unamortized Financing Costs	0	0	0	0
Total Assets	\$ 5,169,909	\$ 58,729	\$ 2,613,835	\$ 7,842,473
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 640,138	\$ 0	\$ 8,622	\$ 648,760
Accrued Wages & Benefits	146,415	0	0	146,415
Contracts Payable	28,800	0	322,223	351,023
Interfund Payable	183,779	206,718	800,000	1,190,497
Due to Other Funds	47,929	0	0	47,929
Compensated Absences Payable-Matured	55,909	0	0	55,909
Deferred Revenue	1,000,639	42,000	0	1,042,639
Payables from Restricted Assets				
Retainage	12,475	0	0	12,475
Customer Deposits	12,105	0	0	12,105
Notes Payable	302,674	0	739,032	1,041,706
Total Liabilities	2,430,863	248,718	1,869,877	4,549,458
Fund Balances:				
Reserved for Encumbrances	719,216	4,160	1,236,605	1,959,981
Reserved for Prepaid Items	15,055	0	0	15,055
Reserved for Material and Supplies Inventory	31,682	0	0	31,682
Unreserved:				
Designated for:				
Reserved for Debt Service	0	7,712	0	7,712
Undesignated, Reported in:				
Special Revenue Funds	1,973,093	0	0	1,973,093
Debt Service Funds	0	(201,861)	0	(201,861)
Capital Projects Funds	0	0	(492,647)	(492,647)
Debt Service Funds	0	0	0	0
Total Fund Balances	2,739,046	(189,989)	743,958	3,293,015
Total Liabilities and Fund Balances	\$ 5,169,909	\$ 58,729	\$ 2,613,835	\$ 7,842,473

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

	Street			Parks &	Tree
	Maintenance & Repair	State Highway Improvement	License Fee	Recreation	Replacement
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 378,643	\$ 105,555	\$ 82,963	\$ 25,393	\$ 170,635
Receivables:					
Accrued Interest	0	26	20	0	0
Property Taxes	0	0	0	0	0
Accounts	683	0	0	0	3,800
Restricted Assets:					
Retainage Accounts	0	0	0	0	0
Customer Deposits	0	0	0	0	0
Prepaid Items	0	0	0	5,398	0
Materials and Supplies Inventory	0	0	0	0	0
Due From:					
State Government	464,053	37,625	175,692	0	0
County Government	111,136	9,011	0	0	0
Other Funds	0	0	0	0	0
Total Assets	<u>\$ 954,515</u>	<u>\$ 152,217</u>	<u>\$ 258,675</u>	<u>\$ 30,791</u>	<u>\$ 174,435</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 9,504	\$ 0	\$ 0	\$ 7,657	\$ 24,151
Accrued Wages & Benefits	47,829	0	0	29,099	0
Contracts Payable	0	0	0	0	0
Compensated Absences Payable-Matured	18,008	0	0	12,732	0
Interfund Payable	0	0	0	0	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	373,604	30,292	120,095	0	0
Payables from Restricted Assets:					
Retainage Payable	0	0	0	0	0
Customer Deposits	0	0	0	0	0
Notes Payable	0	0	0	0	0
Total Liabilities	<u>448,945</u>	<u>30,292</u>	<u>120,095</u>	<u>49,488</u>	<u>24,151</u>
Fund Balances:					
Reserved for Encumbrances	15,727	0	0	2,049	10,102
Reserved for Prepaid Items	0	0	0	5,398	0
Reserved for Material and Supplies Inventory	0	0	0	0	0
Unreserved	489,843	121,925	138,580	(26,144)	140,182
Total Fund Balances (Deficit)	<u>505,570</u>	<u>121,925</u>	<u>138,580</u>	<u>(18,697)</u>	<u>150,284</u>
Total Liabilities and Fund Balances	<u>\$ 954,515</u>	<u>\$ 152,217</u>	<u>\$ 258,675</u>	<u>\$ 30,791</u>	<u>\$ 174,435</u>

(continued)

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

(continued)

	Airport Improvement	Airport T- Hangars	Court/Police Building Income Tax	Glenn Rd Bridge TIF	Municipal Court
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 55,936	\$ 273,672	\$ 7,702	\$ 16,801	\$ 284,364
Receivables:					
Accrued Interest	0	0	0	0	0
Property Taxes	0	0	0	0	0
Accounts	140	309	0	0	0
Restricted Assets:					
Contracts Payable	0	0	0	0	0
Customer Deposits	5,100	7,005	0	0	0
Prepaid Items	9,657	0	0	0	0
Materials and Supplies Inventory	31,682	0	0	0	0
Due From:					
State Government	0	0	0	0	0
County Government	0	0	0	0	139,738
Other Funds	0	0	0	0	0
Total Assets	<u>\$ 102,515</u>	<u>\$ 280,986</u>	<u>\$ 7,702</u>	<u>\$ 16,801</u>	<u>\$ 424,102</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 28,549	\$ 7,503	\$ 3,321	\$ 0	\$ 2,439
Accrued Wages & Benefits	4,095	0	0	0	65,392
Contracts Payable	0	0	0	0	0
Compensated Absences Payable-Matured	0	0	0	0	25,169
Interfund Payable	0	0	0	0	0
Due to Other Funds	0	0	0	0	47,929
Deferred Revenue	0	0	0	0	0
Payables from Restricted Assets:					
Retainage Payable	0	0	0	0	0
Customer Deposits	5,100	7,005	0	0	0
Notes Payable	0	0	0	302,674	0
Total Liabilities	<u>37,744</u>	<u>14,508</u>	<u>3,321</u>	<u>302,674</u>	<u>140,929</u>
Fund Balances:					
Reserved for Encumbrances	28,051	0	742	16,653	0
Reserved for Prepaid Items	9,657	0	0	0	0
Reserved for Material and Supplies Inventory	31,682	0	0	0	0
Unreserved	(4,619)	266,478	3,639	(302,526)	283,173
Total Fund Balances (Deficit)	<u>64,771</u>	<u>266,478</u>	<u>4,381</u>	<u>(285,873)</u>	<u>283,173</u>
Total Liabilities and Fund Balances	<u>\$ 102,515</u>	<u>\$ 280,986</u>	<u>\$ 7,702</u>	<u>\$ 16,801</u>	<u>\$ 424,102</u>

(continued)

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

(continued)

	Drug Enforcement	Court Alcohol Treatment	OMVI Enforcement & Education	Police Judgment	Law Enforcement Trust
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 13,797	\$ 443,107	\$ 35,418	\$ 105,303	\$ 4,809
Receivables:					
Accrued Interest	0	0	0	0	0
Property Taxes	0	0	0	0	0
Accounts	0	0	0	0	0
Restricted Assets:					
Contracts Payable	0	0	0	0	0
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	9,040	0	0	0
County Government	0	0	0	0	0
Other Funds	651	1,486	224	0	0
Total Assets	<u>\$ 14,448</u>	<u>\$ 453,633</u>	<u>\$ 35,642</u>	<u>\$ 105,303</u>	<u>\$ 4,809</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages & Benefits	0	0	0	0	0
Contracts Payable	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	9,040	0	0	0
Payables from Restricted Assets:					
Retainage Payable	0	0	0	0	0
Customer Deposits	0	0	0	0	0
Notes Payable	0	0	0	0	0
Total Liabilities	<u>0</u>	<u>9,040</u>	<u>0</u>	<u>0</u>	<u>0</u>
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	14,448	444,593	35,642	105,303	4,809
Total Fund Balances (Deficit)	<u>14,448</u>	<u>444,593</u>	<u>35,642</u>	<u>105,303</u>	<u>4,809</u>
Total Liabilities and Fund Balances	<u>\$ 14,448</u>	<u>\$ 453,633</u>	<u>\$ 35,642</u>	<u>\$ 105,303</u>	<u>\$ 4,809</u>

(continued)

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

(continued)

	<i>Park Exaction Fees</i>	<i>Computer Legal Research</i>	<i>Court Special Projects</i>	<i>Indigent EMHA</i>	<i>Probation Services</i>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 348,031	\$ 200,683	\$ 253,203	\$ 33,611	\$ 120,353
Receivables:					
Accrued Interest	0	0	0	0	0
Property Taxes	0	0	0	0	0
Accounts	0	0	0	0	0
Restricted Assets:					
Contracts Payable	0	0	0	0	0
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	22,086	7,557	165	5,796
Total Assets	\$ 348,031	\$ 222,769	\$ 260,760	\$ 33,776	\$ 126,149
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 1,676	\$ 4,569	\$ 783	\$ 0	\$ 0
Accrued Wages & Benefits	0	0	0	0	0
Contracts Payable	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:					
Retainage Payable	0	0	0	0	0
Customer Deposits	0	0	0	0	0
Notes Payable	0	0	0	0	0
Total Liabilities	1,676	4,569	783	0	0
Fund Balances:					
Reserved for Encumbrances	17,316	8,983	2,194	0	4,000
Reserved for Prepaid Items	0	0	0	0	0
Reserved for Material and Supplies Inventory	0	0	0	0	0
Unreserved	329,039	209,217	257,783	33,776	122,149
Total Fund Balances (Deficit)	346,355	218,200	259,977	33,776	126,149
Total Liabilities and Fund Balances	\$ 348,031	\$ 222,769	\$ 260,760	\$ 33,776	\$ 126,149

(continued)

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

(continued)

	<i>Police & Fire Pension</i>	<i>Homeland Security</i>	<i>Community Dev. Block Grant</i>	<i>Community Police Block Grant</i>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 1,000	\$ 1	\$ 0	\$ 1,301
Receivables:				
Accrued Interest	0	0	0	0
Property Taxes	449,402	0	0	0
Accounts	0	0	0	0
Restricted Assets:				
Contracts Payable	0	0	0	0
Customer Deposits	0	0	0	0
Prepaid Items	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Due From:				
State Government	18,206	0	0	0
County Government	0	0	0	0
Other Funds	0	0	0	0
Total Assets	<u>\$ 468,608</u>	<u>\$ 1</u>	<u>\$ 0</u>	<u>\$ 1,301</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 0	\$ 0	\$ 34,511	\$ 0
Accrued Wages & Benefits	0	0	0	0
Contracts Payable	0	0	28,800	0
Compensated Absences Payable-Matured	0	0	0	0
Interfund Payable	0	0	43,612	0
Due to Other Funds	0	0	0	0
Deferred Revenue	467,608	0	0	0
Payables from Restricted Assets:				
Retainage Payable	0	0	0	0
Customer Deposits	0	0	0	0
Notes Payable	0	0	0	0
Total Liabilities	<u>467,608</u>	<u>0</u>	<u>106,923</u>	<u>0</u>
Fund Balances:				
Reserved for Encumbrances	0	0	91,412	0
Reserved for Prepaid Items	0	0	0	0
Reserved for Material and Supplies Inventory	0	0	0	0
Unreserved	1,000	1	(198,335)	1,301
Total Fund Balances (Deficit)	<u>1,000</u>	<u>1</u>	<u>(106,923)</u>	<u>1,301</u>
Total Liabilities and Fund Balances	<u>\$ 468,608</u>	<u>\$ 1</u>	<u>\$ 0</u>	<u>\$ 1,301</u>

(continued)

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

(continued)

	<i>Economic Development Grant</i>	<i>Revolving Loan</i>	<i>Rental Rehabilitation</i>	<i>CHIP</i>	<i>Fire Donation</i>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 75,191	\$ 1,725	\$ 36,893	\$ 7,165
Receivables:					
Accrued Interest	0	18	0	0	0
Property Taxes	0	0	0	0	0
Accounts	0	0	0	0	0
Restricted Assets:					
Contracts Payable	12,475	0	0	0	0
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>\$ 12,475</u>	<u>\$ 75,209</u>	<u>\$ 1,725</u>	<u>\$ 36,893</u>	<u>\$ 7,165</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 105	\$ 500,000	\$ 0	\$ 15,370	\$ 0
Accrued Wages & Benefits	0	0	0	0	0
Contracts Payable	0	0	0	0	0
Compensated Absences Payable-Matured	0	0	0	0	0
Interfund Payable	140,167	0	0	0	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Payables from Restricted Assets:					
Retainage Payable	12,475	0	0	0	0
Customer Deposits	0	0	0	0	0
Notes Payable	0	0	0	0	0
Total Liabilities	<u>152,747</u>	<u>500,000</u>	<u>0</u>	<u>15,370</u>	<u>0</u>
Fund Balances:					
Reserved for Encumbrances	21,987	500,000	0	0	0
Reserved for Prepaid Items	0	0	0	0	0
Reserved for Material and Supplies Inventory	0	0	0	0	0
Unreserved	<u>(162,259)</u>	<u>(924,791)</u>	<u>1,725</u>	<u>21,523</u>	<u>7,165</u>
Total Fund Balances (Deficit)	<u>(140,272)</u>	<u>(424,791)</u>	<u>1,725</u>	<u>21,523</u>	<u>7,165</u>
Total Liabilities and Fund Balances	<u>\$ 12,475</u>	<u>\$ 75,209</u>	<u>\$ 1,725</u>	<u>\$ 36,893</u>	<u>\$ 7,165</u>

(continued)

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

(continued)

	<i>Park</i>	<i>Police</i>	<i>Mayor</i>		<i>Unclaimed</i>	
	<i>Donation</i>	<i>Donation</i>	<i>Donation</i>	<i>Project Trust</i>	<i>Funds</i>	<i>Total</i>
Assets						
Equity in Pooled Cash and Cash Equivalents	\$ 7,805	\$ 4,370	\$ 4,664	\$ 502,141	\$ 39,493	\$ 3,641,728
Receivables:						
Accrued Interest	0	0	0	0	0	64
Property Taxes	0	0	0	0	0	449,402
Accounts	0	0	0	0	0	4,932
Restricted Assets:						
Contracts Payable	0	0	0	0	0	12,475
Customer Deposits	0	0	0	0	0	12,105
Prepaid Items	0	0	0	0	0	15,055
Materials and Supplies Inventory	0	0	0	0	0	31,682
Due From:						
State Government	0	0	0	0	0	704,616
County Government	0	0	0	0	0	259,885
Other Funds	0	0	0	0	0	37,965
Total Assets	<u>\$ 7,805</u>	<u>4,370</u>	<u>4,664</u>	<u>502,141</u>	<u>39,493</u>	<u>\$ 5,169,909</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$ 0	0	0	0	0	\$ 640,138
Accrued Wages & Benefits	0	0	0	0	0	146,415
Contracts Payable	0	0	0	0	0	28,800
Compensated Absences Payable-Matured	0	0	0	0	0	55,909
Interfund Payable	0	0	0	0	0	183,779
Due to Other Funds	0	0	0	0	0	47,929
Deferred Revenue	0	0	0	0	0	1,000,639
Payables from Restricted Assets:						
Retainage Payable	0	0	0	0	0	12,475
Customer Deposits	0	0	0	0	0	12,105
Notes Payable	0	0	0	0	0	302,674
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,430,863</u>
Fund Balances:						
Reserved for Encumbrances	0	0	0	0	0	719,216
Reserved for Prepaid Items	0	0	0	0	0	15,055
Reserved for Material and Supplies Inventory	0	0	0	0	0	31,682
Unreserved	7,805	4,370	4,664	502,141	39,493	1,973,093
Total Fund Balances (Deficit)	<u>7,805</u>	<u>4,370</u>	<u>4,664</u>	<u>502,141</u>	<u>39,493</u>	<u>2,739,046</u>
Total Liabilities and Fund Balances	<u>\$ 7,805</u>	<u>\$ 4,370</u>	<u>\$ 4,664</u>	<u>\$ 502,141</u>	<u>\$ 39,493</u>	<u>\$ 5,169,909</u>

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Debt Service Funds
 December 31, 2006

	<i>General Obligation Bond Retirement</i>	<i>Special Assessment Bond Retirement</i>	<i>Total</i>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 9,015	\$ 7,710	\$ 16,725
Accrued Interest Receivable	2	2	4
Special Assessments Receivable	<u>0</u>	<u>42,000</u>	<u>42,000</u>
<i>Total Assets</i>	<u>\$ 9,017</u>	<u>\$ 49,712</u>	<u>\$ 58,729</u>
Liabilities and Fund Balances			
Liabilities			
Interfund Payable	\$ 206,718	\$ 0	\$ 206,718
Deferred Revenue	<u>0</u>	<u>42,000</u>	<u>42,000</u>
<i>Total Liabilities</i>	<u>206,718</u>	<u>42,000</u>	<u>248,718</u>
Fund Balances			
Reserved for Encumbrances	4,160	0	4,160
Reserved for Debt Service	0	7,712	7,712
Unreserved	<u>(201,861)</u>	<u>0</u>	<u>(201,861)</u>
<i>Total Fund Balances (Deficit)</i>	<u>(197,701)</u>	<u>7,712</u>	<u>(189,989)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 9,017</u>	<u>\$ 49,712</u>	<u>\$ 58,729</u>

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2006

	FAA Airport Expansion	FAA Airport Allocation Improvements	Equipment Replacement	Airport Improvement Construction	Park Impact Fees
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 19,646	\$ 82,468	\$ 67,909	\$ 1,224,513
Accrued Interest Receivable	0	0	0	0	297
Total Assets	\$ 0	\$ 19,646	\$ 82,468	\$ 67,909	\$ 1,224,810
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 3,855	\$ 0	\$ 4,767
Contracts Payable	0	0	0	0	322,223
Interfund Payable	0	0	0	0	800,000
Notes Payable	0	0	0	0	0
Total Liabilities	0	0	3,855	0	1,126,990
Fund Balances:					
Reserved for Encumbrances	0	12,896	752	0	943,734
Unreserved	0	6,750	77,861	67,909	(845,914)
Total Fund Balances (Deficit)	0	19,646	78,613	67,909	97,820
Total Liabilities and Fund Balances	\$ 0	\$ 19,646	\$ 82,468	\$ 67,909	\$ 1,224,810

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2006

(continued)

	<u>Police Impact Fees</u>	<u>Fire Impact Fees</u>	<u>Municipal Impact Fees</u>	<u>Glenn Rd M Construction</u>	<u>Glenn Rd N Construction</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 256,099	\$ 726,373	\$ 91,051	\$ 56,779	\$ 88,440
Accrued Interest Receivable	<u>62</u>	<u>176</u>	<u>22</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$ 256,161</u>	<u>\$ 726,549</u>	<u>\$ 91,073</u>	<u>\$ 56,779</u>	<u>\$ 88,440</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contracts Payable	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Notes Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>369,513</u>	<u>369,519</u>
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>369,513</u>	<u>369,519</u>
Fund Balances:					
Reserved for Encumbrances	135,000	0	0	56,275	87,948
Unreserved	<u>121,161</u>	<u>726,549</u>	<u>91,073</u>	<u>(369,009)</u>	<u>(369,027)</u>
<i>Total Fund Balances (Deficit)</i>	<u>256,161</u>	<u>726,549</u>	<u>91,073</u>	<u>(312,734)</u>	<u>(281,079)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 256,161</u>	<u>\$ 726,549</u>	<u>\$ 91,073</u>	<u>\$ 56,779</u>	<u>\$ 88,440</u>

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2006

(continued)

	<u>Total</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 2,613,278
Accrued Interest Receivable	<u>557</u>
<i>Total Assets</i>	<u>\$ 2,613,835</u>
Liabilities and Fund Balances	
Liabilities	
Accounts Payable	\$ 8,622
Contracts Payable	322,223
Interfund Payable	800,000
Notes Payable	<u>739,032</u>
<i>Total Liabilities</i>	<u>1,869,877</u>
Fund Balances:	
Reserved for Encumbrances	1,236,605
Unreserved	<u>(492,647)</u>
<i>Total Fund Balances (Deficit)</i>	<u>743,958</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 2,613,835</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, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$ 386,902	\$ 0	\$ 0	\$ 386,902
Income Taxes	4,047	0	0	4,047
Special Assessments	0	36,662	0	36,662
Intergovernmental	1,708,721	0	56,332	1,765,053
Interest	9,622	12,792	75,064	97,478
Fees, Licenses and Permits	5,000	0	0	5,000
Fines and Forfeitures	2,063,694	0	0	2,063,694
Impact Fees	0	0	603,969	603,969
Charges for Services	1,103,085	0	0	1,103,085
Contributions and Donations	261,728	0	0	261,728
Reimbursements	148,442	0	0	148,442
Miscellaneous	53,462	0	0	53,462
<i>Total Revenues</i>	<u>5,744,703</u>	<u>49,454</u>	<u>735,365</u>	<u>6,529,522</u>
Expenditures				
Current:				
Public Safety				
Police/911	209,978	0	0	209,978
Fire	209,978	0	0	209,978
Muni Court	1,991,201	0	0	1,991,201
Parks & Recreation	1,322,053	0	0	1,322,053
Community Development	825,832	0	0	825,832
Airport	703,117	0	0	703,117
Public Works	2,083,994	0	0	2,083,994
General Government	235,692	34,888	0	270,580
Capital Outlay	60,562	0	3,159,258	3,219,820
Debt Service:				
Principal Retirement	0	259,000	0	259,000
Interest and Fiscal Charges	0	384,521	0	384,521
Bond Issuance Costs	0	27,692	8,103	35,795
Refunds	0	0	1,477	1,477
<i>Total Expenditures</i>	<u>7,642,407</u>	<u>706,101</u>	<u>3,168,838</u>	<u>11,517,346</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,897,704)</u>	<u>(656,647)</u>	<u>(2,433,473)</u>	<u>(4,987,824)</u>
Other Financing Sources (Uses)				
Proceeds of Bonds	0	2,220,000	950,000	3,170,000
Premium on Debt Issuance	0	28,748	8,412	37,160
Transfers In	2,485,945	989,286	1,426,750	4,901,981
Transfers Out	(965,791)	(2,452,627)	(539,925)	(3,958,343)
<i>Total Other Financing Sources (Uses)</i>	<u>1,520,154</u>	<u>785,407</u>	<u>1,845,237</u>	<u>4,150,798</u>
<i>Net Change in Fund Balances</i>	<u>(377,550)</u>	<u>128,760</u>	<u>(588,236)</u>	<u>(837,026)</u>
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>3,116,596</u>	<u>(318,749)</u>	<u>1,332,194</u>	<u>4,130,041</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 2,739,046</u>	<u>\$ (189,989)</u>	<u>\$ 743,958</u>	<u>\$ 3,293,015</u>

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, 2006

	Street				
	Maintenance & Repair	State Highway Improvement	License Fee	Parks & Recreation	Tree Replacement
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0
Intergovernmental	1,197,223	97,072	346,008	0	0
Interest	0	2,316	5,074	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	267,985	10,550
Contributions and Donations	0	0	0	0	0
Reimbursements	683	0	0	0	0
Miscellaneous	13,283	0	0	18,004	30
Total Revenues	1,211,189	99,388	351,082	285,989	10,580
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	1,274,776	0
Community Development	0	0	0	0	0
Airport	0	0	0	0	0
Public Works	1,742,294	0	341,700	0	0
General Government	0	0	0	0	215,296
Capital Outlay	0	0	0	0	0
Total Expenditures	1,742,294	0	341,700	1,274,776	215,296
Excess of Revenues Over (Under) Expenditures	(531,105)	99,388	9,382	(988,787)	(204,716)
Other Financing Sources (Uses)					
Transfers In	911,000	0	0	970,000	355,000
Transfers Out	(250,000)	0	0	0	0
Total Other Financing Sources (Uses)	661,000	0	0	970,000	355,000
Net Change in Fund Balances	129,895	99,388	9,382	(18,787)	150,284
Fund Balances (Deficits) Beginning of Year	375,675	22,537	129,198	90	0
Fund Balances (Deficits) End of Year	\$ 505,570	\$ 121,925	\$ 138,580	\$ (18,697)	\$ 150,284

(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, 2006

(continued)

	Airport Improvement	Airport T- Hangars	Court/Police Building Income Tax	Glenn Rd Bridge TIF	Municipal Court	Drug Enforcement
Revenues						
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	4,047	0	0	0
Intergovernmental	0	0	0	0	0	0
Interest	0	0	0	1,086	0	0
Fees, Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	1,543,393	6,256
Charges for Services	507,919	83,422	0	0	139,738	0
Contributions and Donations	0	0	0	0	0	0
Reimbursements	50,864	96,895	0	0	0	0
Miscellaneous	3,095	0	0	0	0	0
Total Revenues	561,878	180,317	4,047	1,086	1,683,131	6,256
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	1,819,579	0
Parks & Recreation	0	0	0	0	0	0
Community Development	0	0	0	0	0	0
Airport	680,935	22,182	0	0	0	0
Public Works	0	0	0	0	0	0
General Government	0	0	17,941	0	0	0
Capital Outlay	0	0	0	60,562	0	0
Total Expenditures	680,935	22,182	17,941	60,562	1,819,579	0
Excess of Revenues Over (Under) Expenditures	(119,057)	158,135	(13,894)	(59,476)	(136,448)	6,256
Other Financing Sources (Uses)						
Transfers In	125,000	0	0	0	124,945	0
Transfers Out	0	(34,449)	0	(226,397)	0	0
Total Other Financing Sources (Uses)	125,000	(34,449)	0	(226,397)	124,945	0
Net Change in Fund Balances	5,943	123,686	(13,894)	(285,873)	(11,503)	6,256
Fund Balances (Deficits) Beginning of Year	58,828	142,792	18,275	0	294,676	8,192
Fund Balances (Deficits) End of Year	\$ 64,771	\$ 266,478	\$ 4,381	\$ (285,873)	\$ 283,173	\$ 14,448

(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, 2006

(continued)

	Court Alcohol Treatment	OMVI Enforcement & Education	Police Judgment	Law Enforcement Trust	Park Exaction Fees	Computer Legal Research
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	29,691	3,488	34,772	0	0	276,284
Charges for Services	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	236,700	0
Reimbursements	0	0	0	0	0	0
Miscellaneous	0	0	0	0	19,050	0
Total Revenues	29,691	3,488	34,772	0	255,750	276,284
Expenditures						
Current:						
Public Safety						
Police/911	0	0	0	0	0	0
Fire	0	0	0	0	0	0
Muni Court	0	0	17,896	0	0	122,376
Parks & Recreation	0	0	0	0	39,777	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
Capital Outlay	0	0	0	0	0	0
Total Expenditures	0	0	17,896	0	39,777	122,376
Excess of Revenues Over (Under) Expenditures	29,691	3,488	16,876	0	215,973	153,908
Other Financing Sources (Uses)						
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	(58,787)
Total Other Financing Sources (Uses)	0	0	0	0	0	(58,787)
Net Change in Fund Balances	29,691	3,488	16,876	0	215,973	95,121
Fund Balances (Deficits) Beginning of Year	414,902	32,154	88,427	4,809	130,382	123,079
Fund Balances (Deficits) End of Year	\$ 444,593	\$ 35,642	\$ 105,303	\$ 4,809	\$ 346,355	\$ 218,200

(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, 2006

(continued)

	Court Special Projects	Indigent EMHA	Probation Services	Police & Fire Pension	Homeland Security	Community Dev. Block Grant	Community Police Block Grant
Revenues							
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 386,902	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0	0
Intergovernmental	0	0	0	34,054	0	14,715	0
Interest	0	0	0	0	0	0	0
Fees, Licenses and Permits	0	0	0	0	0	0	0
Fines and Forfeitures	93,492	2,007	74,311	0	0	0	0
Charges for Services	0	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0	0
Reimbursements	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0
Total Revenues	93,492	2,007	74,311	420,956	0	14,715	0
Expenditures							
Current:							
Public Safety							
Police/911	0	0	0	209,978	0	0	0
Fire	0	0	0	209,978	0	0	0
Muni Court	17,930	3,164	10,256	0	0	0	0
Parks & Recreation	0	0	0	0	0	0	0
Community Development	0	0	0	0	0	111,353	0
Airport	0	0	0	0	0	0	0
Public Works	0	0	0	0	0	0	0
General Government	0	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0	0
Total Expenditures	17,930	3,164	10,256	419,956	0	111,353	0
Excess of Revenues Over (Under) Expenditures	75,562	(1,157)	64,055	1,000	0	(96,638)	0
Other Financing Sources (Uses)							
Transfers In	0	0	0	0	0	0	0
Transfers Out	(66,158)	0	0	0	0	0	0
Total Other Financing Sources (Uses)	(66,158)	0	0	0	0	0	0
Net Change in Fund Balances	9,404	(1,157)	64,055	1,000	0	(96,638)	0
Fund Balances (Deficits) Beginning of Year	250,573	34,933	62,094	0	1	(10,285)	1,301
Fund Balances (Deficits) End of Year	\$ 259,977	\$ 33,776	\$ 126,149	\$ 1,000	\$ 1	\$ (106,923)	\$ 1,301

(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, 2006

(continued)

	Economic Development		Rental		Fire Donation	Park Donation
	Grant	Revolving Loan	Rehabilitation	CHIP		
Revenues						
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0
Intergovernmental	19,649	0	0	0	0	0
Interest	0	1,146	0	0	0	0
Fees, Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0	0
Charges for Services	0	93,471	0	0	0	0
Contributions and Donations	0	0	0	14,928	875	4,500
Reimbursements	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Total Revenues	<u>19,649</u>	<u>94,617</u>	<u>0</u>	<u>14,928</u>	<u>875</u>	<u>4,500</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	7,500
Community Development	142,940	535,500	0	36,039	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
Capital Outlay	0	0	0	0	0	0
Total Expenditures	<u>142,940</u>	<u>535,500</u>	<u>0</u>	<u>36,039</u>	<u>0</u>	<u>7,500</u>
Excess of Revenues Over (Under) Expenditures	<u>(123,291)</u>	<u>(440,883)</u>	<u>0</u>	<u>(21,111)</u>	<u>875</u>	<u>(3,000)</u>
Other Financing Sources (Uses)						
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	(330,000)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(330,000)</u>
Net Change in Fund Balances	<u>(123,291)</u>	<u>(440,883)</u>	<u>0</u>	<u>(21,111)</u>	<u>875</u>	<u>(333,000)</u>
Fund Balances (Deficits) Beginning of Year	<u>(16,981)</u>	<u>16,092</u>	<u>1,725</u>	<u>42,634</u>	<u>6,290</u>	<u>340,805</u>
Fund Balances (Deficits) End of Year	<u>\$ (140,272)</u>	<u>\$ (424,791)</u>	<u>\$ 1,725</u>	<u>\$ 21,523</u>	<u>\$ 7,165</u>	<u>\$ 7,805</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, 2006

(continued)

	Police			Unclaimed	
	Donation	Mayor Donation	Project Trust	Funds	Total
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 386,902
Income Taxes	0	0	0	0	4,047
Intergovernmental	0	0	0	0	1,708,721
Interest	0	0	0	0	9,622
Fees, Licenses and Permits	0	0	5,000	0	5,000
Fines and Forfeitures	0	0	0	0	2,063,694
Charges for Services	0	0	0	0	1,103,085
Contributions and Donations	375	4,350	0	0	261,728
Reimbursements	0	0	0	0	148,442
Miscellaneous	0	0	0	0	53,462
<i>Total Revenues</i>	<u>375</u>	<u>4,350</u>	<u>5,000</u>	<u>0</u>	<u>5,744,703</u>
Expenditures					
Current:					
Public Safety					
Police/911	0	0	0	0	209,978
Fire	0	0	0	0	209,978
Muni Court	0	0	0	0	1,991,201
Parks & Recreation	0	0	0	0	1,322,053
Community Development	0	0	0	0	825,832
Airport	0	0	0	0	703,117
Public Works	0	0	0	0	2,083,994
General Government	0	2,455	0	0	233,692
Capital Outlay	0	0	0	0	60,562
<i>Total Expenditures</i>	<u>0</u>	<u>2,455</u>	<u>0</u>	<u>0</u>	<u>7,642,407</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>375</u>	<u>1,895</u>	<u>5,000</u>	<u>0</u>	<u>(1,897,704)</u>
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	2,485,945
Transfers Out	0	0	0	0	(965,791)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,520,154</u>
<i>Net Change in Fund Balances</i>	<u>375</u>	<u>1,895</u>	<u>5,000</u>	<u>0</u>	<u>(377,550)</u>
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>3,995</u>	<u>2,769</u>	<u>497,141</u>	<u>39,493</u>	<u>3,116,596</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 4,370</u>	<u>\$ 4,664</u>	<u>\$ 502,141</u>	<u>\$ 39,493</u>	<u>\$ 2,739,046</u>

City of Delaware, Ohio
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2006

	<i>General Obligation Bond Retirement</i>	<i>Special Assessment Bond Retirement</i>	<i>Total</i>
Revenues			
Special Assessments	\$ 0	\$ 36,662	\$ 36,662
Interest	11,857	935	12,792
<i>Total Revenues</i>	<u>11,857</u>	<u>37,597</u>	<u>49,454</u>
Expenditures			
Current:			
General Government	34,888	0	34,888
Principal Retirement	225,000	34,000	259,000
Interest and Fiscal Charges	374,541	9,980	384,521
Bond Issuance Costs	27,692	0	27,692
<i>Total Expenditures</i>	<u>662,121</u>	<u>43,980</u>	<u>706,101</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(650,264)</u>	<u>(6,383)</u>	<u>(656,647)</u>
Other Financing Sources (Uses)			
Proceeds of Bonds	2,220,000	0	2,220,000
Premium on Debt Issuance	28,748	0	28,748
Transfers In	977,777	11,509	989,286
Transfers Out	(2,452,627)	0	(2,452,627)
<i>Total Other Financing Sources (Uses)</i>	<u>773,898</u>	<u>11,509</u>	<u>785,407</u>
<i>Net Change in Fund Balances</i>	123,634	5,126	128,760
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>(321,335)</u>	<u>2,586</u>	<u>(318,749)</u>
<i>Fund Balances (Deficits) End of Year</i>	<u><u>\$ (197,701)</u></u>	<u><u>\$ 7,712</u></u>	<u><u>\$ (189,989)</u></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, 2006

	FAA Airport Expansion	FAA Airport Allocation Improvements	Equipment Replacement	Airport Improvement Construction
Revenues				
Intergovernmental	\$ 0	\$ 56,332	\$ 0	\$ 0
Interest	0	0	0	0
Impact Fees	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>56,332</u>	<u>0</u>	<u>0</u>
Expenditures				
Current:				
Public Safety				
Capital Outlay	0	87,131	390,932	41,218
Debt Service:				
Bond Issuance Costs	0	0	0	0
Refunds	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>87,131</u>	<u>390,932</u>	<u>41,218</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>(30,799)</u>	<u>(390,932)</u>	<u>(41,218)</u>
Other Financing Sources				
Proceeds of Bonds	0	0	0	0
Premium on Debt Issuance	0	0	0	0
Transfers In	0	6,750	275,000	1,145,000
Transfers Out	(115,704)	(152,931)	0	0
<i>Total Other Financing Sources</i>	<u>(115,704)</u>	<u>(146,181)</u>	<u>275,000</u>	<u>1,145,000</u>
<i>Net Change in Fund Balances</i>	(115,704)	(176,980)	(115,932)	1,103,782
<i>Fund Balances (Deficits) Beginning of Year [as restated]</i>	<u>115,704</u>	<u>196,626</u>	<u>194,545</u>	<u>(1,035,873)</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 0</u>	<u>\$ 19,646</u>	<u>\$ 78,613</u>	<u>\$ 67,909</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, 2006

(continued)

	<i>Park Impact Fees</i>	<i>Police Impact Fees</i>	<i>Fire Impact Fees</i>	<i>Municipal Impact Fees</i>	<i>Glenn Rd M Construction</i>
Revenues					
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interest	29,287	7,914	28,335	2,263	3,674
Impact Fees	<u>208,278</u>	<u>108,369</u>	<u>198,512</u>	<u>88,810</u>	<u>0</u>
<i>Total Revenues</i>	<u>237,565</u>	<u>116,283</u>	<u>226,847</u>	<u>91,073</u>	<u>3,674</u>
Expenditures					
Current:					
Public Safety					
Capital Outlay	2,005,550	17,390	287,249	0	204,657
Debt Service:					
Bond Issuance Costs	8,103	0	0	0	0
Refunds	<u>1,068</u>	<u>150</u>	<u>259</u>	<u>0</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,014,721</u>	<u>17,540</u>	<u>287,508</u>	<u>0</u>	<u>204,657</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,777,156)</u>	<u>98,743</u>	<u>(60,661)</u>	<u>91,073</u>	<u>(200,983)</u>
Other Financing Sources (Uses)					
Proceeds of Bonds	950,000	0	0	0	0
Premium on Debt Issuance	8,412	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(111,751)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>958,412</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(111,751)</u>
<i>Net Change in Fund Balances</i>	<u>(818,744)</u>	<u>98,743</u>	<u>(60,661)</u>	<u>91,073</u>	<u>(312,734)</u>
<i>Fund Balances (Deficits) Beginning of Year [as restated]</i>	<u>916,564</u>	<u>157,418</u>	<u>787,210</u>	<u>0</u>	<u>0</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 97,820</u>	<u>\$ 256,161</u>	<u>\$ 726,549</u>	<u>\$ 91,073</u>	<u>\$ (312,734)</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, 2006

(continued)

	<i>Glenn Rd N</i>	
	<u>Construction</u>	<u>Total</u>
Revenues		
Intergovernmental	\$ 0	\$ 56,332
Interest	3,591	75,064
Impact Fees	<u>0</u>	<u>603,969</u>
<i>Total Revenues</i>	<u>3,591</u>	<u>735,365</u>
Expenditures		
Current:		
Public Safety		
Capital Outlay	125,131	3,159,258
Debt Service:		
Bond Issuance Costs	0	8,103
Refunds	<u>0</u>	<u>1,477</u>
<i>Total Expenditures</i>	<u>125,131</u>	<u>3,168,838</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(121,540)</u>	<u>(2,433,473)</u>
Other Financing Sources (Uses)		
Proceeds of Bonds	0	950,000
Premium on Debt Issuance	0	8,412
Transfers In	0	1,426,750
Transfers Out	<u>(159,539)</u>	<u>(539,925)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(159,539)</u>	<u>1,845,237</u>
<i>Net Change in Fund Balances</i>	(281,079)	(588,236)
<i>Fund Balances (Deficits) Beginning of Year [as restated]</i>	<u>0</u>	<u>1,332,194</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ (281,079)</u>	<u>\$ 743,958</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, 2006

	Golf Course	Parking Lots	Watershed Grant	Total
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 115,468	\$ 1,880	\$ 38,329	\$ 155,677
Accounts Receivable	0	1,653	0	1,653
Materials and Supplies Inventory	1,096	0	0	1,096
Prepaid Items	2,684	0	0	2,684
<i>Total Current Assets</i>	<u>119,248</u>	<u>3,533</u>	<u>38,329</u>	<u>161,110</u>
<i>Noncurrent Assets:</i>				
<i>Capital Assets:</i>				
Nondepreciable Capital Assets	8,500	202,254	0	210,754
Depreciable Capital Assets, Net	225,423	25,682	0	251,105
<i>Total Noncurrent Assets</i>	<u>233,923</u>	<u>227,936</u>	<u>0</u>	<u>461,859</u>
<i>Total Assets</i>	<u>353,171</u>	<u>231,469</u>	<u>38,329</u>	<u>622,969</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	827	4,459	38,330	43,616
Accrued Wages & Benefits	4,087	0	0	4,087
Compensated Absences Payable	3,486	0	0	3,486
Accrued Interest Payable	0	43	0	43
Capital Leases Payable	0	10,690	0	10,690
<i>Total Current Liabilities</i>	<u>8,400</u>	<u>15,192</u>	<u>38,330</u>	<u>61,922</u>
<i>Long-Term Liabilities:</i>				
Compensated Absences Payable	12,042	0	0	12,042
<i>Total Long-Term Liabilities</i>	<u>12,042</u>	<u>0</u>	<u>0</u>	<u>12,042</u>
<i>Total Liabilities</i>	<u>20,442</u>	<u>15,192</u>	<u>38,330</u>	<u>73,964</u>
Net Assets				
Invested in Capital Assets, Net of Related Debt	233,923	217,246	0	451,169
Unrestricted	98,806	(969)	(1)	97,836
<i>Total Net Assets</i>	<u>\$ 332,729</u>	<u>\$ 216,277</u>	<u>\$ (1)</u>	<u>\$ 549,005</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, 2006

	Golf	Parking Lots	Watershed Grant	Total
Operating Revenues				
Charges for Services	\$ 179,820	\$ 49,714	\$ 0	\$ 229,534
Miscellaneous	<u>1,308</u>	<u>0</u>	<u>0</u>	<u>1,308</u>
<i>Total Operating Revenues</i>	<u>181,128</u>	<u>49,714</u>	<u>0</u>	<u>230,842</u>
Operating Expenses				
Personal Services	120,397	0	0	120,397
Services and Charges	48,637	40,361	38,330	127,328
Materials and Supplies	25,588	0	0	25,588
Depreciation	<u>8,319</u>	<u>240</u>	<u>0</u>	<u>8,559</u>
<i>Total Operating Expenses</i>	<u>202,941</u>	<u>40,601</u>	<u>38,330</u>	<u>281,872</u>
<i>Operating Income (Loss)</i>	<u>(21,813)</u>	<u>9,113</u>	<u>(38,330)</u>	<u>(51,030)</u>
Non-Operating Expenses				
Interest and Fiscal Charges	<u>0</u>	<u>(743)</u>	<u>0</u>	<u>(743)</u>
<i>Total Non-Operating Expenses</i>	<u>0</u>	<u>(743)</u>	<u>0</u>	<u>(743)</u>
<i>Income (Loss) before Transfers</i>	(21,813)	8,370	(38,330)	(51,773)
Non-Operating Revenues				
Transfers In	<u>0</u>	<u>3,630</u>	<u>0</u>	<u>3,630</u>
<i>Change in Net Assets</i>	(21,813)	12,000	(38,330)	(48,143)
<i>Net Assets Beginning of Year</i>	<u>354,542</u>	<u>204,277</u>	<u>38,329</u>	<u>597,148</u>
<i>Net Assets End of Year</i>	<u>\$ 332,729</u>	<u>\$ 216,277</u>	<u>\$ (1)</u>	<u>\$ 549,005</u>

City of Delaware, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2006

	Golf	Parking Lots	Watershed Grant	Total
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 179,820	\$ 48,061	\$ 0	\$ 227,881
Cash Payments for Personal Services	(118,325)	0	0	(118,325)
Cash Payments for Materials and Supplies	(25,321)	0	0	(25,321)
Cash Payments for Services and Charges	(49,477)	(36,359)	0	(85,836)
Other Cash Receipts or Payments	1,308	0	37,288	38,596
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>(11,995)</u>	<u>11,702</u>	<u>37,288</u>	<u>36,995</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition and Construction of Capital Assets	(24,580)	0	0	(24,580)
Interest Paid on Debt Obligations	0	(591)	0	(591)
Principal Paid on Debt Obligations	0	(10,299)	0	(10,299)
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	<u>(24,580)</u>	<u>(10,890)</u>	<u>0</u>	<u>(35,470)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(36,575)	812	37,288	1,525
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>152,044</u>	<u>1,068</u>	<u>1,041</u>	<u>154,153</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 115,469</u>	<u>\$ 1,880</u>	<u>\$ 38,329</u>	<u>\$ 155,678</u>

(continued)

City of Delaware, Ohio
 Combining Statement of Cash Flows
 Nonmajor Enterprise Funds (continued)
 For the Year Ended December 31, 2006

	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)	\$ (21,813)	\$ 9,113	\$ (38,330)	\$ (51,030)
Adjustments:				
Depreciation	8,319	240	0	8,559
(Increase) Decrease in Assets:				
Accounts Receivable	0	(1,653)	0	(1,653)
Intergovernmental Receivable			37,288	37,288
Prepaid Items	(577)	0	0	(577)
Materials and Supplies Inventory	290	0	0	290
Increase (Decrease) in Liabilities:				
Accounts Payable	(286)	4,002	38,330	42,046
Accrued Wages and Benefits	466	0	0	466
Compensated Absences Payable	1,606	0	0	1,606
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>\$ (11,995)</u>	<u>\$ 11,702</u>	<u>\$ 37,288</u>	<u>\$ 36,995</u>

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.

Info Tech Rotary Fund – To account for the staff, system support, and purchases of the City's technology and GIS department. The cost is allocated to the various departments supported.

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, 2006

	Garage Rotary	Info Tech Rotary	Self-Insurance	Workers Compensation	Total
Assets					
<i>Current Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	\$ 71,697	\$ 25,523	\$ 873,598	\$ 660,510	\$ 1,631,328
<i>Total Current Assets</i>	<u>71,697</u>	<u>25,523</u>	<u>873,598</u>	<u>660,510</u>	<u>1,631,328</u>
<i>Noncurrent Assets:</i>					
<i>Capital Assets:</i>					
Depreciable Capital Assets, Net	32,529	0	0	0	32,529
<i>Total Noncurrent Assets</i>	<u>32,529</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,529</u>
<i>Total Assets</i>	<u>104,226</u>	<u>25,523</u>	<u>873,598</u>	<u>660,510</u>	<u>1,663,857</u>
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	19,720	15,715	0	0	35,435
Accrued Wages & Benefits	9,571	12,497	0	0	22,068
Compensated Absences Payable	6,656	9,891	0	0	16,547
Claims Payable	0	0	293,409	672,295	965,704
<i>Total Current Liabilities</i>	<u>35,947</u>	<u>38,103</u>	<u>293,409</u>	<u>672,295</u>	<u>1,039,754</u>
<i>Long-Term Liabilities:</i>					
Compensated Absences Payable	23,839	20,137	0	0	43,976
<i>Total Long-Term Liabilities</i>	<u>23,839</u>	<u>20,137</u>	<u>0</u>	<u>0</u>	<u>43,976</u>
<i>Total Liabilities</i>	<u>59,786</u>	<u>58,240</u>	<u>293,409</u>	<u>672,295</u>	<u>1,083,730</u>
Net Assets					
Invested in Capital Assets, Net of Related Debt	32,529	0	0	0	32,529
Restricted for Other Purposes	0	0	580,189	0	580,189
Unrestricted	11,911	(32,717)	0	(11,785)	(32,591)
<i>Total Net Assets</i>	<u>\$ 44,440</u>	<u>\$ (32,717)</u>	<u>\$ 580,189</u>	<u>\$ (11,785)</u>	<u>\$ 580,127</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, 2006

	Garage Rotary	Info Tech Rotary	Self-Insurance	Workers Compensation	Total
Operating Revenues					
Charges for Services	\$ 840,641	\$ 631,908	\$ 3,069,209	\$ 464,406	\$ 5,006,164
Reimbursements	<u>0</u>	<u>0</u>	<u>546,945</u>	<u>12,662</u>	<u>559,607</u>
<i>Total Operating Revenues</i>	<u>840,641</u>	<u>631,908</u>	<u>3,616,154</u>	<u>477,068</u>	<u>5,565,771</u>
Operating Expenses					
Personal Services	244,272	333,435	0	0	577,707
Services and Charges	26,309	312,785	63,952	8,000	411,046
Materials and Supplies	573,224	18,405	0	0	591,629
Depreciation	10,328	0	0	0	10,328
Claims	<u>0</u>	<u>0</u>	<u>3,411,527</u>	<u>552,894</u>	<u>3,964,421</u>
<i>Total Operating Expenses</i>	<u>854,133</u>	<u>664,625</u>	<u>3,475,479</u>	<u>560,894</u>	<u>5,555,131</u>
<i>Operating Income (Loss)</i>	<u>(13,492)</u>	<u>(32,717)</u>	<u>140,675</u>	<u>(83,826)</u>	<u>10,640</u>
Non-Operating Expenses					
Refunds & Reimbursements	<u>0</u>	<u>0</u>	<u>(18,020)</u>	<u>0</u>	<u>(18,020)</u>
<i>Total Non-Operating Expenses</i>	<u>0</u>	<u>0</u>	<u>(18,020)</u>	<u>0</u>	<u>(18,020)</u>
<i>Change in Net Assets</i>	(13,492)	(32,717)	122,655	(83,826)	(7,380)
<i>Net Assets Beginning of Year</i>	<u>57,932</u>	<u>0</u>	<u>457,534</u>	<u>72,041</u>	<u>587,507</u>
<i>Net Assets End of Year</i>	<u>\$ 44,440</u>	<u>\$ (32,717)</u>	<u>\$ 580,189</u>	<u>\$ (11,785)</u>	<u>\$ 580,127</u>

City of Delaware, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2006

	Garage	Info Tech Rotary	Self-Insurance	Workers Compensation	Total
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 840,641	\$ 631,908	\$ 0	\$ 0	\$ 1,472,549
Cash Received for Premiums	0	0	3,069,209	464,406	3,533,615
Cash Payments for Personal Services	(236,845)	(290,910)	0	0	(527,755)
Cash Payments for Materials and Supplies	(575,629)	(17,928)	0	0	(593,557)
Cash Payments for Services and Charges	(25,600)	(297,547)	(63,952)	(8,000)	(395,099)
Cash Payments for Claims	0	0	(3,253,252)	(394,291)	(3,647,543)
Other Cash Receipts or Payments	0	0	546,945	12,662	559,607
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>2,567</u>	<u>25,523</u>	<u>298,950</u>	<u>74,777</u>	<u>401,817</u>
Cash Flows from Noncapital Financing Activities					
Cash Payments for Reimbursements	0	0	(18,020)	0	(18,020)
<i>Net Cash Provided by (Used in) Noncapital Financing Activities</i>	<u>0</u>	<u>0</u>	<u>(18,020)</u>	<u>0</u>	<u>(18,020)</u>
Acquisition and Construction of Capital Assets	(5,745)	0	0	0	(5,745)
	(5,745)	0	0	0	(5,745)
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(3,178)	25,523	280,930	74,777	378,052
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>74,876</u>	<u>0</u>	<u>592,668</u>	<u>585,733</u>	<u>1,253,277</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 71,698</u>	<u>\$ 25,523</u>	<u>\$ 873,598</u>	<u>\$ 660,510</u>	<u>\$ 1,631,329</u>

(continued)

City of Delaware, Ohio
Combining Statement of Cash Flows
Internal Service Funds (continued)
For the Year Ended December 31, 2006

	Internal Service Funds				
	Garage Rotary	Info Tech Rotary	Self-Insurance	Workers Compensation	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	\$ (13,492)	\$ (32,717)	\$ 140,675	\$ (83,826)	\$ 10,640
Adjustments:					
Depreciation	10,328	0	0	0	10,328
(Increase) Decrease in Assets:					
Increase (Decrease) in Liabilities:					
Accounts Payable	(1,718)	15,715	0	0	13,997
Accrued Wages and Benefits	562	12,497	0	0	13,059
Compensated Absences Payable	6,887	30,028	0	0	36,915
Claims Payable	0	0	158,275	158,603	316,878
Net Cash Provided by (Used in) Operating Activities	<u>\$ 2,567</u>	<u>\$ 25,523</u>	<u>\$ 298,950</u>	<u>\$ 74,777</u>	<u>\$ 401,817</u>

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, 2006

	<i>Balance at</i>			<i>Balance at</i>
	<i>January 1, 2006</i>	<i>Additions</i>	<i>Reductions</i>	<i>December 31, 2006</i>
Highway Patrol Transfer				
Assets				
Due from Other Governments	\$ 3,174	\$ 53,258	\$ 52,406	\$ 4,026
<i>Total Assets</i>	<u>\$ 3,174</u>	<u>\$ 53,258</u>	<u>\$ 52,406</u>	<u>\$ 4,026</u>
Liabilities				
Due to Other Governments	\$ 3,174	\$ 53,258	\$ 52,406	\$ 4,026
<i>Total Liabilities</i>	<u>\$ 3,174</u>	<u>\$ 53,258</u>	<u>\$ 52,406</u>	<u>\$ 4,026</u>
State Building Permit Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 197	\$ 4,792	\$ 4,122	\$ 867
<i>Total Assets</i>	<u>\$ 197</u>	<u>\$ 4,792</u>	<u>\$ 4,122</u>	<u>\$ 867</u>
Liabilities				
Due to Other Governments	\$ 197	\$ 4,792	\$ 4,122	\$ 867
<i>Total Liabilities</i>	<u>\$ 197</u>	<u>\$ 4,792</u>	<u>\$ 4,122</u>	<u>\$ 867</u>
Tax Abatement Fund				
Assets				
Other Taxes Receivable	\$ 960,000	\$ 0	\$ 120,000	\$ 840,000
<i>Total Assets</i>	<u>\$ 960,000</u>	<u>\$ 0</u>	<u>\$ 120,000</u>	<u>\$ 840,000</u>
Liabilities				
Due to Other Governments	\$ 960,000	\$ 0	\$ 120,000	\$ 840,000
<i>Total Liabilities</i>	<u>\$ 960,000</u>	<u>\$ 0</u>	<u>\$ 120,000</u>	<u>\$ 840,000</u>
Municipal Court				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 157,108	\$ 5,006,153	\$ 5,033,389	\$ 129,872
<i>Total Assets</i>	<u>\$ 157,108</u>	<u>\$ 5,006,153</u>	<u>\$ 5,033,389</u>	<u>\$ 129,872</u>
Liabilities				
Undistributed Assets	\$ 157,108	\$ 5,006,153	\$ 5,033,389	\$ 129,872
<i>Total Liabilities</i>	<u>\$ 157,108</u>	<u>\$ 5,006,153</u>	<u>\$ 5,033,389</u>	<u>\$ 129,872</u>
Totals				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 157,305	\$ 5,010,945	\$ 5,037,511	\$ 130,739
Other Taxes Receivable	960,000	0	120,000	840,000
Due from Other Governments	3,174	53,258	52,406	4,026
<i>Total Assets</i>	<u>\$ 1,120,479</u>	<u>\$ 5,064,203</u>	<u>\$ 5,209,917</u>	<u>\$ 974,765</u>
Liabilities				
Due to Other Governments	\$ 963,371	\$ 58,050	\$ 176,528	\$ 844,893
Undistributed Assets	157,108	5,006,153	5,033,389	129,872
<i>Total Liabilities</i>	<u>\$ 1,120,479</u>	<u>\$ 5,064,203</u>	<u>\$ 5,209,917</u>	<u>\$ 974,765</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, 2006

General Fund

	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Income Taxes	\$ 8,550,990	\$ 8,550,990	\$ 8,495,580	\$ (55,410)
Property & Other Taxes	1,350,000	1,350,000	1,402,232	52,232
Intergovernmental	1,907,900	1,907,900	2,037,833	129,933
Charges For Service	1,545,000	1,545,000	903,846	(641,154)
Fines & Court Fees	85,000	85,000	117,453	32,453
Licenses & Permits	1,182,000	1,182,000	923,939	(258,061)
Interest Income	425,000	425,000	440,493	15,493
Miscellaneous	175,000	175,000	142,565	(32,435)
Total Revenues	15,220,890	15,220,890	14,463,941	(756,949)
Expenditures:				
Current:				
Public Safety				
Police				
Personal Services	3,991,939	3,991,939	3,926,104	65,835
Materials & Supplies	76,867	76,867	66,033	10,834
Services & Charges	372,743	372,743	358,191	14,552
Refunds	3,000	3,000	25	2,975
Capital Outlay	71,000	71,000	62,066	8,934
911				
Personal Services	611,691	611,691	608,851	2,840
Materials & Supplies	8,400	8,400	6,627	1,773
Services & Charges	64,990	64,990	43,450	21,540
Capital Outlay	20,000	22,500	40,000	(17,500)
Fire				
Personal Services	324,465	324,465	346,997	(22,532)
Materials & Supplies	116,404	116,404	109,619	6,785
Services & Charges	241,016	241,016	226,587	14,429
Capital Outlay	67,270	67,270	65,455	1,815
Prosecutor				
Personal Services	366,588	366,588	324,030	42,557
Materials & Supplies	3,500	3,500	3,426	74
Services & Charges	24,967	24,967	37,453	(12,486)
Capital Outlay	1,000	1,000	0	1,000
Street Lighting				
Services & Charges	200,000	200,000	156,159	43,841
Total Public Safety	6,565,840	6,568,340	6,381,074	187,266

(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, 2006

(continued)

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
General Government				
Council				
Personal Services	62,558	62,558	55,297	7,261
Materials & Supplies	500	500	360	140
Services & Charges	9,750	9,750	7,845	1,905
City Manager's Office				
Personal Services	372,719	372,719	377,425	(4,706)
Materials & Supplies	4,300	4,300	2,741	1,559
Services & Charges	123,571	123,571	95,524	28,047
Administrative Services				
Personal Services	189,742	189,742	174,172	15,570
Materials & Supplies	4,177	4,177	3,286	891
Services & Charges	125,404	125,404	119,460	5,944
Capital Outlay	3,000	3,000	0	3,000
Information Technology				
Materials & Supplies	400	416	413	3
Capital Outlay	2,800	2,800	2,800	0
Economic Development				
Personal Services	90,806	90,806	87,905	2,901
Materials & Supplies	1,100	1,100	214	886
Services & Charges	26,443	26,443	23,917	2,526
Legal Affairs				
Personal Services	96,468	96,468	99,192	(2,725)
Materials & Supplies	2,400	2,400	2,265	135
Services & Charges	95,275	95,275	81,094	14,181
Finance				
Personal Services	786,300	786,300	766,634	19,666
Materials & Supplies	29,380	29,380	28,605	775
Services & Charges	167,081	167,081	130,298	36,783
Capital Outlay	5,400	5,400	317	5,083
General Administration				
Services & Charges	356,131	356,131	220,697	135,434
Refunds	43,227	43,227	41,504	1,723
Capital Outlay	31,000	31,000	26,023	4,977
Risk Management				
Services & Charges	146,100	146,100	88,772	57,328

(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, 2006

(continued)

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Planning & Community Development				
Personal Services	827,677	827,677	763,616	64,061
Materials & Supplies	13,955	13,955	10,135	3,820
Services & Charges	155,173	155,173	131,925	23,248
Refunds	25,000	25,000	23,347	1,653
Capital Outlay	1,000	1,000	0	1,000
Engineering				
Personal Services	732,913	732,913	704,415	28,498
Materials & Supplies	13,750	13,750	11,727	2,023
Services & Charges	226,221	226,221	123,111	103,110
Capital Outlay	18,050	18,050	16,160	1,890
Municipal Building & Grounds Maintenance				
Personal Services	62,143	62,143	55,405	6,738
Materials & Supplies	19,500	19,500	18,586	914
Services & Charges	185,378	185,378	189,125	(3,747)
Capital Outlay	7,200	7,200	6,480	720
Total General Government	5,063,993	5,064,009	4,490,795	573,214
Income Tax Refunds	280,000	280,000	273,655	6,345
Engineering Refunds	748,610	748,610	501,225	247,385
Total Expenditures	12,658,443	12,660,959	11,646,749	1,014,210
Excess (Deficiency) Of Revenues Over Expenditures	2,562,447	2,559,931	2,817,192	257,261
Other Financing Sources (Uses):				
Advances In	0	0	268,635	268,635
Advances Out	0	0	(1,300,000)	(1,300,000)
Transfers Out	(3,531,000)	(3,551,000)	(3,538,512)	12,488
Total Other Financing Sources (Uses)	(3,531,000)	(3,551,000)	(4,569,877)	(1,018,877)
Net Change in Fund Balance	(968,553)	(991,069)	(1,752,685)	(761,616)
Fund Balance at Beginning of Year:	2,072,506	2,072,506	2,072,506	0
Prior Years Encumbrances	296,150	296,150	296,150	0
Fund Balance at End of Year:	\$ 1,400,103	\$ 1,377,587	\$ 615,971	\$ (761,616)

City of Delaware, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual [Budget Basis]
 For the Year Ended December 31, 2006

	Special Revenue Fund: Fire/EMS Income Tax			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Income Taxes	\$ 3,420,159	\$ 3,510,159	\$ 3,397,759	\$ (112,400)
Total Revenues	<u>3,420,159</u>	<u>3,510,159</u>	<u>3,397,759</u>	<u>(112,400)</u>
Expenditures:				
Current:				
Public Safety				
Personal Services	3,420,159	3,470,159	3,397,759	72,400
Total Expenditures	<u>3,420,159</u>	<u>3,470,159</u>	<u>3,397,759</u>	<u>72,400</u>
Net Change in Fund Balance	0	40,000	0	(40,000)
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>\$ 40,000</u>	<u>\$ 0</u>	<u>\$ (40,000)</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, 2006

	Capital Projects Fund: Capital Improvements			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 2,152,784	\$ 2,152,784	\$ 0	\$ (2,152,784)
Reimbursements	250,000	275,000	278,868	3,868
Donations	0	0	25,600	25,600
Total Revenues	<u>2,402,784</u>	<u>2,427,784</u>	<u>304,468</u>	<u>(2,123,316)</u>
Expenditures:				
Capital Outlay:				
General Government				
Services & Charges	115,000	115,000	7,500	107,500
Capital Outlay	4,491,472	5,337,135	3,624,013	1,713,122
Total Expenditures	<u>4,606,472</u>	<u>5,452,135</u>	<u>3,631,513</u>	<u>1,820,622</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,203,688)	(3,024,351)	(3,327,045)	(302,694)
Other Financing Sources (Uses):				
Proceeds of Bonds	1,850,000	1,850,000	550,000	(1,300,000)
Advances In	0	0	500,000	500,000
Transfers In	1,750,000	2,675,000	1,750,000	(925,000)
Transfers Out	(2,053,255)	(2,053,255)	(956,443)	1,096,812
Total Other Financing Sources (Uses)	<u>1,546,745</u>	<u>2,471,745</u>	<u>1,843,557</u>	<u>(628,188)</u>
Net Change in Fund Balance	(656,943)	(552,606)	(1,483,488)	(930,882)
Fund Balance at Beginning of Year:	43,317	43,317	43,317	0
Prior Years Encumbrances	713,926	713,926	713,926	0
Fund Balance (Deficit) at End of Year:	<u>\$ 100,300</u>	<u>\$ 204,637</u>	<u>\$ (726,245)</u>	<u>\$ (930,882)</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, 2006

	Capital Projects Fund: Glenn Road South Construction			Variance
	Original Budget	Final Budget	Actual	from Final Budget
Revenues:				
Impact Fees	\$ 0	\$ 0	\$ 67,800	\$ 67,800
Interest Income	82,822	82,822	821,320	738,498
Total Revenues	<u>82,822</u>	<u>82,822</u>	<u>889,120</u>	<u>806,298</u>
Expenditure:				
Capital Outlay:				
Capital Outlay	10,644,339	10,644,339	1,868,942	8,775,397
Debt Service:				
Principal Retirement	4,572,313	4,572,313	4,572,313	0
Interest & Fiscal Charges	202,800	202,800	202,237	563
Total Expenditures	<u>15,419,452</u>	<u>15,419,452</u>	<u>6,643,492</u>	<u>8,775,960</u>
Excess (Deficiency) of Revenues Over Expenditures	(15,336,630)	(15,336,630)	(5,754,372)	9,582,258
Other Financing Sources:				
Proceeds of Notes	10,500,000	12,018,775	11,528,294	(490,481)
Premium on Notes	0	0	124,192	124,192
Total Other Financing Sources	<u>10,500,000</u>	<u>12,018,775</u>	<u>11,652,486</u>	<u>(366,289)</u>
Net Change in Fund Balance	(4,836,630)	(3,317,855)	5,898,114	9,215,969
Fund Balance at Beginning of Year:	4,100,053	4,100,053	4,100,053	0
Prior Years Encumbrances	1,137,422	1,137,422	1,137,422	0
Fund Balance at End of Year:	<u>\$ 400,845</u>	<u>\$ 1,919,620</u>	<u>\$ 11,135,589</u>	<u>\$ 9,215,969</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, 2006

	Enterprise Fund: Water			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 3,320,000	\$ 3,320,000	\$ 3,156,984	\$ (163,016)
Capacity Fees	1,785,000	1,785,000	1,023,108	(761,892)
Interest Income	185,000	185,000	335,868	150,868
Water Deposits	45,000	45,000	29,887	(15,113)
Miscellaneous	46,000	46,000	59,373	13,373
Total Revenues	<u>5,381,000</u>	<u>5,381,000</u>	<u>4,605,220</u>	<u>(775,780)</u>
Expenses:				
Administration				
Personal Services	235,942	235,942	206,265	29,677
Materials & Supplies	2,500	2,500	1,492	1,008
Services & Charges	276,949	276,949	252,014	24,935
Refunds	6,000	6,000	18,830	(12,830)
Capital Outlay	5,000	5,000	0	5,000
Treatment				
Personal Services	666,590	666,590	664,775	1,815
Materials & Supplies	316,403	316,403	261,854	54,549
Services & Charges	589,258	589,258	520,238	69,020
Capital Outlay	2,000	2,000	42,000	(40,000)
Distribution				
Personal Services	517,784	517,784	507,832	9,952
Materials & Supplies	182,580	182,580	165,966	16,614
Services & Charges	427,890	427,890	368,265	59,625
Refunds	45,000	45,000	26,485	18,515
Capital Outlay	86,659	86,659	85,591	1,068
Capital Projects				
Services & Charges	500,875	500,875	741,079	(240,204)
Capital Outlay	10,037,463	10,737,463	6,768,937	3,968,526
Debt Service				
Principal Retirement	3,545,000	3,545,000	3,545,000	0
Interest & Fiscal Charges	215,528	141,800	215,528	(73,728)
Total Expenses	<u>17,659,421</u>	<u>18,285,693</u>	<u>14,392,151</u>	<u>3,893,542</u>
Excess (Deficiency) Of Revenues Over Expenses	(12,278,421)	(12,904,693)	(9,786,931)	3,117,762
Other Financing Sources:				
Proceeds of Notes	6,500,000	6,500,000	0	(6,500,000)
Proceeds of Bonds	0	0	3,545,000	3,545,000
Premium on Bonds	0	0	1,153	1,153
Total Other Financing Sources	<u>6,500,000</u>	<u>6,500,000</u>	<u>3,546,153</u>	<u>(2,953,847)</u>
Net Change in Fund Balance	(5,778,421)	(6,404,693)	(6,240,778)	163,915
Fund Balance at Beginning of Year:	4,973,931	4,973,931	4,973,931	0
Prior Years Encumbrances	6,000,371	6,000,371	6,000,371	0
Fund Balance (Deficit) at End of Year:	<u>\$ 5,195,881</u>	<u>\$ 4,569,609</u>	<u>\$ 4,733,524</u>	<u>\$ 163,915</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, 2006

	Enterprise Fund: Sewer			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 5,063,500	\$ 5,063,500	\$ 4,064,272	\$ (999,228)
Capacity Fees	2,367,500	2,367,500	1,072,904	(1,294,596)
Interest Income	310,204	490,204	824,155	333,951
Miscellaneous	40,000	40,000	17,651	(22,349)
Total Revenues	<u>7,781,204</u>	<u>7,961,204</u>	<u>5,978,982</u>	<u>(1,982,222)</u>
Expenses:				
Administration				
Personal Services	235,942	235,942	175,264	60,678
Materials & Supplies	2,500	2,500	1,606	894
Services & Charges	382,071	382,071	350,037	32,034
Refunds	5,000	5,000	2,546	2,454
Capital Outlay	4,000	4,000	0	4,000
Treatment				
Personal Services	786,773	786,773	787,575	(802)
Materials & Supplies	200,233	200,233	125,139	75,094
Services & Charges	1,009,516	1,009,516	991,479	18,037
Capital Outlay	86,176	86,176	57,456	28,720
Collection				
Personal Services	345,989	345,989	348,476	(2,487)
Materials & Supplies	41,220	41,220	30,714	10,506
Services & Charges	304,975	304,975	248,739	56,236
Capital Outlay	5,000	5,000	15,772	(10,772)
Capital Projects				
Services & Charges	280,157	280,157	220,209	59,948
Capital Outlay	29,086,786	31,161,786	24,942,666	6,219,120
Debt Service				
Principal Retirement	15,470,000	15,470,000	16,470,000	(1,000,000)
Interest & Fiscal Charges	912,873	912,873	973,670	(60,797)
Total Expenses	<u>49,159,211</u>	<u>51,234,211</u>	<u>45,741,348</u>	<u>5,492,863</u>
Excess (Deficiency) Of Revenues Over Expenses	(41,378,007)	(43,273,007)	(39,762,366)	3,510,641
Other Financing Sources:				
Proceeds of Note	12,525,000	12,525,000	15,000,000	2,475,000
Proceeds of Bond	795,933	1,795,933	1,000,000	(795,933)
Proceeds of Loan	5,650,000	5,650,000	4,605,699	(1,044,301)
Premium on Note	0	0	58,976	58,976
Total Other Financing Sources	<u>18,970,933</u>	<u>19,970,933</u>	<u>20,664,675</u>	<u>693,742</u>
Net Change in Fund Balance	(22,407,074)	(23,302,074)	(19,097,691)	4,204,383
Fund Balance at Beginning of Year:	12,653,128	12,653,128	12,653,128	0
Prior Years Encumbrances	10,409,550	10,409,550	10,409,550	0
Fund Balance (Deficit) at End of Year:	<u>\$ 655,604</u>	<u>\$ (239,396)</u>	<u>\$ 3,964,987</u>	<u>\$ 4,204,383</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, 2006

	Enterprise Fund: Storm Sewer Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Services	\$ 752,000	\$ 752,000	\$ 725,254	\$ (26,746)
Total Revenues	<u>752,000</u>	<u>752,000</u>	<u>725,254</u>	<u>(26,746)</u>
Expenses:				
Operations				
Personal Services	124,273	124,273	117,475	6,798
Materials & Supplies	18,750	18,750	16,247	2,503
Services & Charges	26,213	26,213	21,379	4,834
Refunds	3,000	3,000	578	2,422
Capital Outlay	5,000	5,000	5,229	(229)
Capital Projects				
Services & Charges	87,238	87,238	83,124	4,114
Refunds	125,000	125,000	87,220	37,780
Capital Outlay	861,690	861,690	183,582	678,108
Total Expenses	<u>1,251,164</u>	<u>1,251,164</u>	<u>514,834</u>	<u>736,330</u>
Net Change in Fund Balance	(499,164)	(499,164)	210,420	709,584
Fund Balance at Beginning of Year:	545,288	545,288	545,288	0
Prior Years Encumbrances	<u>118,928</u>	<u>118,928</u>	<u>118,928</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 165,052</u>	<u>\$ 165,052</u>	<u>\$ 874,636</u>	<u>\$ 709,584</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, 2006

	Enterprise Fund:			Variance from Final Budget
	Refuse			
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 2,300,000	\$ 2,300,000	\$ 2,280,404	\$ (19,596)
Miscellaneous	16,000	16,000	29,999	13,999
Total Revenues	<u>2,316,000</u>	<u>2,316,000</u>	<u>2,310,403</u>	<u>(5,597)</u>
Expenses:				
Administration				
Services & Charges	145,105	145,105	129,007	16,098
Refunds	750	750	334	416
Capital Outlay	118,042	126,542	122,351	4,191
Collection				
Personal Services	425,561	425,561	410,384	15,177
Materials & Supplies	49,575	49,575	23,654	25,921
Services & Charges	1,289,352	1,289,352	1,242,127	47,225
Capital Outlay	316,900	316,900	176,047	140,853
Recycling				
Personal Services	295,418	295,418	266,300	29,118
Materials & Supplies	45,020	45,020	34,697	10,323
Services & Charges	144,345	144,345	131,689	12,656
Capital Outlay	18,900	18,900	18,873	27
Debt Service				
Principal Retirement	475,000	475,000	484,932	(9,932)
Interest & Fiscal Charges	14,250	14,250	19,002	(4,752)
Total Expenses	<u>3,338,218</u>	<u>3,346,718</u>	<u>3,059,397</u>	<u>287,321</u>
Excess (Deficiency) Of Revenues Over Expenses	(1,022,218)	(1,030,718)	(748,994)	281,724
Other Financing Sources:				
Proceeds of Notes	350,000	350,000	0	(350,000)
Proceeds of Bonds	0	475,000	475,000	0
Total Other Financing Sources	<u>350,000</u>	<u>825,000</u>	<u>475,000</u>	<u>(350,000)</u>
Net Change in Fund Balance	(672,218)	(205,718)	(273,994)	(68,276)
Fund Balance at Beginning of Year:	383,328	383,328	383,328	0
Prior Years Encumbrances	<u>205,033</u>	<u>205,033</u>	<u>205,033</u>	<u>0</u>
Fund Balance (Deficit) at End of Year:	<u>\$ (83,857)</u>	<u>\$ 382,643</u>	<u>\$ 314,367</u>	<u>\$ (68,276)</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, 2006

	Special Revenue Fund: Street Maintenance & Repair			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 1,050,000	\$ 1,050,000	\$ 1,132,505	\$ 82,505
Licenses and Permits	1,500	1,500	1,960	460
Reimbursements	250	250	11,310	11,060
Miscellaneous	0	0	13	13
Total Revenues	<u>1,051,750</u>	<u>1,051,750</u>	<u>1,145,788</u>	<u>94,038</u>
Expenditures:				
Current:				
Public Works				
Administration				
Personal Services	277,248	277,248	267,342	9,906
Materials & Supplies	7,342	7,342	6,166	1,176
Services & Charges	65,205	65,205	59,990	5,215
Street Division				
Personal Services	639,668	639,668	606,662	33,006
Materials & Supplies	244,939	244,936	190,619	54,317
Services & Charges	144,194	144,194	139,812	4,382
Capital Outlay	21,000	21,000	20,999	1
Traffic Division				
Personal Services	262,916	262,916	262,283	633
Materials & Supplies	108,655	108,655	100,255	8,400
Services & Charges	89,868	89,868	79,054	10,814
Capital Outlay	44,250	44,250	42,232	2,018
Total Expenditures	<u>1,905,285</u>	<u>1,905,282</u>	<u>1,775,414</u>	<u>129,868</u>
Excess (Deficiency) of Revenues Over Expenditures	(853,535)	(853,532)	(629,626)	223,906
Other Financing Sources (Uses):				
Transfers In	911,000	911,000	911,000	0
Transfers Out	(250,000)	(250,000)	(250,000)	0
Total Other Financing Sources (Uses)	<u>661,000</u>	<u>661,000</u>	<u>661,000</u>	<u>0</u>
Net Change in Fund Balance	(192,535)	(192,532)	31,374	223,906
Fund Balance at Beginning of Year:	280,505	280,505	280,505	0
Prior Years Encumbrances	<u>44,283</u>	<u>44,283</u>	<u>44,283</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 132,253</u>	<u>\$ 132,256</u>	<u>\$ 356,162</u>	<u>\$ 223,906</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, 2006

	Special Revenue Fund: State Highway Improvement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 88,500	\$ 88,500	\$ 91,825	\$ 3,325
Interest Income	1,500	1,500	2,300	800
Total Revenues	<u>90,000</u>	<u>90,000</u>	<u>94,125</u>	<u>4,125</u>
Expenditures:				
Current:				
Public Works				
Capital Outlay	100,000	100,000	0	100,000
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>100,000</u>
Excess (Deficiency) of Revenues				
Net Change in Fund Balance	(10,000)	(10,000)	94,125	104,125
Fund Balance at Beginning of Year:	<u>11,430</u>	<u>11,430</u>	<u>11,430</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 1,430</u>	<u>\$ 1,430</u>	<u>\$ 105,555</u>	<u>\$ 104,125</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, 2006

	Special Revenue Fund: License Fee			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 340,000	\$ 340,000	\$ 340,750	\$ 750
Interest Income	2,000	2,000	5,146	3,146
Total Revenues	<u>342,000</u>	<u>342,000</u>	<u>345,896</u>	<u>3,896</u>
Expenditures:				
Current:				
Public Works				
Capital Outlay	412,000	412,000	353,700	58,300
Total Expenditures	<u>412,000</u>	<u>412,000</u>	<u>353,700</u>	<u>58,300</u>
Net Change in Fund Balance	(70,000)	(70,000)	(7,804)	62,196
Fund Balance at Beginning of Year:	78,767	78,767	78,767	0
Prior Years Encumbrances	12,000	12,000	12,000	0
Fund Balance at End of Year:	<u>\$ 20,767</u>	<u>\$ 20,767</u>	<u>\$ 82,963</u>	<u>\$ 62,196</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, 2006

	Special Revenue Fund: Parks & Recreation			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 276,500	\$ 273,450	\$ 268,370	\$ (5,080)
Reimbursements	1,000	1,000	1,268	268
Miscellaneous	20,000	23,050	16,351	(6,699)
Total Revenues	<u>297,500</u>	<u>297,500</u>	<u>285,989</u>	<u>(11,511)</u>
Expenditures:				
Current:				
Parks & Recreation				
Grounds & Facilities Maintenance				
Personal Services	543,914	543,914	542,303	1,611
Materials & Supplies	27,450	27,450	30,555	(3,105)
Services & Charges	188,349	188,349	188,016	333
Refunds	0	0	313	(313)
Capital Outlay	6,600	6,600	5,013	1,587
Recreational Services				
Personal Services	229,421	229,421	225,030	4,391
Materials & Supplies	8,192	8,192	3,094	5,098
Services & Charges	42,464	42,464	36,597	5,867
Refunds	300	300	0	300
Programs				
Materials & Supplies	32,863	32,863	31,147	1,716
Services & Charges	66,500	66,500	55,293	11,207
Refunds	3,600	3,600	4,106	(506)
Pool Operations				
Personal Services	77,664	77,664	89,575	(11,911)
Materials & Supplies	28,000	28,000	29,604	(1,604)
Services & Charges	40,010	40,010	23,780	16,230
Refunds	500	500	832	(332)
Capital Outlay	12,150	12,150	5,965	6,185
Total Expenditures	<u>1,307,977</u>	<u>1,307,977</u>	<u>1,271,223</u>	<u>36,754</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,010,477)	(1,010,477)	(985,234)	25,243
Other Financing Sources:				
Transfers In	970,000	990,000	970,000	(20,000)
Total Other Financing Sources	<u>970,000</u>	<u>990,000</u>	<u>970,000</u>	<u>(20,000)</u>
Net Change in Fund Balance	(40,477)	(20,477)	(15,234)	5,243
Fund Balance at Beginning of Year:	29,217	29,217	29,217	0
Prior Years Encumbrances	7,058	7,058	7,058	0
Fund Balance (Deficit) at End of Year:	<u>\$ (4,202)</u>	<u>\$ 15,798</u>	<u>\$ 21,041</u>	<u>\$ 5,243</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, 2006

	Special Revenue Fund: Tree			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 130,000	\$ 130,000	\$ 6,750	\$ (123,250)
Miscellaneous	0	0	30	30
Total Revenues	<u>130,000</u>	<u>130,000</u>	<u>6,780</u>	<u>(123,220)</u>
Expenditures:				
Current:				
Parks & Recreation				
Materials & Supplies	1,000	1,000	1,566	(566)
Services & Charges	125,000	141,347	155,468	(14,121)
Capital Outlay	125,000	125,000	68,364	56,636
Total Expenditures	<u>251,000</u>	<u>267,347</u>	<u>225,398</u>	<u>41,949</u>
Excess (Deficiency) of Revenues Over Expenditures	(121,000)	(137,347)	(218,618)	(81,271)
Other Financing Sources:				
Transfers In	25,000	330,000	355,000	25,000
Total Other Financing Sources	<u>25,000</u>	<u>330,000</u>	<u>355,000</u>	<u>25,000</u>
Net Change in Fund Balance	(96,000)	192,653	136,382	(56,271)
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>\$ (96,000)</u>	<u>\$ 192,653</u>	<u>\$ 136,382</u>	<u>\$ (56,271)</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, 2006

	Special Revenue Fund: Airport Improvement			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 427,380	\$ 427,380	\$ 515,182	\$ 87,802
Reimbursements	0	0	49,863	49,863
Miscellaneous	10,320	10,320	6,318	(4,002)
Total Revenues	<u>437,700</u>	<u>437,700</u>	<u>571,363</u>	<u>133,663</u>
Expenditures:				
Current:				
Airport				
Personal Services	134,271	134,271	130,846	3,425
Materials & Supplies	243,868	290,718	293,623	(2,905)
Services & Charges	174,454	243,224	241,948	1,276
Refunds	750	750	2,161	(1,411)
Capital Outlay	20,096	42,476	39,204	3,272
Total Expenditures	<u>573,439</u>	<u>711,439</u>	<u>707,782</u>	<u>3,657</u>
Excess (Deficiency) of Revenues Over Expenditures	(135,739)	(273,739)	(136,419)	137,320
Other Financing Sources:				
Transfers In	125,000	325,000	125,000	(200,000)
Total Other Financing Sources	<u>125,000</u>	<u>325,000</u>	<u>125,000</u>	<u>(200,000)</u>
Net Change in Fund Balance	(10,739)	51,261	(11,419)	(62,680)
Fund Balance at Beginning of Year:	3,591	3,591	3,591	0
Prior Years Encumbrances	16,282	16,282	16,282	0
Fund Balance at End of Year:	<u>\$ 9,134</u>	<u>\$ 71,134</u>	<u>\$ 8,454</u>	<u>\$ (62,680)</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, 2006

	Special Revenue Fund: Airport T-Hangars			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 85,400	\$ 85,400	\$ 83,203	\$ (2,197)
Reimbursements	0	0	96,894	96,894
Miscellaneous	800	800	480	(320)
Total Revenues	<u>86,200</u>	<u>86,200</u>	<u>180,577</u>	<u>94,377</u>
Expenditures:				
Current:				
Airport				
Services & Charges	37,560	37,560	13,364	24,196
Refunds	1,000	1,000	1,762	(762)
Services & Charges	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	<u>38,560</u>	<u>38,560</u>	<u>15,126</u>	<u>23,434</u>
Excess (Deficiency) of Revenues Over Expenditures	47,640	47,640	165,451	117,811
Other Financing (Uses):				
Transfers Out	(34,499)	(34,499)	(34,449)	50
Total Other Financing (Uses)	<u>(34,499)</u>	<u>(34,499)</u>	<u>(34,449)</u>	<u>50</u>
Net Change in Fund Balance	13,141	13,141	131,002	117,861
Fund Balance at Beginning of Year:	<u>149,675</u>	<u>149,675</u>	<u>149,675</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 162,816</u>	<u>\$ 162,816</u>	<u>\$ 280,677</u>	<u>\$ 117,861</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, 2006

	Special Revenue Fund: Court/Police Building Income Tax			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Income Taxes	\$ 4,500	\$ 4,500	\$ 4,047	\$ (453)
Total Revenues	<u>4,500</u>	<u>4,500</u>	<u>4,047</u>	<u>(453)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	20,000	20,000	18,620	1,380
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>18,620</u>	<u>1,380</u>
Net Change in Fund Balance	(15,500)	(15,500)	(14,573)	927
Fund Balance at Beginning of Year:	<u>18,276</u>	<u>18,276</u>	<u>18,276</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 2,776</u>	<u>\$ 2,776</u>	<u>\$ 3,703</u>	<u>\$ 927</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, 2006

	Special Revenue Fund: Airport TIF			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Property and Other Taxes	\$ 10,000	\$ 10,000	\$ 0	\$ (10,000)
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>(10,000)</u>
Expenditures:				
Current:				
Airport				
Debt Service:				
Principal Retirement	151,723	151,723	0	151,723
Interest & Fiscal Charges	24,042	24,042	0	24,042
Total Expenditures	<u>175,765</u>	<u>175,765</u>	<u>0</u>	<u>175,765</u>
Excess (Deficiency) of Revenues Over Expenditures	(165,765)	(165,765)	0	165,765
Other Financing Sources:				
Advances In	165,765	165,765	0	(165,765)
Total Other Financing Sources	<u>165,765</u>	<u>165,765</u>	<u>0</u>	<u>(165,765)</u>
Net Change in Fund Balance	0	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>\$ 0</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, 2006

	Special Revenue Fund: Glenn Road Bridge TIF			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Interest Income	\$ 0	\$ 0	\$ 1,086	\$ 1,086
Total Revenues	<u>0</u>	<u>0</u>	<u>1,086</u>	<u>1,086</u>
Expenditures:				
Current:				
Public Works				
Capital Outlay	6,338,789	6,338,789	77,215	6,261,574
Debt Service:				
Principal Retirement	226,397	226,397	226,396	1
Total Expenditures	<u>6,565,186</u>	<u>6,565,186</u>	<u>303,611</u>	<u>6,261,575</u>
Excess (Deficiency) of Revenues Over Expenditures	(6,565,186)	(6,565,186)	(302,525)	6,262,661
Other Financing Sources:				
Proceeds of Notes	6,565,186	6,565,186	302,674	(6,262,512)
Total Other Financing Sources	<u>6,565,186</u>	<u>6,565,186</u>	<u>302,674</u>	<u>(6,262,512)</u>
Net Change in Fund Balance	0	0	149	149
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>\$ 149</u>	<u>\$ 149</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, 2006

	Special Revenue Fund: Municipal Court			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines & Court Fees	\$ 1,505,500	\$ 1,505,500	\$ 1,503,096	\$ (2,404)
Charges for Service	143,000	143,000	136,096	(6,904)
Miscellaneous	14,000	14,000	28,917	14,917
Total Revenues	<u>1,662,500</u>	<u>1,662,500</u>	<u>1,668,109</u>	<u>5,609</u>
Expenditures:				
Current:				
Public Safety				
Court Administration				
Personal Services	877,325	877,325	873,879	3,446
Materials & Supplies	20,500	20,500	9,600	10,900
Services & Charges	41,200	41,200	18,294	22,906
Capital Outlay	3,000	3,000	0	3,000
Clerk of Court				
Personal Services	825,139	825,139	804,599	20,540
Materials & Supplies	21,000	21,000	20,250	750
Services & Charges	75,500	75,500	67,288	8,212
Capital Outlay	5,000	5,000	0	5,000
Total Expenditures	<u>1,868,664</u>	<u>1,868,664</u>	<u>1,793,910</u>	<u>74,754</u>
Excess (Deficiency) of Revenues Over Expenditures	(206,164)	(206,164)	(125,801)	80,363
Other Financing Sources:				
Transfers In	124,945	144,945	124,945	(20,000)
Total Other Financing Sources	<u>124,945</u>	<u>144,945</u>	<u>124,945</u>	<u>(20,000)</u>
Net Change in Fund Balance	(81,219)	(61,219)	(856)	60,363
Fund Balance at Beginning of Year:	156,808	156,808	156,808	0
Prior Years Encumbrances	0	0	0	0
Fund Balance at End of Year:	<u>\$ 75,589</u>	<u>\$ 95,589</u>	<u>\$ 155,952</u>	<u>\$ 60,363</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, 2006

	Special Revenue Fund: Drug Enforcement Fund			Variance
	Original Budget	Final Budget	Actual	from Final Budget
Revenues:				
Fines & Court Fees	\$ 3,500	\$ 3,500	\$ 6,218	\$ 2,718
Total Revenues	<u>3,500</u>	<u>3,500</u>	<u>6,218</u>	<u>2,718</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	3,000	3,000	0	3,000
Capital Outlay	4,000	4,000	0	4,000
Total Expenditures	<u>7,000</u>	<u>7,000</u>	<u>0</u>	<u>7,000</u>
Net Change in Fund Balance	(3,500)	(3,500)	6,218	9,718
Fund Balance at Beginning of Year:	<u>7,579</u>	<u>7,579</u>	<u>7,579</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 4,079</u>	<u>\$ 4,079</u>	<u>\$ 13,797</u>	<u>\$ 9,718</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, 2006

	Special Revenue Fund: Court Alcohol Treatment			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Fines & Court Fees	\$ 36,000	\$ 36,000	\$ 38,023	\$ 2,023
Total Revenues	<u>36,000</u>	<u>36,000</u>	<u>38,023</u>	<u>2,023</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	(164,000)	(164,000)	38,023	202,023
Fund Balance at Beginning of Year:	<u>405,083</u>	<u>405,083</u>	<u>405,083</u>	<u>0</u>
Fund Balance at End of Year:	<u><u>\$ 241,083</u></u>	<u><u>\$ 241,083</u></u>	<u><u>\$ 443,106</u></u>	<u><u>\$ 202,023</u></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, 2006

	Special Revenue Fund: OMVI Enforcement & Education			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines & Court Fees	\$ 5,000	\$ 5,000	\$ 3,430	\$ (1,570)
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>3,430</u>	<u>(1,570)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	3,000	3,000	0	3,000
Capital Outlay	7,500	7,500	0	7,500
Total Expenditures	<u>10,500</u>	<u>10,500</u>	<u>0</u>	<u>10,500</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,500)	(5,500)	3,430	8,930
Other Financing (Uses):				
Transfers Out	(5,000)	(5,000)	0	5,000
Total Other Financing (Uses)	<u>(5,000)</u>	<u>(5,000)</u>	<u>0</u>	<u>5,000</u>
Net Change in Fund Balance	(10,500)	(10,500)	3,430	13,930
Fund Balance at Beginning of Year:	<u>31,988</u>	<u>31,988</u>	<u>31,988</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 21,488</u>	<u>\$ 21,488</u>	<u>\$ 35,418</u>	<u>\$ 13,930</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, 2006

	Special Revenue Fund: Police Judgment			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Miscellaneous	\$ 5,000	\$ 5,000	\$ 34,772	\$ 29,772
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>34,772</u>	<u>29,772</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	10,000	10,000	0	10,000
Capital Outlay	20,000	20,000	17,896	2,104
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>17,896</u>	<u>12,104</u>
Net Change in Fund Balance	(25,000)	(25,000)	16,876	41,876
Fund Balance at Beginning of Year:	<u>88,427</u>	<u>88,427</u>	<u>88,427</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 63,427</u>	<u>\$ 63,427</u>	<u>\$ 105,303</u>	<u>\$ 41,876</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, 2006

	Special Revenue Fund: Law Enforcement Trust			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Miscellaneous	\$ 500	\$ 500	\$ 0	\$ (500)
Total Revenues	<u>500</u>	<u>500</u>	<u>0</u>	<u>(500)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	500	500	0	500
Capital Outlay	3,500	3,500	0	3,500
Total Expenditures	<u>4,000</u>	<u>4,000</u>	<u>0</u>	<u>4,000</u>
Net Change in Fund Balance	(3,500)	(3,500)	0	3,500
Fund Balance at Beginning of Year:	<u>4,809</u>	<u>4,809</u>	<u>4,809</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 1,309</u>	<u>\$ 1,309</u>	<u>\$ 4,809</u>	<u>\$ 3,500</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, 2006

	Special Revenue Fund: Park Exaction Fees			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Donations & Contributions	\$ 15,000	\$ 15,000	\$ 236,700	\$ 221,700
Reimbursements	0	0	19,050	19,050
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>255,750</u>	<u>240,750</u>
Expenditures:				
Current:				
Parks & Recreation				
Capital Outlay	125,000	125,000	57,093	67,907
Total Expenditures	<u>125,000</u>	<u>125,000</u>	<u>57,093</u>	<u>67,907</u>
Net Change in Fund Balance	(110,000)	(110,000)	198,657	308,657
Fund Balance at Beginning of Year:	130,381	130,381	130,381	0
Prior Years Encumbrances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 20,381</u>	<u>\$ 20,381</u>	<u>\$ 329,038</u>	<u>\$ 308,657</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, 2006

	Special Revenue Fund: Computer Legal Research			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Fines & Court Fees	\$ 260,000	\$ 260,000	\$ 274,410	\$ 14,410
Total Revenues	<u>260,000</u>	<u>260,000</u>	<u>274,410</u>	<u>14,410</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	126,200	126,200	70,528	55,672
Capital Outlay	100,000	100,000	7,952	92,048
Total Expenditures	<u>226,200</u>	<u>226,200</u>	<u>78,480</u>	<u>147,720</u>
Excess (Deficiency) of Revenues Over Expenditures	33,800	33,800	195,930	162,130
Other Financing (Uses):				
Transfers Out	<u>(113,951)</u>	<u>(113,951)</u>	<u>(113,217)</u>	<u>734</u>
Total Other Financing (Uses)	<u>(113,951)</u>	<u>(113,951)</u>	<u>(113,217)</u>	<u>734</u>
Net Change in Fund Balance	(80,151)	(80,151)	82,713	162,864
Fund Balance at Beginning of Year:	103,217	103,217	103,217	0
Prior Years Encumbrances	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 24,266</u>	<u>\$ 24,266</u>	<u>\$ 187,130</u>	<u>\$ 162,864</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, 2006

	Special Revenue Fund: Court Special Projects			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Fines & Court Fees	\$ 96,000	\$ 96,000	\$ 92,602	\$ (3,398)
Total Revenues	<u>96,000</u>	<u>96,000</u>	<u>92,602</u>	<u>(3,398)</u>
Expenditures:				
Current:				
Public Safety				
Capital Outlay	100,000	100,000	3,265	96,735
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>3,265</u>	<u>96,735</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,000)	(4,000)	89,337	93,337
Other Financing (Uses):				
Transfers Out	(66,158)	(66,158)	(66,158)	0
Total Other Financing (Uses)	<u>(66,158)</u>	<u>(66,158)</u>	<u>(66,158)</u>	<u>0</u>
Net Change in Fund Balance	(70,158)	(70,158)	23,179	93,337
Fund Balance at Beginning of Year:	<u>244,154</u>	<u>244,154</u>	<u>244,154</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 173,996</u>	<u>\$ 173,996</u>	<u>\$ 267,333</u>	<u>\$ 93,337</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, 2006

	Special Revenue Fund: Indigent EMHA			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Fines & Court Fees	\$ 3,000	\$ 3,000	\$ 1,927	\$ (1,073)
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>1,927</u>	<u>(1,073)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	16,500	16,500	3,164	13,336
Total Expenditures	<u>16,500</u>	<u>16,500</u>	<u>3,164</u>	<u>13,336</u>
Net Change in Fund Balance	(13,500)	(13,500)	(1,237)	12,263
Fund Balance at Beginning of Year:	<u>34,849</u>	<u>34,849</u>	<u>34,849</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 21,349</u>	<u>\$ 21,349</u>	<u>\$ 33,612</u>	<u>\$ 12,263</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, 2006

	Special Revenue Fund: Probation Services			Variance
	Original Budget	Final Budget	Actual	from Final Budget
Revenues:				
Fines & Court Fees	\$ 30,000	\$ 30,000	\$ 73,347	\$ 43,347
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>73,347</u>	<u>43,347</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	25,000	25,000	15,568	9,432
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>15,568</u>	<u>9,432</u>
Net Change in Fund Balance	5,000	5,000	57,779	52,779
Fund Balance at Beginning of Year:	<u>58,574</u>	<u>58,574</u>	<u>58,574</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 63,574</u>	<u>\$ 63,574</u>	<u>\$ 116,353</u>	<u>\$ 52,779</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, 2006

	Special Revenue Fund: Police and Fire Pension			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Property and Other Taxes	\$ 344,000	\$ 394,000	\$ 386,826	\$ (7,174)
Intergovernmental	41,000	41,000	34,130	(6,870)
Total Revenues	<u>385,000</u>	<u>435,000</u>	<u>420,956</u>	<u>(14,044)</u>
Expenditures:				
Current:				
Public Safety				
Personal Services	385,000	420,000	419,956	44
Total Expenditures	<u>385,000</u>	<u>420,000</u>	<u>419,956</u>	<u>44</u>
Net Change in Fund Balance	0	15,000	1,000	(14,000)
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>\$ 15,000</u>	<u>\$ 1,000</u>	<u>\$ (14,000)</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, 2006

	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, 2006

	Special Revenue Fund: Community Development Block Grant			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 104,000	\$ 201,715	\$ 14,715	\$ (187,000)
Total Revenues	<u>104,000</u>	<u>201,715</u>	<u>14,715</u>	<u>(187,000)</u>
Expenditures:				
Current:				
Community Development				
Personal Services	10,000	10,000	5,505	4,495
Services & Charges	2,765	2,765	2,765	0
Capital Outlay	94,000	177,000	174,542	2,458
Total Expenditures	<u>106,765</u>	<u>189,765</u>	<u>182,812</u>	<u>6,953</u>
Net Change in Fund Balance	(2,765)	11,950	(168,097)	(180,047)
Fund Deficit at Beginning of Year:	(3,855)	(3,855)	(3,855)	0
Prior Years Encumbrances	<u>2,765</u>	<u>2,765</u>	<u>2,765</u>	<u>0</u>
Fund Balance (Deficit) at End of Year:	<u>\$ (3,855)</u>	<u>\$ 10,860</u>	<u>\$ (169,187)</u>	<u>\$ (180,047)</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, 2006

	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:	<u>1,302</u>	<u>1,302</u>	<u>1,302</u>	<u>0</u>
Fund Balance at End of Year:	<u><u>\$ 1,302</u></u>	<u><u>\$ 1,302</u></u>	<u><u>\$ 1,302</u></u>	<u><u>\$ 0</u></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, 2006

	Special Revenue Fund: Economic Development			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 195,800	\$ 195,800	\$ 19,649	\$ (176,151)
Total Revenues	<u>195,800</u>	<u>195,800</u>	<u>19,649</u>	<u>(176,151)</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	195,800	195,800	169,433	26,367
Total Expenditures	<u>195,800</u>	<u>195,800</u>	<u>169,433</u>	<u>26,367</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(149,784)	(149,784)
Other Financing Sources:				
Transfers In	0	0	0	0
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	(149,784)	(149,784)
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>\$ 0</u>	<u>\$ 0</u>	<u>\$ (149,784)</u>	<u>\$ (149,784)</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, 2006

	Special Revenue Fund: Economic Development Revolving Loan			Variance
	Original Budget	Final Budget	Actual	from Final Budget
Revenues:				
Intergovernmental	\$ 0	\$ 1,000,000	\$ 0	\$ (1,000,000)
Charges For Service	88,643	88,643	93,471	4,828
Interest Income	0	0	1,128	1,128
Total Revenues	<u>88,643</u>	<u>1,088,643</u>	<u>94,599</u>	<u>(994,044)</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	0	1,040,000	1,035,500	4,500
Total Expenditures	<u>0</u>	<u>1,040,000</u>	<u>1,035,500</u>	<u>4,500</u>
Net Change in Fund Balance	88,643	48,643	(940,901)	(989,544)
Fund Balance at Beginning of Year:	<u>16,092</u>	<u>16,092</u>	<u>16,092</u>	<u>0</u>
Fund Balance (Deficit) at End of Year:	<u>\$ 104,735</u>	<u>\$ 64,735</u>	<u>\$ (924,809)</u>	<u>\$ (989,544)</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, 2006

	Special Revenue Fund: Rental Rehabilitation Grant			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Current:				
Community Development				
Capital Outlay	0	1,724	0	1,724
Total Expenditures	0	1,724	0	1,724
Net Change in Fund Balance	0	(1,724)	0	1,724
Fund Balance at Beginning of Year:	1,724	1,724	1,724	0
Fund Balance at End of Year:	\$ 1,724	\$ 0	\$ 1,724	\$ 1,724

City of Delaware, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual [Budget Basis]
 For the Year Ended December 31, 2006

	Special Revenue Fund: Community Housing Improvement Program			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 0	\$ 0	\$ 14,928	\$ 14,928
Total Revenues	<u>0</u>	<u>0</u>	<u>14,928</u>	<u>14,928</u>
Expenditures:				
Current:				
Community Development				
Capital Outlay	16,800	36,800	28,945	7,855
Total Expenditures	<u>16,800</u>	<u>36,800</u>	<u>28,945</u>	<u>7,855</u>
Net Change in Fund Balance	(16,800)	(36,800)	(14,017)	22,783
Fund Balance at Beginning of Year:	25,834	25,834	25,834	0
Prior Years Encumbrances	<u>16,800</u>	<u>16,800</u>	<u>16,800</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 25,834</u>	<u>\$ 5,834</u>	<u>\$ 28,617</u>	<u>\$ 22,783</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, 2006

	Special Revenue Fund: Fire Donations			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Donations	\$ 500	\$ 500	\$ 875	\$ 375
Total Revenues	<u>500</u>	<u>500</u>	<u>875</u>	<u>375</u>
Expenditures:				
Current:				
Public Safety				
Materials & Supplies	5,000	5,000	0	5,000
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Net Change in Fund Balance	(4,500)	(4,500)	875	5,375
Fund Balance at Beginning of Year:	<u>6,290</u>	<u>6,290</u>	<u>6,290</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 1,790</u>	<u>\$ 1,790</u>	<u>\$ 7,165</u>	<u>\$ 5,375</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, 2006

	Special Revenue Fund: Park Donations			Variance
	Original Budget	Final Budget	Actual	From Final Budget
Revenues:				
Donations	\$ 10,500	\$ 10,500	\$ 4,500	\$ (6,000)
Total Revenues	<u>10,500</u>	<u>10,500</u>	<u>4,500</u>	<u>(6,000)</u>
Expenditures:				
Current:				
Parks & Recreation				
Services & Charges	2,364	2,364	0	2,364
Capital Outlay	14,210	14,210	7,500	6,710
Total Expenditures	<u>16,574</u>	<u>16,574</u>	<u>7,500</u>	<u>9,074</u>
Excess (Deficiency) of Revenues Over Expenditures	(6,074)	(6,074)	(3,000)	3,074
Other Financing Uses:				
Transfers Out	0	(330,000)	(330,000)	0
Total Other Financing Uses	<u>0</u>	<u>(330,000)</u>	<u>(330,000)</u>	<u>0</u>
Net Change in Fund Balance	<u>(6,074)</u>	<u>(336,074)</u>	<u>(333,000)</u>	<u>3,074</u>
Fund Balance at Beginning of Year:	334,231	334,231	334,231	0
Prior Years Encumbrances	<u>6,574</u>	<u>6,574</u>	<u>6,574</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 334,731</u>	<u>\$ 4,731</u>	<u>\$ 7,805</u>	<u>\$ 3,074</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, 2006

	Special Revenue Fund: Police Donations			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Donations	\$ 250	\$ 250	\$ 375	\$ 125
Total Revenues	<u>250</u>	<u>250</u>	<u>375</u>	<u>125</u>
Expenditures:				
Current:				
Public Safety				
Capital Outlay	4,000	4,000	0	4,000
Total Expenditures	<u>4,000</u>	<u>4,000</u>	<u>0</u>	<u>4,000</u>
Net Change in Fund Balance	(3,750)	(3,750)	375	4,125
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>\$ 245</u>	<u>\$ 245</u>	<u>\$ 4,370</u>	<u>\$ 4,125</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, 2006

	Special Revenue Fund: Mayor's Donations			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Donations	\$ 2,500	\$ 2,500	\$ 4,350	\$ 1,850
Total Revenues	<u>2,500</u>	<u>2,500</u>	<u>4,350</u>	<u>1,850</u>
Expenditures:				
Current:				
General Government				
Services & Charges	4,000	4,000	2,455	1,545
Total Expenditures	<u>4,000</u>	<u>4,000</u>	<u>2,455</u>	<u>1,545</u>
Net Change in Fund Balance	(1,500)	(1,500)	1,895	3,395
Fund Balance at Beginning of Year:	<u>2,769</u>	<u>2,769</u>	<u>2,769</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 1,269</u>	<u>\$ 1,269</u>	<u>\$ 4,664</u>	<u>\$ 3,395</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, 2006

	Special Revenue Fund: Project Trust			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Developers' Fees	\$ 75,000	\$ 75,000	\$ 5,000	\$ (70,000)
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>5,000</u>	<u>(70,000)</u>
Expenditures:				
Current:				
Community Development				
Capital Outlay	265,000	265,000	0	265,000
Total Expenditures	<u>265,000</u>	<u>265,000</u>	<u>0</u>	<u>265,000</u>
Net Change in Fund Balance	(190,000)	(190,000)	5,000	195,000
Fund Balance at Beginning of Year:	<u>497,141</u>	<u>497,141</u>	<u>497,141</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 307,141</u>	<u>\$ 307,141</u>	<u>\$ 502,141</u>	<u>\$ 195,000</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, 2006

	Debt Service Fund: General Obligation Bond Retirement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Interest Income	\$ 5,000	\$ 5,000	\$ 12,008	\$ 7,008
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>12,008</u>	<u>7,008</u>
Expenditures:				
Debt Service:				
Services & Charges	27,480	27,480	39,049	(11,569)
Principal Retirement	1,864,000	2,784,000	2,669,999	114,001
Interest & Fiscal Charges	294,878	294,878	376,941	(82,063)
Total Expenditures	<u>2,186,358</u>	<u>3,106,358</u>	<u>3,085,989</u>	<u>20,369</u>
Excess (Deficiency) Of Revenues Over Expenditures	(2,181,358)	(3,101,358)	(3,073,981)	27,377
Other Financing Sources (Uses):				
Proceeds of Bond Issuance	1,145,000	1,145,000	2,220,000	1,075,000
Proceeds of Note Issuance	475,000	475,000	0	(475,000)
Premium on Bond	0	0	1,056	1,056
Transfer In	508,577	1,408,577	709,142	(699,435)
Transfers Out	0	0	(7,627)	(7,627)
Total Other Financing Sources (Uses)	<u>2,128,577</u>	<u>3,028,577</u>	<u>2,922,571</u>	<u>(106,006)</u>
Net Change in Fund Balance	(52,781)	(72,781)	(151,410)	(78,629)
Fund Balance at Beginning of Year:	153,786	153,786	153,786	0
Prior Years Encumbrances	<u>2,480</u>	<u>2,480</u>	<u>2,480</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 103,485</u>	<u>\$ 83,485</u>	<u>\$ 4,856</u>	<u>\$ (78,629)</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, 2006

	Debt Service Fund: Special Assessment Bond Retirement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Special Assessments	\$ 42,000	\$ 42,000	\$ 36,661	\$ (5,339)
Interest Income	0	0	939	939
Total Revenues	<u>42,000</u>	<u>42,000</u>	<u>37,600</u>	<u>(4,400)</u>
Expenditures:				
Debt Service:				
Special Assessment Retirement	34,000	34,000	34,000	0
Interest & Fiscal Charges	9,980	9,980	9,980	0
Total Expenditures	<u>43,980</u>	<u>43,980</u>	<u>43,980</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,980)	(1,980)	(6,380)	(4,400)
Other Financing Sources:				
Transfers In	0	0	11,509	11,509
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>11,509</u>	<u>11,509</u>
Net Change in Fund Balance	(1,980)	(1,980)	5,129	7,109
Fund Balance at Beginning of Year:	<u>2,581</u>	<u>2,581</u>	<u>2,581</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 601</u>	<u>\$ 601</u>	<u>\$ 7,710</u>	<u>\$ 7,109</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, 2006

	Capital Projects Fund: FAA Airport Expansion			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 142,500	\$ 142,500	\$ 106,557	\$ (35,943)
Total Revenues	<u>142,500</u>	<u>142,500</u>	<u>106,557</u>	<u>(35,943)</u>
Expenditures:				
Capital Outlay:				
Capital Outlay	316,442	316,442	157,295	159,147
Total Expenditures	<u>316,442</u>	<u>316,442</u>	<u>157,295</u>	<u>159,147</u>
Excess (Deficiency) of Revenues Over Expenditures	(173,942)	(173,942)	(50,738)	123,204
Other Financing Sources (Uses):				
Advances Out	0	0	(115,704)	(115,704)
Transfers In	7,500	7,500	0	(7,500)
Total Other Financing Sources (Uses)	<u>7,500</u>	<u>7,500</u>	<u>(115,704)</u>	<u>(123,204)</u>
Net Change in Fund Balance	(166,442)	(166,442)	(166,442)	0
Fund Balance at Beginning of Year:	0	0	0	0
Prior Years Encumbrances	<u>166,442</u>	<u>166,442</u>	<u>166,442</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 0</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, 2006

	Capital Projects Fund: FAA Airport Allocation/Improvement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 135,000	\$ 150,167	\$ 278,878	\$ 128,711
Total Revenues	<u>135,000</u>	<u>150,167</u>	<u>278,878</u>	<u>128,711</u>
Expenditures:				
Capital Outlay:				
Airport				
Services & Charges	35,000	35,000	0	35,000
Capital Outlay	444,590	444,590	330,032	114,558
Total Expenditures	<u>479,590</u>	<u>479,590</u>	<u>330,032</u>	<u>149,558</u>
Excess (Deficiency) of Revenues Over Expenditures	(344,590)	(329,423)	(51,154)	278,269
Other Financing Sources (Uses):				
Advances In	0	150,000	0	(150,000)
Advances Out	0	0	(152,931)	(152,931)
Transfers In	6,750	6,750	6,750	0
Total Other Financing Sources (Uses)	<u>6,750</u>	<u>156,750</u>	<u>(146,181)</u>	<u>(302,931)</u>
Net Change in Fund Balance	(337,840)	(172,673)	(197,335)	(24,662)
Fund (Deficit) at Beginning of Year:	(140,505)	(140,505)	(140,505)	0
Prior Years Encumbrances	344,590	344,590	344,590	0
Fund Balance (Deficit) at End of Year:	<u>\$ (133,755)</u>	<u>\$ 31,412</u>	<u>\$ 6,750</u>	<u>\$ (24,662)</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, 2006

	Capital Projects Fund: Equipment Replacement			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay:				
Capital Outlay	419,745	419,745	391,684	28,061
Total Expenditures	419,745	419,745	391,684	28,061
Excess (Deficiency) of Revenues Over Expenditures	(419,745)	(419,745)	(391,684)	28,061
Other Financing Sources:				
Transfers In	349,715	349,715	275,000	(74,715)
Total Other Financing Sources	349,715	349,715	275,000	(74,715)
Net Change in Fund Balance	(70,030)	(70,030)	(116,684)	(46,654)
Fund Balance at Beginning of Year:	194,545	194,545	194,545	0
Fund Balance at End of Year:	\$ 124,515	\$ 124,515	\$ 77,861	\$ (46,654)

City of Delaware, Ohio
 Schedule of Revenues, Expenses and Changes In Fund Balance
 Budget and Actual [Budget Basis]
 For the Year Ended December 31, 2006

	Capital Projects Fund: Airport Improvement Construction			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay:				
Airport				
Services & Charges	382	382	0	382
Capital Outlay	102,151	102,151	50,428	51,723
Total Expenditures	<u>102,533</u>	<u>102,533</u>	<u>50,428</u>	<u>52,105</u>
Net Change in Fund Balance	(102,533)	(102,533)	(50,428)	52,105
Fund Balance at Beginning of Year:	67,909	67,909	67,909	0
Prior Years Encumbrances	<u>50,428</u>	<u>50,428</u>	<u>50,428</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 15,804</u>	<u>\$ 15,804</u>	<u>\$ 67,909</u>	<u>\$ 52,105</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, 2006

	Capital Projects Fund: Park Impact Fees			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Impact Fees	\$ 550,000	\$ 550,000	\$ 208,278	\$ (341,722)
Interest Income	15,000	15,000	29,922	14,922
Total Revenues	<u>565,000</u>	<u>565,000</u>	<u>238,200</u>	<u>(326,800)</u>
Expenditures:				
Capital Outlay:				
Parks & Recreation				
Services & Charges	382	382	0	382
Refunds	0	0	1,068	(1,068)
Capital Outlay	<u>1,853,541</u>	<u>2,933,541</u>	<u>2,637,871</u>	<u>295,670</u>
Total Expenditures	<u>1,853,923</u>	<u>2,933,923</u>	<u>2,638,939</u>	<u>294,984</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,288,923)	(2,368,923)	(2,400,739)	(31,816)
Other Financing Sources:				
Proceeds of Bonds	0	950,000	950,000	0
Premium on Bonds	0	0	309	309
Proceeds of Notes	475,000	475,000	0	(475,000)
Advances In	0	50,000	800,000	750,000
Total Other Financing Sources	<u>475,000</u>	<u>1,475,000</u>	<u>1,750,309</u>	<u>275,309</u>
Net Change in Fund Balance	(813,923)	(893,923)	(650,430)	243,493
Fund Balance at Beginning of Year:	210,387	210,387	210,387	0
Prior Years Encumbrances	<u>716,055</u>	<u>716,055</u>	<u>716,055</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 112,519</u>	<u>\$ 32,519</u>	<u>\$ 276,012</u>	<u>\$ 243,493</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, 2006

	Capital Projects Fund: Police Impact Fees			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Impact Fees	\$ 115,000	\$ 115,000	\$ 108,369	\$ (6,631)
Interest Income	3,500	3,500	8,010	4,510
Total Revenues	<u>118,500</u>	<u>118,500</u>	<u>116,379</u>	<u>(2,121)</u>
Expenditures:				
Capital Outlay:				
Public Safety				
Services & Charges	382	135,382	135,000	382
Refunds	0	0	150	(150)
Capital Outlay	22,030	22,030	17,390	4,640
Total Expenditures	<u>22,412</u>	<u>157,412</u>	<u>152,540</u>	<u>4,872</u>
Net Change in Fund Balance	96,088	(38,912)	(36,161)	2,751
Fund Balance at Beginning of Year:	156,878	156,878	156,878	0
Prior Years Encumbrances	<u>382</u>	<u>382</u>	<u>382</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 253,348</u>	<u>\$ 118,348</u>	<u>\$ 121,099</u>	<u>\$ 2,751</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, 2006

	Capital Projects Fund: Fire Impact Fees			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Impact Fees	\$ 165,000	\$ 165,000	\$ 198,512	\$ 33,512
Interest Income	17,000	17,000	28,948	11,948
Total Revenues	<u>182,000</u>	<u>182,000</u>	<u>227,460</u>	<u>45,460</u>
Expenditure:				
Capital Outlay:				
Public Safety				
Services & Charges	382	382	0	382
Refunds	0	0	258	(258)
Capital Outlay	<u>268,878</u>	<u>288,875</u>	<u>287,250</u>	<u>1,625</u>
Total Expenditures	<u>269,260</u>	<u>289,257</u>	<u>287,508</u>	<u>1,749</u>
Net Change in Fund Balance	(87,260)	(107,257)	(60,048)	47,209
Fund Balance at Beginning of Year:	567,165	567,165	567,165	0
Prior Years Encumbrances	<u>219,257</u>	<u>219,257</u>	<u>219,257</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 699,162</u>	<u>\$ 679,165</u>	<u>\$ 726,374</u>	<u>\$ 47,209</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, 2006

	Capital Projects Fund: Municipal Impact Fees			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Impact Fees	\$ 0	\$ 0	\$ 88,810	\$ 88,810
Interest Income	0	0	2,241	2,241
Total Revenues	<u>0</u>	<u>0</u>	<u>91,051</u>	<u>91,051</u>
Expenditure:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	91,051	91,051
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><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 91,051</u></u>	<u><u>\$ 91,051</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, 2006

	Capital Projects Fund: Glenn Road Middle Construction			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Interest Income	0	0	3,674	3,674
Total Revenues	0	0	3,674	3,674
Expenditure:				
Capital Outlay	8,350,217	8,350,217	260,933	8,089,284
Debt Service:				
Principal Retirement	111,751	111,751	111,751	0
Total Expenditures	8,461,968	8,461,968	372,684	8,089,284
Excess (Deficiency) of Revenues Over Expenditures	(8,461,968)	(8,461,968)	(369,010)	8,092,958
Other Financing Sources:				
Proceeds of Notes	8,461,968	8,461,968	369,513	(8,092,455)
Total Other Financing Sources	8,461,968	8,461,968	369,513	(8,092,455)
Net Change in Fund Balance	0	0	503	503
Fund Balance at Beginning of Year:	0	0	0	0
Fund Balance at End of Year:	\$ 0	\$ 0	\$ 503	\$ 503

City of Delaware, Ohio
 Schedule of Revenues, Expenses and Changes In Fund Balance
 Budget and Actual [Budget Basis]
 For the Year Ended December 31, 2006

	Capital Projects Fund: Glenn Road North Construction			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Interest Income	0	0	3,591	3,591
Total Revenues	<u>0</u>	<u>0</u>	<u>3,591</u>	<u>3,591</u>
Expenditure:				
Capital Outlay	5,146,512	5,146,512	213,079	4,933,433
Debt Service:				
Principal Retirement	159,539	159,539	159,539	0
Total Expenditures	<u>5,306,051</u>	<u>5,306,051</u>	<u>372,618</u>	<u>4,933,433</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,306,051)	(5,306,051)	(369,027)	4,937,024
Other Financing Sources:				
Proceeds of Notes	5,306,051	5,306,051	369,519	(4,936,532)
Total Other Financing Sources	<u>5,306,051</u>	<u>5,306,051</u>	<u>369,519</u>	<u>(4,936,532)</u>
Net Change in Fund Balance	0	0	492	492
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>\$ 492</u>	<u>\$ 492</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, 2006

	Enterprise Fund: Golf Course			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 202,500	\$ 202,500	\$ 179,820	\$ (22,680)
Miscellaneous	1,000	1,000	1,308	308
Total Revenues	<u>203,500</u>	<u>203,500</u>	<u>181,128</u>	<u>(22,372)</u>
Expenses:				
Personal Services	123,755	123,755	118,325	5,430
Materials & Supplies	27,875	27,875	22,381	5,494
Services & Charges	34,086	34,086	29,588	4,498
Refunds	400	400	0	400
Capital Outlay	49,000	49,000	48,977	23
Total Expenses	<u>235,116</u>	<u>235,116</u>	<u>219,271</u>	<u>15,845</u>
Net Change in Fund Balance	(31,616)	(31,616)	(38,143)	(6,527)
Fund Balance at Beginning of Year:	151,368	151,368	151,368	0
Prior Years Encumbrances	<u>676</u>	<u>676</u>	<u>676</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 120,428</u>	<u>\$ 120,428</u>	<u>\$ 113,901</u>	<u>\$ (6,527)</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, 2006

	Enterprise Fund: Parking Lots			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 51,765	\$ 51,765	\$ 48,061	\$ (3,704)
Total Revenues	<u>51,765</u>	<u>51,765</u>	<u>48,061</u>	<u>(3,704)</u>
Expenses:				
Services & Charges	37,600	37,600	36,359	1,241
Capital Outlay	14,520	14,520	14,520	0
Total Expenses	<u>52,120</u>	<u>52,120</u>	<u>50,879</u>	<u>1,241</u>
Excess (Deficiency) Of Revenues Over Expenses	(355)	(355)	(2,818)	(2,463)
Other Financing Sources:				
Operating Transfer in	0	0	3,630	3,630
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>3,630</u>	<u>3,630</u>
Net Change in Fund Balance	(355)	(355)	812	1,167
Fund Balance at Beginning of Year:	<u>1,068</u>	<u>1,068</u>	<u>1,068</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 713</u>	<u>\$ 713</u>	<u>\$ 1,880</u>	<u>\$ 1,167</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, 2006

	Enterprise Fund: Watershed Grant			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 0	\$ 40,000	\$ 37,288	\$ (2,712)
Total Revenues	<u>0</u>	<u>40,000</u>	<u>37,288</u>	<u>(2,712)</u>
Expenses:				
Services & Charges	0	38,329	38,329	0
Total Expenses	<u>0</u>	<u>38,329</u>	<u>38,329</u>	<u>0</u>
Net Change in Fund Balance	0	1,671	(1,041)	(2,712)
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>\$ 2,712</u>	<u>\$ 0</u>	<u>\$ (2,712)</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, 2006

	Internal Service Fund: Garage Rotary			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Services	\$ 840,641	\$ 890,641	\$ 840,641	\$ (50,000)
Total Revenues	<u>840,641</u>	<u>890,641</u>	<u>840,641</u>	<u>(50,000)</u>
Expenses:				
Personal Services	247,691	247,691	236,845	10,846
Materials & Supplies	600,567	680,567	632,511	48,056
Services & Charges	30,257	30,257	27,126	3,131
Capital Outlay	6,500	6,500	5,745	755
Total Expenses	<u>885,015</u>	<u>965,015</u>	<u>902,227</u>	<u>62,788</u>
Net Change in Fund Balance	(44,374)	(74,374)	(61,586)	12,788
Fund Balance At Beginning Of Year:	27,727	27,727	27,727	0
Prior Years Encumbrances	<u>47,148</u>	<u>47,148</u>	<u>47,148</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 30,501</u>	<u>\$ 501</u>	<u>\$ 13,289</u>	<u>\$ 12,788</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, 2006

	Internal Service Fund: Information Technology Rotary			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Services	\$ 632,642	\$ 672,642	\$ 631,908	\$ (40,734)
Total Revenues	<u>632,642</u>	<u>672,642</u>	<u>631,908</u>	<u>(40,734)</u>
Expenses:				
Technology				
Personal Services	215,122	215,122	212,810	2,312
Materials & Supplies	4,965	4,965	4,734	231
Services & Charges	16,945	16,945	12,732	4,213
Capital Outlay	16,200	16,200	10,694	5,506
Support				
Services & Charges	234,950	244,950	246,277	(1,327)
Capital Outlay	30,000	30,000	27,106	2,894
Geographical Information Systems				
Personal Services	77,770	77,770	78,100	(330)
Materials & Supplies	1,642	1,642	732	910
Services & Charges	11,606	11,606	2,113	9,493
Capital Outlay	23,442	23,442	20,457	2,985
Total Expenses	<u>632,642</u>	<u>642,642</u>	<u>615,755</u>	<u>26,887</u>
Net Change in Fund Balance	0	30,000	16,153	(13,847)
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>\$ 30,000</u>	<u>\$ 16,153</u>	<u>\$ (13,847)</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, 2006

	Internal Service Fund: Self-Insurance			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Services	\$ 3,018,870	\$ 3,018,870	\$ 3,069,210	\$ 50,340
Reimbursements	50,000	650,000	546,945	(103,055)
Total Revenues	<u>3,068,870</u>	<u>3,668,870</u>	<u>3,616,155</u>	<u>(52,715)</u>
Expenses:				
Services & Charges	3,248,360	3,558,360	3,317,203	241,157
Refunds	10,000	10,000	18,020	(8,020)
Total Expenses	<u>3,258,360</u>	<u>3,568,360</u>	<u>3,335,223</u>	<u>233,137</u>
Net Change in Fund Balance	(189,490)	100,510	280,932	180,422
Fund Balance At Beginning Of Year:	<u>592,668</u>	<u>592,668</u>	<u>592,668</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 403,178</u>	<u>\$ 693,178</u>	<u>\$ 873,600</u>	<u>\$ 180,422</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, 2006

	Internal Service Fund: Worker's Compensation			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Services	\$ 464,129	\$ 464,129	\$ 464,406	\$ 277
Reimbursements	2,500	2,500	12,662	10,162
Total Revenues	<u>466,629</u>	<u>466,629</u>	<u>477,068</u>	<u>10,439</u>
Expenses:				
Services & Charges	509,000	509,000	402,291	106,709
Total Expenses	<u>509,000</u>	<u>509,000</u>	<u>402,291</u>	<u>106,709</u>
Net Change in Fund Balance	(42,371)	(42,371)	74,777	117,148
Fund Balance At Beginning Of Year:	<u>585,733</u>	<u>585,733</u>	<u>585,733</u>	<u>0</u>
Fund Balance At End Of Year:	<u>\$ 543,362</u>	<u>\$ 543,362</u>	<u>\$ 660,510</u>	<u>\$ 117,148</u>

City of Delaware, Ohio

Statistical Section

This part of the City of Delaware’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.</i>	163
Revenue Capacity <i>These schedules contain information to help the reader assess the government’s most significant local revenue source; Income Tax.</i>	167
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.</i>	173
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.</i>	178
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.</i>	180

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule 1

City of Delaware, Ohio

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

	<i>Year</i>			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$ 48,786,426	\$ 53,734,712	\$ 36,186,901	\$ 34,736,010
Restricted	7,178,436	6,499,267	5,345,258	4,582,791
Unrestricted	2,049,620	(983,729)	8,139,272	13,716,865
Total Governmental Activities Net Assets	<u>\$ 58,014,482</u>	<u>\$ 59,250,250</u>	<u>\$ 49,671,431</u>	<u>\$ 53,035,666</u>
Business-type Activities				
Invested in Capital Assets, Net of Related Debt	\$ 36,005,376	\$ 40,280,555	\$ 30,575,792	\$ 51,718,907
Unrestricted	16,211,765	12,326,691	32,735,271	14,430,813
Total Business-type Activities Net Assets	<u>\$ 52,217,141</u>	<u>\$ 52,607,246</u>	<u>\$ 63,311,063</u>	<u>\$ 66,149,720</u>
Primary Government				
Invested in Capital Assets, Net of Related Debt	\$ 84,791,802	\$ 94,015,267	\$ 66,762,693	\$ 86,454,917
Restricted	7,178,436	6,499,267	5,345,258	4,582,791
Unrestricted	18,261,385	11,342,962	40,874,543	28,147,678
Total Primary Government Net Assets	<u>\$ 110,231,623</u>	<u>\$ 111,857,496</u>	<u>\$ 112,982,494</u>	<u>\$ 119,185,386</u>

City of Delaware, Ohio

Changes in Net Assets
Last Four Years
[accrual basis of accounting]

	Year			
	2003	2004	2005	2006
Expenses				
Governmental Activities				
General Government	\$ 4,439,942	\$ 5,954,344	\$ 5,696,978	\$ 6,008,692
Public Safety	10,292,104	11,675,661	11,366,592	12,723,836
Parks & Recreation	1,447,946	1,497,378	1,555,662	1,472,748
Community Development	166,605	552,172	1,269,899	948,545
Airport	975,137	846,752	1,097,678	1,025,762
Public Works	2,142,969	2,032,793	2,602,443	3,094,482
Interest and Charges:	311,973	282,545	427,008	864,700
Total Governmental Activities Expense	19,776,676	22,841,645	24,016,260	26,138,765
Business-type Activities				
Water	3,824,527	3,728,993	4,608,834	4,075,951
Sewer	4,257,567	8,199,201	4,312,244	7,714,491
Storm Sewer ¹	n/a	n/a	1,112,564	741,292
Refuse	1,932,540	2,107,979	2,543,973	2,451,294
Other Business-type Activities:	238,771	227,703	212,033	282,615
Total Business-type Activities	10,253,405	14,263,876	12,789,648	15,265,643
Total Primary Government Expenses:	\$ 30,030,081	\$ 37,105,525	\$ 36,805,908	\$ 41,404,408
Program Revenues				
Governmental Activities				
Charges for Services				
General Government	\$ 863,541	\$ 1,408,347	\$ 2,103,303	\$ 1,319,928
Public Safety	2,477,321	2,321,249	2,740,164	2,721,892
Parks & Recreation	207,361	245,291	265,264	267,985
Community Development	0	0	16,085	93,471
Airport	369,913	385,671	524,526	591,341
Public Works	706,908	720,427	388,800	0
Operating Grants and Contribution	1,147,921	970,510	798,258	1,071,113
Capital Grants and Contribution	8,387,277	3,490,805	6,036,615	4,852,213
Total Governmental Activities Program Revenue	14,160,242	9,542,300	12,873,015	10,917,943
Business-type Activities				
Charges for Services				
Water	4,281,133	4,281,930	4,442,117	4,252,033
Sewer	5,166,648	5,607,457	5,549,206	5,235,430
Storm Sewer ¹	n/a	n/a	736,246	745,718
Refuse	1,922,633	2,028,058	2,196,242	2,307,315
Other Activities	196,634	212,556	223,711	229,534
Operating Grants and Contribution	100,000	0	0	0
Capital Grants and Contribution	2,419,111	2,060,010	2,984,965	4,082,046
Total Business-type Activities Program Revenue	14,086,159	14,190,011	16,132,487	16,852,076
Total Primary Government Program Revenue:	\$ 28,246,401	\$ 23,732,311	\$ 29,005,502	\$ 27,770,019
Net (Expense)/Revenue				
Governmental Activities:	\$ (5,616,434)	\$ (13,299,349)	\$ (11,143,245)	\$ (15,220,822)
Business-type Activities:	3,832,754	(73,865)	3,342,835	1,586,433
Total Primary government Net Expense:	\$ (1,783,680)	\$ (13,373,214)	\$ (7,800,406)	\$ (13,634,389)
General Revenues and Other Changes in Net Assets				
Governmental Activities				
Taxes				
Property Taxes	\$ 1,393,088	\$ 1,412,269	\$ 1,473,996	\$ 1,715,499
Income Taxes	9,866,116	10,550,673	11,462,224	12,182,520
Other Taxes	985,386	66,055	79,176	71,016
Unrestricted Grants and Contribution	1,413,575	2,101,340	1,676,817	2,227,802
Interest Income	163,845	219,904	608,037	1,349,548
Miscellaneous:	641,604	256,714	198,615	1,038,672
Total Governmental Activities	14,463,614	14,606,955	15,498,865	18,585,057
Business-type Activities				
Interest Income	159,525	222,855	715,454	1,129,902
Miscellaneous:	107,323	241,111	175,736	122,322
Total Business-type Activities	266,848	463,970	891,190	1,252,224
Total Primary Government	\$ 14,730,462	\$ 15,070,925	\$ 16,390,055	\$ 19,837,281
Change in Net Assets				
Governmental Activities:	\$ 8,847,180	\$ 1,307,606	\$ 4,355,620	\$ 3,364,235
Business-type Activities:	4,099,602	390,105	4,234,029	2,838,657
Total Primary Government	\$ 12,946,782	\$ 1,697,711	\$ 8,589,645	\$ 6,202,892

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									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Fund										
Reserved	\$ 173,343	\$ 252,047	\$ 405,016	\$ 339,228	\$ 255,506	\$ 231,661	\$ 226,809	\$ 213,391	\$ 269,444	\$ 210,664
Unreserved	<u>2,276,030</u>	<u>2,326,992</u>	<u>2,896,296</u>	<u>2,800,842</u>	<u>2,260,832</u>	<u>2,303,518</u>	<u>2,456,378</u>	<u>3,113,297</u>	<u>3,729,728</u>	<u>3,320,589</u>
Total General Fund	<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>	<u>\$ 3,531,253</u>
All Other Governmental Funds										
Reserved	\$ 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	\$ 3,725,821
Unreserved, Reported In:										
Special Revenue Funds	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	2,508,762
Debt Service Funds	0	0	0	0	0	0	0	0	(318,829)	(194,149)
Capital Project Funds	<u>(468,832)</u>	<u>288,985</u>	<u>(98,327)</u>	<u>(4,516,848)</u>	<u>(4,511,291)</u>	<u>(804,010)</u>	<u>1,506,675</u>	<u>371,534</u>	<u>(2,099,828)</u>	<u>(1,716,753)</u>
Total All Other Governmental Funds	<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>	<u>\$ 4,323,681</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	2006
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	\$ 11,859,111	\$ 11,786,991	\$ 12,908,446	\$ 13,803,188
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	4,712,298
Interest ¹	—	331,205	404,592	527,192	675,754	454,767	292,926	163,845	219,904	608,037	1,349,548
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	812,802
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	2,185,519
Impact Fees	0	0	0	0	0	706,551	666,832	893,389	732,316	716,595	671,769
Charges for Services	1,259,608	1,037,761	938,891	1,073,354	852,812	1,883,641	2,421,532	1,705,364	3,036,944	2,954,540	2,009,778
Miscellaneous Revenue	759,376	366,813	493,016	483,776	483,754	193,882	567,899	857,642	434,934	182,596	924,699
Total Revenues:	15,006,495	16,289,250	18,299,130	17,905,016	18,435,308	19,693,998	22,847,700	22,477,123	23,612,239	26,117,564	26,469,601
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	5,308,311
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	4,302,064
Municipal Court	—	1,129,698	1,209,450	1,470,347	1,355,306	1,644,428	1,903,792	1,794,277	1,907,380	1,831,658	1,991,201
Other	—	338,922	381,212	369,244	432,583	440,070	445,741	457,304	507,569	491,003	354,756
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	1,233,301	1,322,053
Community Development ⁴	—	8,393	17,078	161,320	301,165	464,469	752,151	456,969	548,626	1,266,499	937,467
Airport ⁵	—	219,649	294,584	362,515	221,863	287,357	369,265	535,025	501,920	554,198	703,117
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	2,083,994
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	5,536,024
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	6,950,049
Refunds	0	0	0	0	0	0	0	0	0	5,908	1,477
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	279,293
Interest and Charges:	187,638	167,490	201,602	242,950	418,382	319,795	193,844	320,187	245,922	305,161	622,553
Total Expenditure:	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	30,392,359
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	(3,922,758)
Other Financing Sources (Uses)											
Proceeds of Bonds	0	0	0	132,794	154,525	0	5,655,000	0	0	0	3,720,000
Proceeds of Notes	0	1,400,000	3,010,000	2,397,635	0	0	0	0	475,000	0	0
Premium on Debt Issuance	0	0	0	0	0	0	0	0	0	0	161,352
Proceeds of Capital Lease	0	0	0	0	0	0	0	0	60,342	0	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	8,449,668
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)	(8,453,298)
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	3,877,722
Net Change in Fund Balance	\$ 1,514,057	\$ 1,245,821	\$ 730,202	\$ 966,229	\$ (3,693,873)	\$ (486,221)	\$ 5,391,001	\$ 1,285,534	\$ (211,476)	\$ 1,891,146	\$ (45,036)
Debt Service as a Percentage of Noncapita Expenditures											
	5.40%	5.48%	14.81%	10.55%	11.73%	1.88%	1.14%	2.67%	2.30%	2.65%	3.85%

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]

<u>Year</u>	<u>Property</u>	<u>Income</u>	<u>Other</u>	<u>Total</u>
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	633,268	11,859,111
2004	1,412,269	10,271,309	103,413	11,786,991
2005	1,473,996	11,319,280	115,170	12,908,446
2006	1,715,499	11,980,011	107,678	13,803,188
Change 1997-2006	111.48%	49.98%	-76.09%	49.24%

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					
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%
2006	457,358	159,383	13,542	56,820	687,103	2.70	2,028,089	33.88%

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	
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
2006	2.10	0.60	2.70	5.98	67.18	3.98	79.84

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.

¹Overlapping rates are those of local and county governments that apply to property owners within the City of Delaware. 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 Five Years Ago

<u>Taxpayer</u>	2006			2001		
	<i>Taxable</i> <i>Assessed Value</i>	<i>Rank</i>	<i>Percentage of</i>	<i>Taxable</i> <i>Assessed Value</i>	<i>Rank</i>	<i>Percentage of</i>
			<i>Total City</i> <i>Taxable</i> <i>Assessed</i> <i>Value</i>			<i>Total City</i> <i>Taxable</i> <i>Assessed</i> <i>Value</i>
Columbus Southern Power Co.	\$ 8,889,510	1	1.30 %	\$ 7,197,222	1	1.55 %
Kroger Company	6,126,310	2	0.89	—	—	—
Bowtown Apartments, Inc.	4,529,210	3	0.66	4,508,000	2	0.97
USPG Portfolio Two, LLC	3,990,890	4	0.58	—	—	—
SARBG Delaware, LTD	3,871,670	5	0.57	—	—	—
Western Auto Supply	2,563,510	6	0.37	—	—	—
Willow Brook Christian	2,339,770	7	0.34	4,011,840	4	0.86
Nippert Electrical Products, Co.	2,256,880	8	0.33	2,830,765	8	0.61
PPG Industries	2,226,180	9	—	2,708,265	9	0.58
City of Delaware	2,206,380	10	0.32	—	—	—
Long Real Estate, Inc.	2,158,830	11	0.32	2,851,170	7	0.61
Crown Group, Ltd.	1,767,980	12	—	3,670,695	5	0.79
Olentangy Building & Development LTD	1,551,100	13	0.23	2,645,790	10	0.57
Glimcher Properties	—	—	—	4,413,150	3	0.95
DMI Distribution	—	—	—	3,276,840	6	0.70
	<u>\$ 44,478,220</u>		<u>5.91 %</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>
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
2005/2006	1,680,176	1,603,236	95.42	44,870	1,648,106	98.09	40,269	2.40

¹State 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>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>	<u>2006</u>
Business Accounts	\$ 739	\$ 745	\$ 1,102	\$ 1,058	\$ 801	\$ 521	\$ 634	\$ 811	\$ 938	\$ 1,138
Residential Accounts	1,395	1,536	1,584	1,590	1,730	1,751	1,777	1,880	2,354	2,597
Withholding Accounts	5,719	6,331	6,120	6,459	6,862	6,916	7,422	7,580	7,880	8,245
Total Income Tax Revenues	<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>	<u>\$ 11,980</u>

Source: City of Delaware Tax Department

Schedule II

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 Obligation Bonds	Special Assessment Bonds	Capital Leases	Water Bonds	Sewer Bonds	General Obligation Bonds	Loans Payable	Capital Leases			
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
2006	8,565	135	16	0	0	10,930	23,199	11	42,856	3.38	1,339

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

¹See 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>
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
2006	8,565	9	8,556	0.42	267

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, 2006

<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	<u>\$ 43,090,000</u>	11.81%	<u>\$ 5,088,929</u>
Subtotal, Overlapping Debt			5,088,929
City of Delaware direct debt			<u>8,715,723</u>
Total Direct and Overlapping Debt			<u><u>\$ 13,804,652</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]

	1997		1998		1999		2000		2001		2002		2003		2004		2005		2006	
	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:	voted:	unvoted:
Debt Limit	\$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	\$ 63,328	\$ 29,098
Total Net Debt Applicable to Limit	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	4,913	4,913
Legal Debt Margin	<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>	<u>\$ 58,415</u>	<u>\$ 24,185</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	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%	92.24%	83.12%

Legal Debt Margin Calculation for Year 2006

	Voted limit: <i>Unvoted Limit:</i>	
	<u>10.5%</u>	<u>5.5%</u>
Assessed value	\$684,614	\$684,614
Debt limit [% of assessed value]	71,884	37,654
Debt applicable to limit:		
General Obligation Bonds	\$ 8,565	
Less amount set aside for repayment of general obligation debt.	<u>(9)</u>	
Total Net Debt Applicable to Limit	<u>8,556</u>	<u>8,556</u>
Legal Debt Margin	<u>\$ 63,328</u>	<u>\$ 29,098</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.

Schedule 15

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:		Available Revenue	Debt Service		Sewer Charges and Other ¹	Less:		Available Revenue	Debt Service	
		Operating Expenses ²	Net		Principal	Interest		Operating Expenses ²	Net		Principal	Interest
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	—
2006	N/A	N/A	N/A	0	0	—	N/A	N/A	N/A	0	0	—

Fiscal Year	Special Assessment Bonds			
	Assessments Collections	Debt Service		Coverage
		Principal	Interest	
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
2006	37	34	10	0.84

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> [thousands of dollars]	<u>Per Capita Personal</u> <u>Income</u> ²	<u>School Enrollment</u> ³	<u>Unemployment Rate</u> ³
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
2006	32,000	1,217,600	38,050	4,683	3.80

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 Nine Years Ago

<u>Employer</u>	2006				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	411,701	1	4.99 %	3.44 %	238,975	2	4.18 %	3.04 %
The Kroger Company	388,014	2	4.71	3.24	58,590	15	1.02	0.75
Delaware City Board of Education	341,704	3	4.14	2.85	235,411	3	4.12	3.00
Ohio Wesleyan University	316,795	4	3.84	2.64	220,666	6	3.86	2.81
Grady Memorial Hospital	307,298	5	3.73	2.57	223,062	5	3.90	2.84
PPG Industries Ohio, Inc.	278,974	6	3.38	2.33	508,666	1	8.89	6.48
State of Ohio	271,415	7	3.29	2.27	226,778	4	3.97	2.89
Liebert North America, Inc.	252,431	8	3.06	2.11	98,027	12	1.71	1.25
Honda of America Mfg., Inc.	238,885	9	2.90	1.99	174,836	8	3.06	2.23
City of Delaware	212,428	10	2.58	1.77	136,471	11	2.39	1.74
Outokumpu Copper Nippert, Inc.	152,793	11	1.85	1.28	152,088	10	2.66	1.94
Weyerhaeuser Co.	147,833	12	1.79	1.23	—	—	—	—
Jegs Automotive	132,986	13	1.61	1.11	—	—	—	—
Advance Stores Co. Inc.	125,487	14	1.52	1.05	—	—	—	—
General Castings Co	96,511	15	1.17	0.81	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>\$ 3,675,255</u>		<u>44.58 %</u>	<u>30.68 %</u>	<u>\$ 2,784,686</u>		<u>48.69 %</u>	<u>35.46 %</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

Schedule 18

City of Delaware, Ohio

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

<u>Function</u>	<u>Year</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>	<u>2006</u>
General Government	32.5	34.5	35.5	41.5	44.0	45.0	44.4	52.3	55.4	59.6
Public Safety										
Police										
Officers	34.0	36.0	36.0	37.0	40.0	40.0	40.0	43.0	45.0	47.0
Civilians	18.0	18.3	18.3	18.7	18.7	18.0	18.0	18.0	18.0	18.0
Fire										
Firefighters and Officers	45.5	45.5	45.5	45.5	48.5	48.5	43.2	42.7	44.7	46.7
Civilians	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Municipal Court	25.8	25.8	27.8	30.4	26.0	27.0	29.0	29.0	27.0	28.0
Prosecutor	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Parks & Recreation	17.4	17.8	16.5	19.0	21.7	19.2	14.6	18.0	18.6	17.6
Community Development	—	—	—	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Airport	1.5	1.5	2.1	1.7	1.5	1.7	1.7	2.8	2.8	2.8
Public Works ¹	22.7	22.4	24.4	25.3	27.0	27.7	24.7	24.7	21.3	21.3
Water	14.7	15.7	15.7	18.2	18.2	19.7	17.7	17.7	17.7	19.6
Sewer	16.0	16.0	16.0	15.5	15.5	17.0	17.0	17.5	17.5	18.0
Refuse	10.2	10.2	9.8	10.8	10.8	11.6	11.6	12.0	12.0	12.0
Storm Sewer	—	—	—	—	—	—	—	—	2.4	2.4
Golf Course	1.0	1.0	1.5	3.4	3.4	3.3	3.4	3.4	3.4	3.4
	<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>288.1</u>	<u>292.8</u>	<u>303.4</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>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>	<u>2006</u>
Public Safety										
Police										
Arrests	—	—	1,739	1,926	2,115	2,350	2,546	2,577	2,625	3,086
Traffic Violations	—	—	2,315	2,027	2,622	2,528	1,824	2,611	2,736	3,204
Parking Tickets	—	—	—	—	4,126	5,193	4,567	3,490	4,304	4,666
Fire										
Emergency Responses	2,538	2,620	2,724	2,686	3,254	3,361	3,539	3,375	3,619	3,916
Fires Extinguished	101	107	111	109	176	145	108	98	90	87
Inspections	1,111	1,359	1,477	1,408	1,603	1,604	750	2,054	2,812	2,406
Parks & Recreation										
Pool memberships	—	400	516	471	373	227	340	372	352	372
Airport ¹										
Fuel sales 100 LL [low-lead] [in gallons]	—	—	—	—	—	20,712	48,860	47,287	52,860	60,387
Fuel sales Jet A [in gallons]	—	—	—	—	—	13,843	43,195	57,789	58,379	48,471
Public Works										
Lane miles of roads built/donated	2.5	1.4	2.8	3.9	3.3	5.4	4.8	1.0	5.0	2.4
Street lights installed/donated	46	29	82	80	64	204	103	24	81	100
Water										
Average daily consumption [thousands of gallons]	3,420	3,300	3,590	3,640	3,750	3,840	3,730	3,580	3,473	3,391
Miles of lines donated	2.1	1.8	3.3	3.8	2.8	8.6	5.1	1.0	4.7	5.8
Sewer										
Miles of lines donated	3.8	2.6	5.8	6.8	3.9	11.1	7.2	4.1	4.6	7.6
Refuse										
Average monthly tonnage-collected recyclable materials	85	62	88	99	81	89	132	91	92	96
Average monthly tonnage-collected solid waste materials	—	960	977	968	1,031	1,071	1,164	1,231	1,197	1,211
Golf Course										
Memberships sold	—	30	58	89	72	69	70	71	69	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 Five Years

<u>Function</u>	<i>Year</i>				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Public Safety					
Police					
Stations	1	1	1	1	1
Cruisers	12	12	12	13	13
Fire					
Stations	2	2	2	2	2
Fire Trucks	8	8	8	8	8
Ambulances	3	3	3	3	4
Parks & Recreation					
Parks	12	13	14	16	19
Acreage	195	200	204	218	300
Public Works					
Miles of Streets	135	140	141	146	151
Street Lights	900	1,003	1,027	1,108	1,208
Dump Trucks/ Snow Plows	7	7	8	9	11
Water					
Miles of Water Distribution	125	130	131	158	164
Sewer					
Miles of Sanitary Sewerline	112	119	123	128	136
Refuse					
Solid Waste Removal Trucks	7	8	8	9	10
Recycling Trucks	4	4	4	3	3



Mary Taylor, CPA
Auditor of State

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
NOVEMBER 8, 2007**