

CITY OF WYOMING, OHIO

Independent Auditors' Report on
Internal Controls and Compliance

December 31, 2005



**Auditor of State
Betty Montgomery**

City Council
City of Wyoming
800 Oak Ave.
Wyoming, OH 45215

We have reviewed the *Independent Auditors' Report* of the City of Wyoming, Hamilton County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2005 through December 31, 2005. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

BETTY MONTGOMERY
Auditor of State

July 24, 2006

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Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

**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***

To the Honorable Mayor and Members of the City Council
City of Wyoming, Ohio:

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 Wyoming, Ohio as of and for the year ended December 31, 2005, which collectively comprise the City of Wyoming, Ohio's basic financial statements and have issued our report thereon dated May 26, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Wyoming, Ohio's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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 noted certain matters that we reported to management of the City of Wyoming, Ohio in a separate letter dated May 26, 2006.

This report is intended solely for the information and use of management, others within the organization, and the City Council and is not intended to be and should not be used by anyone other than these specified parties.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
May 26, 2006

CITY OF WYOMING, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2005**

CITY OF WYOMING, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2005

**PREPARED BY:
JENNIFER CHAVARRIA,
FINANCE DIRECTOR**

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INTRODUCTORY SECTION



CITY OF WYOMING • 800 OAK AVENUE • WYOMING, OHIO 45215
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May 26, 2006

To the Honorable Council and the Citizens of the City of Wyoming, Ohio:

The Comprehensive Annual Financial Report of the City of Wyoming, Ohio, for the fiscal year ended December 31, 2005, is hereby submitted. While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Wyoming to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation including all the disclosures, rests with the City of Wyoming. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to present the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

This Comprehensive Annual Financial Report incorporates GASB Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Statement No. 34 was developed to make annual financial reports of state and local governments easier to understand and more useful to those who make decisions using governmental financial information. This report represents and reflects upon the City's financial operations and condition to the City's residents, its elected officials, management personnel, financial institutions, City bondholders, rating agencies and all other parties interested in the financial affairs of the City.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent accountants' report.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, which addresses the organization, accomplishments, departmental focus and operational structure of the City, the City's organizational chart, and a list of principal officials. The financial section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes to Basic Financial Statements that provide an overview of the City's financial position and operating results, the Combining Statements for nonmajor funds, and other schedules that provide detailed information relative to the Basic Financial Statements. The statistical section presents social and economic data, financial trend information, and data relative to the fiscal capacity of the City.

REPORTING ENTITY

For financial purposes, the City includes in this report all funds of the government. Two other local government jurisdictions which provide services within the City boundaries, Hamilton County and the Wyoming Board of Education, are separate legal entities which do not meet the reporting entity criteria and therefore are not included in the City's financial report.

CITY OVERVIEW

The City of Wyoming is a suburban community rich in history and civic pride. Located in Southern Ohio in the Mill Creek Valley, north of the City of Cincinnati, Wyoming is easily accessible by State Route 4 and by Interstate 75.

The City of Wyoming is a home rule municipal corporation operating under its own charter, initially adopted on June 7, 1949 and last amended on November 5, 1991.

The City has operated under a non-partisan Council/Manager form of government since 1949. Under this system, seven council members, who are the policy-makers, are elected at large in odd-numbered years for two-year terms. The Mayor and Vice Mayor are chosen by the Council from among its members. A professional City Manager, appointed by the Council, supervises the implementation of Council policies. The City Manager appoints all Department Directors of the City.

The City provides a full range of municipal services. These services include public safety (police, fire, and emergency medical services), sanitation, parks, recreation, community enrichment, water and sewer, planning and zoning, construction and maintenance of highways, streets, and infrastructure, income tax collection, mayor's court and general administrative services.

Wyoming City government is organized into various departments to deliver services to the citizens. The following is a brief summary of the departments and the services they provide:

The **Community Development Department** is responsible for ensuring the safe and orderly development of the community through the enforcement of all applicable state and local building and zoning regulations. The Community Development Director/Building Inspector enforces the provisions of the City Code through annual inspections of all apartments and businesses, zoning and plan review, and permit issuance for new construction, modifications, and repairs. A full time Community Development Director/Building Inspector and a Code Enforcement Officer staff the Community Development Department. The Department relies on the support of other departmental staff members to provide clerical assistance. Outside consultants are utilized as needed to review various technical aspects of building plans.

The Community Development Department researches and recommends proposals for new or improved economic development strategies within the community. Direction for such proposals stem from the Master Plan, the Economic Development Commission and Planning Commission. Members of both Commissions are Council-appointed Wyoming residents who volunteer hours of their time and professional expertise to assist the City in a direction compatible with the values and priorities that make Wyoming a premier community.

The **Finance Department** is composed of a Finance Director, a Tax Commissioner, and two Account Specialists. The Finance Department is responsible for financial control (including investments and debt management), data processing, risk management, accounts payable, personnel benefits, payroll processing and collection of all City revenue. Such revenue includes the City income tax, property tax, utility billings, state and county funding, recreational program fees, and charges for various public services (e.g. emergency service runs, police security, water removal). The Department is responsible for preparing, submitting and adhering to the City's operating and capital budget each year as well as developing the Comprehensive Annual Finance Report (CAFR) that depicts the City's financial standing based on the Generally Accepted Accounting Principles (GAAP).

The Finance Department also is responsible for coordinating with outside organizations to provide various services and benefits. The Finance Director is the City's representative to the Miami Valley Risk Management Association (MVRMA). This organization is a governmental insurance pool providing liability, criminal, employee practices, workers' compensation, casualty, and property coverage for twenty (20) members in 2005. In addition, the Finance Department acts as a collection agent for the Metropolitan Sewer District with regard to sewer usage in the City. In exchange for billing and collection services, the City retains a 7.0% fee based on total sewer revenue billed. The Finance Department also liaisons with MediCount Management, the organization contracted to collect City revenue from emergency service runs within the City. Moreover, as the City is a self-insured health insurance provider, the Finance Department is responsible for working with Great-West Healthcare, its third party administrator, to manage all health insurance and prescription claims under the City's Health Benefit Program.

The **Fire/EMS Department** is the coordinated efforts of the Wyoming Fire and Life Squad Divisions to preserve life and property. The Fire/EMS Department has a roster of seventy-six people. These include forty-two volunteer firefighters, twenty-four part time paramedics, eight fire cadets, one Medical Director (paid by contract), and one Fire Chief. The eight cadets are young residents aged 14 to 18 who serve on the Salvage Rescue Squad, providing assistance to firefighters in carrying and setting up equipment and in salvage work. The Wyoming Firefighters Association, a separate non-profit organization, offers support to the department through the annual Turkey Disposal/Raffle and other events.

The Fire/EMS Department is committed to fulfilling the public safety needs of the City. These include providing all forms of emergency medical care and transportation, fire prevention, fire suppression, property protection, basic first aid and CPR training, fire investigation, basic rescue services and other forms of safety training and emergency response as necessary. Fire and Life safety inspections also are performed for all municipal buildings, schools, churches, commercial buildings, apartments/multi-family dwellings and restaurants.

In addition, the Department expands upon its paramedic capabilities by contracting Advanced Life Support services to Arlington Heights, Lockland, Woodlawn, and Lincoln Heights, Ohio. During the year, the Department also provided considerable EMS coverage to the Village of Elmwood Place.

The **Police Department** works with citizens, community groups and other stakeholders to improve the quality of life in the City and to make our City safe and secure. The Police Department accomplishes this through the enforcement of applicable federal and state laws, the protection of life and property, the preservation of law and order, and the various safety and public education programs conducted throughout the community. The Department responds to calls for service ranging from crimes in progress to quality of life concerns. In addition, the Department works collaboratively with surrounding police agencies to solve and prevent crime, recognizing that certain crimes know no physical boundaries. In all we do, the safety and security of the City is of primary importance.

The Police Department consists of the Police Chief, four Sergeants, eleven Police Officers, four Dispatchers and eight School Crossing Guards. In addition, the Wyoming Police Association, a separate non-profit organization, sponsors various activities and events for the youth in Wyoming.

The **Public Works Department** is composed of a Director, an Assistant Public Works Director (management responsibility for the Waterworks department), one City mechanic, one part time maintenance worker and ten full-time maintenance workers led by a Senior Crew Leader and a Crew Leader. Their duties include street maintenance and resurfacing, maintenance of the City's urban forestry, upkeep and repair of City facilities, parks, and recreational facilities, Municipool preservation and repair, planting and maintenance of flower boxes; leaf removal and mulch delivery, fleet and equipment maintenance and snow and ice control. The Public Works Department is responsible for the management of the City's comprehensive solid waste management program including regular garbage collection, curbside recycling, leaf composting, and a yard waste sticker program. In addition, it plays a vital role in the preparation and support of the 4th of July celebration, Fall Festival, Wyoming Fun Run and other community activities.

The **Recreation Department** provides opportunities for constructive leisure activities for citizens of all ages and interests. The City maintains both indoor and outdoor facilities including a swimming pool, tennis courts, fifteen playgrounds and parks equipped with play equipment and utilized for baseball, basketball and soccer. Athletic programs and fitness opportunities are provided year round in many areas for families, adults and children.

The Recreation Department is made up of a full time Recreation Director, Assistant Recreation Director, Program Coordinator and two custodians. Other recreational staff include several part time Recreation Center attendants and seasonal pool staff. The Recreation Department is responsible for the daily operation of the Wyoming Recreation Center located on Springfield Pike. The Center includes 11.5 acres which provides space for four soccer fields, a gymnasium, an aerobic/POGO room, several meeting rooms, a Teen Room, a batting cage and two fitness rooms. The Recreation Center provides much needed space for the City's expanding recreational programs and needs.

Another recreational responsibility is the operation of the Civic Center. The Civic Center, owned and operated by the City since 1990, is the meeting place for many Wyoming organizations. The Civic Center facility is managed by the Assistant Recreation Director and includes a full time custodian and four seasonal bowling attendants. Instructors for the various classes are secured on an as needed basis. Community events such as the annual Wyoming Art Show, Halloween Weekend Event, Corral Show and December's Holiday Open House also are held at the Center. Classes, programs and organized bowling leagues are offered for all ages throughout the year. The organized candlepin bowling leagues are the only one of its kind in the Midwest. The Civic Center also is a popular place to rent for wedding receptions and private parties throughout the year.

The **Water Works Department** pursues its mission to provide the highest quality drinking water utilizing state-of-the-art technology and efficient production methods. The Department employs three full-time plant operators, one part time plant operator and uses an outside vendor for its meter reading services. The Public Works Director and the Assistant Public Works Director allocate a portion of their time to management of the water plant. Three-fourths of one Finance Department Account Specialist's time also is devoted to water related responsibilities.

The water is obtained from six wells that are approximately 195 feet deep. The water has many of the hardness forming minerals removed, therefore, making it unnecessary to add commercial water softeners. The Wyoming water treatment plant, which was rebuilt in 2000, is rated as a Class III Water Distribution System that is required to have a minimum of one Class III Certified Operator in charge of operations. In 2005, Wyoming Water Works produced 344 million gallons of water for its approximately 3,300 households.

ECONOMIC CONDITIONS AND OUTLOOK

Primarily a residential community with a population of 8,261 living in 2.8 square miles, Wyoming relies heavily upon income tax and property tax revenues for its economic well being. Combined, these tax receipts accounted for 83% of total General Fund receipts in 2005.

The City of Wyoming continues to weather the poor economic conditions of the State of Ohio well due to the strong financial management exhibited by the City Council and Administration. This is reflected by the AA financial rating the City of Wyoming received from Standard & Poors in 2004.

In 2005, the City's sound fiscal practices allowed for the continuation of an extensive infrastructure, facility and administrative expansion within the City. By maintaining adequate carry-over balances, funding contingency accounts in full and budgeting conservatively for estate tax receipts, and spending below budget in 2004, the City was able to provide funding for a 2005 capital improvement program and fully funded reserves for both the Equipment Replacement and Retirement Funds.

MAJOR INITIATIVES

The City continued to place a high priority on quality of life and effectively delivered services to the citizens of Wyoming in 2005. Several special projects in 2005 are noteworthy as they represented significant time commitments on the part of the Administration and either resulted in or will result in various improvements to services and/or facilities. The continuation of a number of ongoing programs/projects is designed to maintain the high quality of services that Wyoming residents have come to expect.

Public Works Department

The Rolling Hills subdivision reconstruction was completed in 2005. This project included the installation of 9,120 lineal feet of curbing, 1,975 square yards of concrete aprons and common parking areas, 5,032 feet of storm sewer pipe, and thirty-seven new catch basins.

The parapet wall and walkway spanning the Ritchie Creek culvert on Springfield Pike was reconstructed. The project encompassed the reconstruction of approximately 285 lineal feet of deteriorating concrete sidewalks, walls, and curbs. In addition, a 20 lineal foot brick wall with stone cap and a decorative black iron fence was installed.

In 2005, the Public Works Department completed 3,517 hours of street maintenance. Asphalt sealant was applied to approximately 6.1 lane miles of cracked roadway and 120 lineal feet of deteriorated curb were replaced. The curb replacement included minor repairs to damaged driveway aprons.

In 2005, Wyoming once again was named a "Tree City USA" by the National Arbor Day Foundation through the Ohio Department of Natural Resources for the twelfth consecutive year. This award recognizes communities that show excellence in maintaining a comprehensive urban forestry program, have a tree board or department, a City Tree Ordinance and an Arbor Day observance. In 2005, the City planted 135 new trees throughout the Community in various parks and along City streets and pruned or removed 275 trees.

The City of Wyoming has continued as a leader in solid waste management and recycling. Efforts have been targeted toward minimizing rapidly increasing disposal costs while responding to the need for addressing both environmental concerns and providing user friendly programs for residents. With the continued collection of magazines, catalogs, and corrugated boxes included in the curbside recycling program, a 29% average participation rate in curbside recycling was achieved in 2005, which was the second highest annual percentage since the inception of the recycling program. As a result of the high degree of citizen participation in curbside recycling, the City received a recycling incentive of \$35,038 from the Hamilton County Solid Waste Management District as well as the Rumpke Recycling Community Award.

In 2005, the crews delivered 429 loads of mulch for free to residents. Residents are provided the opportunity to make a donation to the City's Urban Forestry Board to provide additional funds for purchase of trees for the Citywide planting program. In 2005, residents showed their appreciation of this free mulch and delivery by donating \$2,700.

Over 4,800 hours were spent assisting the Recreation Department in maintaining its pool, tennis, basketball, and soccer programs. Surface cracks on the A-field and tennis courts were repaired and sealed. The Public Works Department extensively maintained the Municipool on a daily basis. Maintenance included caulking and spot painting the pool walls, plumbing repairs, repairs to the concrete deck, pump and motor repairs, and landscaping.

Water Works Department

The water treatment facility produced 344 million gallons of water during the year. The overall water quality continues to meet or exceed expectations since the transition from the old water plant to the new water plant. Laboratory reports demonstrate a consistent and reduced parts-per-million of hardness and iron levels in the treated water. Finished water hardness levels have gone from 220 mg/l in 1999 to 171 mg/l in 2005. This is a direct result of process improvement and effective chemical use. Treatment process improvements also have enhanced chemical reactions which reduces lime-feed rates.

The City is required to carry a minimum residual free chlorine level of 0.20 mg/l throughout the distribution system. The Water Works department has increased its desired levels to 1.0 mg/l as a precautionary measure. This goal provides an added insurance in maintaining the required residual level of free chlorine and provides a buffer in the water distribution system to combat any unwanted intrusions (i.e. bacteriological contamination due to a water main break). In 2005, the average plant effluent residual free chlorine level was 1.28 mg/l.

Activities in 2005 included replacing over 8,000 feet of deteriorating 6" water main on Fleming, Beech, Meadowcrest, Leacrest, and Bonham Roads in Springfield Township with 8" main. This project also consisted of replacing 20 fire hydrants and installing new service connections to the curb stops. Throughout the City, three broken fire hydrants and three inoperable water main valves were replaced. In regards to the water plant, the motor for well #6, the shaft of the #1 sphere pump, and the variable speed drive and motor for the solids contact tank mixer were replaced.

Community Development Department

In 2005, 316 building permits/zoning certificates, in the amount of \$34,355, were issued for various properties, including repairs, replacements, additions, and new construction. These permits amounted to an estimated \$11,823,025 in construction performed in Wyoming. While a majority of the permits are issued for remodeling or additions to existing structures, fourteen of the permits were issued for new home construction.

Development plans considered in 2005 included an application from Cincinnati Bell Wireless to locate a series of antenna on top of the existing water sphere and to install the necessary ground mounted equipment near its base. Concerns about the potential visual impact of the proposal on the surrounding residential neighborhood was expressed and the application was referred to the Architectural Review Board. The Planning Commission also reviewed preliminary design schemes for the possible redevelopment of the 1500 Block of Springfield Pike. Representatives of the Walgreens Corporation did not submit a formal Development Plan, but instead sought feedback. The matter was also referred to the Architectural Review Board for its feedback.

Safe pedestrian travel throughout the community is another important area that is overseen by the Community Development Department. The Sidewalk Replacement Program that was funded for 2005, included the area of the City south of Cooper and Mt. Pleasant Avenues in essence between West Hill Lane and the east corporation line. In 2005, approximately 22,661 square feet of defective concrete at 267 locations were replaced at an approximate cost of \$128,162.

The Fire/EMS Department

The Wyoming Fire/EMS Department provides service through the combined efforts of the Wyoming Fire and Life Squad. The Department provides full emergency medical services to the 8,261 residents of Wyoming as well as Advanced Life Support to an additional 11,500 residents in Lockland, Lincoln Heights, and Arlington Heights. During the year, considerable EMS coverage was also provided to the Village of Elmwood Place.

During 2005, there were 247 dispatched requests for fire services. The calls consist of actual fires, smoke alarms, overheated furnaces or air conditioning units, electrical appliance malfunctions, storm damage to property and broken/frozen pipes. The estimated fire loss in the City of Wyoming in 2005 was \$179,300. However, more importantly, the property value saved was estimated at well over \$9 million.

The Life Squad Division responded to 1,424 emergency response calls during 2005. Life squad personnel continued to maintain a presence at all community events including May Fete, St. James Festival and the Wyoming Fall Festival. Continuing education programs were made available to all squad members to provide for increasingly stringent EMS licensing requirements. EMS training is conducted monthly, covering material dictated by the State of Ohio. An average of 24-30 hours of training is provided each year. Training includes drills focusing on medical subjects, water/pool emergencies, and a "find the street" drill for surrounding communities. Wyoming is known for the high quality of its life squad members and it remains one of the few paramedic squads in the country that relies primarily on volunteers. Neighbors taking care of neighbors only serve to enhance that quality.

In less than twenty-eight months, the Department completed a project to find funding to provide Automatic External Defibrillators (AED) for every fire and police first responder vehicle as well as all the Municipal buildings. During the latter part of 2004, the City of Wyoming had reached its goal of 33 AED's covering the city buildings, all of the Wyoming Schools, the major houses of worship, and places of public assembly. All city employees and most of the private organizations received both CPR and AED training. The Department was contacted by the International Association of Fire Chiefs to apply for its 2006 "Public Access to Defibrillators" award. The Department will be judged along with other communities on the ability to save lives through the use of AED's. Wyoming has recorded at least one individual saved through the use of AED's.

Police Department

During 2005, the Police Department continued its emphasis on educating and reaching out to the community by sponsoring safety programs as well as being involved in various community events. Some examples of the Department's outreach efforts are the LETTS talk program, the WARN program, the Bicycle Rodeo, and numerous crime prevention seminars.

The Public Safety Communication Center, with four civilian dispatchers, took approximately 18,000 phone calls in 2005. Approximately 1,000 of those were "911" calls. The center monitors four non-emergency phone lines, two 911 lines, three radio frequencies, the police records computer system (RCIC, LEADS), walk-in service request, in addition to accepting and processing pay-outs and court cases for the Wyoming Mayor's Court. The center chronicles the times, personnel, resources, and actions taken for resolution of incidents. In 2005, there were approximately 5,300 general incident reports generated for Police Officers and/or Fire-EMS personnel responding to calls for service.

In the fall of 2005, the Police Department welcomed the Mcgrath Consulting Group, Inc., which was brought in to evaluate the overall operation and organizational structure of the Police Department. Specifically they were tasked with evaluating the Communications Center operation, the management structure and management systems, as well as the organizational culture and leadership within the department. The Consultant's final report contained the following staffing recommendations: the hiring of a second in command (e.g. Lieutenant) to assist the Police Chief in managing the daily operations of the department and the hiring of an additional Police Officer to assist in increasing patrol time as well as enhancing officer-safety. In addition, the Consultant's evaluated the current communications equipment, procedures, and staffing levels. A recommendation was made to consolidate our current communications operations with the Hamilton County Communications Center, which "offers the citizens of Wyoming a higher standard of response in times of emergency." The Department has begun the process of implementing many of the recommendations and changes.

The City of Wyoming received a "Gold Community Traffic Safety Award" for 2005 from AAA in recognition of the Police Department's traffic safety education and enforcement efforts. This award recognizes those communities that have taken proactive steps towards improving traffic safety within their communities.

Recreation Department

The City maintains fifteen parks and playgrounds, some with various ball fields, soccer fields and basketball courts; a swimming pool complex; a gymnasium; the Civic and Recreation Centers; and eight outdoor tennis courts. In addition, the City Recreation Center includes a fitness room, gymnasium, batting cage, Teen Room and several meeting rooms.

In 2005, program fees accounted for 42% of all revenue with membership dues bringing in 32% and rentals 26%. In 2005, the Recreation Department offered 83 different programs that accounted for 195 total activities serving toddlers through senior citizens.

Community wide, family oriented annual events serving more than 8,000 residents were organized, including the July Fourth Celebration, the 23rd annual Fall Festival, the 5th annual Halloween Weekend Event with pumpkin carving and the Howling Pooch Parade and a Holiday Open House complete with horse-drawn wagon rides.

Highlights in the Recreation Department include the replacement of three new playgrounds: Foster Grove Memorial Park, Hilltop Park, and the Recreation Center. The Recreation Center saw many changes this year including repositioning of the cardiovascular fitness equipment allowing users to transition easier from one machine to the next. Treadmills and elliptical machines were added to address the growing demand. In addition, the Civic Center asbestos wrapped boiler pipes were removed and replaced.

**DEPARTMENTAL FOCUS - THE CITY OF WYOMING'S
COMMUNITY DEVELOPMENT DEPARTMENT**

The Community Development Department aids in controlling the organized development and redevelopment of the City. Through the creation, adoption, and enforcement of zoning, building, and maintenance codes, life and property are protected, quality living and working environments for the residents of the community are ensured, and property values are maintained.

The Community Development Director/Building Inspector responds to complaints of deteriorated residential and non-residential structures and properties, issues appropriate correction notices or legal orders to property owners and provides the requisite follow up and court order action as needed.

The following areas are under the Community Development Department's direction and control:

ZONING: All projects, both residential and non residential, that require building permits are reviewed for zoning code compliance. The zoning code mandates how properties in the community may be used. It also prescribes such things as minimum lot sizes, setbacks, and other regulations designed to address quality of life issues. Five zoning certificates were issued in 2005 for projects involving improvements to non residential properties.

With rare exemptions, all single family projects are reviewed and approved by the Building Inspector. Multi-family and residential developments require review by the Community Development Director/Building Inspector, and depending on the complexity and anticipated neighborhood impact of the project, may also require approval by the City Manager and/or Planning Commission and City Council. This development plan review process is quite thorough and involves the City's Architecture Review Board, Planning Commission, and various other City departments and commissions.

In some cases, it may be difficult for a property to be developed in strict compliance with code requirements. In these cases, where special or unusual circumstances exist, the Board of Building and Zoning Appeals will review and decide upon requests for variances from the code. Twenty-six cases were referred to the Board of Building and Zoning Appeals in 2005.

BUILDING: The Community Development Department reviews plans for one, two, and three family residences to determine compliance with the building code. Once a building permit has been granted, the Department conducts on site inspections of the work in progress to ensure that it is being done in accordance with the approved plans and building codes.

In 2005, 186 building permits were issued for repairs, additions, and alterations to existing homes. In addition, fourteen permits were issued for the construction of new residences. April was the peak activity month with thirty-seven permits issued.

HOUSING: The City has adopted a comprehensive set of maintenance standards to ensure that all properties in the City, both residential and non residential, are properly maintained. Compliance with these standards contribute to the longevity of the structures and also provides quality living and working

environments for the occupants of the buildings, as well as ensuring that property values are maintained. Complaints of deteriorated structures and properties are investigated and violations are identified and discussed with the property owner. Correction notices or legal orders may be issued if the situation can not otherwise be resolved. Some of the more difficult or severe cases may result in court action.

SIDEWALKS: In order to ensure safe pedestrian travel throughout the community, the department has developed and implemented a comprehensive sidewalk repair/replacement program. The City has been divided into five target areas for sidewalk inspections, with one target area being included in the Capital Improvement Program each year. A pamphlet, the "A Property Owners Guide for the Maintenance and Repair of Concrete Sidewalks," was developed to provide an explanation of the inspection program to City residents.

The Community Development Director/Building Director works closely with several Boards and Commissions that help oversee and guide the planning and development of the City.

BOARD OF BUILDING AND ZONING APPEALS: If a project fails to comply with the applicable provisions of the Zoning Code, the applicant is advised of the problem(s) and encouraged to thoroughly explore all practical and legal design alternatives. However, in some cases, the size, shape, or topography of a lot makes it difficult for a project to be designed in compliance with all of the requirements of the Code. The Board of Building and Zoning Appeals was established to hear and decide cases where such special circumstances exist and can grant variances to the Code.

The Board convened a total of eleven times in 2005 where it deliberated on a total of twenty-six cases. One case that received considerable amount of attention from the media and general public was the construction of an area tree house. Through a set of unfortunate circumstances, a tree house was constructed within the defined limits of a front yard on a corner lot. After investigating the matter and discussing the alternatives with the property owner, an appeal to the order requiring the removal of the tree house was filed. After due consideration, the Board upheld the order requiring the removal of the building.

PLANNING COMMISSION: The Planning Commission serves as an advisory body to City Council and has the authority to develop and recommend plans and maps for new streets, parks, and public improvements. It also develops and adopts Master Plans and recommends districting and zoning regulations to ensure the orderly and appropriate development of the community. Cincinnati Bell Wireless submitted a Development Plan to the Planning Commission. The plan called for constructing a series of antennas on top of the existing water sphere and installing the necessary ground mounted equipment near its base. The Planning Commission expressed concerns about the potential visual impact of the proposal on the surrounding residential neighborhood and referred the application to the Architectural Review Board .

ARCHITECTURAL REVIEW BOARD: The Architectural Review Board primarily serves as an advisory body to the Planning Commission and is an important part of the review processes associated with the Development Plans, Subdivision Improvement Plans, Planned Unit Development, Special Use Permits, and other similar proposals. It reviews the plans to ensure compatibility with the adjoining structures and neighborhoods and typically considers such things as lighting, drainage, parking and paving arrangements, height, color, landscaping, screening, architectural features, building materials, and other similar matters.

HISTORIC PRESERVATION COMMISSION: The Historic Preservation Commission serves as the steward of the City's historic homes and other resources. The homes are located within the Village Historic District and there are an additional eighteen individual homes located in sites outside of the limits of this District. The Historic Preservation Commission met six times in 2005.

ECONOMIC DEVELOPMENT COMMISSION: The Economic Development Commission works with City Council, developers, residents, and the business community to enhance, expand, and improve the economic climate of the City. One project that the Economic Development Commission began in 2005 was the compilation of statistical real estate information in an effort to evaluate the relative health of the residential market of the community. The information being collected will help identify housing trends on such things as average home sales prices and the average number of days that homes are on the market.

The Community Development Department, in conjunction with various Boards and Commission, plays an important and active role in the City by ensuring the safe and orderly development of the community.

INTERNAL ACCOUNTING AND BUDGETARY CONTROLS

We believe that the City's internal control structure adequately safeguarded assets and provided reasonable assurance of proper recording of financial transactions. It is further our intention to review these controls in depth on an ongoing basis for continued refinements and improvements.

Budgetary control is maintained at the fund level by the use of encumbrances for purchase order amounts to vendors. Open encumbrances are reported as reservations of the fund balance for the governmental fund types at December 31, 2005.

CASH MANAGEMENT

Cash temporarily idle during the year was invested in demand deposits, Money Market Funds, Federal Government Securities and the State Treasurer's Investment Pool (Star Ohio). The City earned \$208,431 on all investments for the year ended December 31, 2005.

The City's investment policy is to minimize credit and market risks while maintaining competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collaterally.

RISK MANAGEMENT

The City of Wyoming is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City has taken a proactive approach in its loss control and risk management activities. This is reflected in the overall insurance protection package and the favorable loss experience.

The City is one of twenty members of a joint risk sharing insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA). See note 5 of the Notes to Basic Financial Statements for more in-depth information.

INDEPENDENT AUDIT

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Clark, Schaefer, Hackett and Company performed the audit of the basic financial statements. Their opinion on the City's financial statements is included in the financial section of this 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 Wyoming, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2004. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, with contents conforming to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. The City of Wyoming, Ohio, has received a Certificate of Achievement for the years ended December 31, 1992 through December 31, 2004. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

ACKNOWLEDGEMENTS

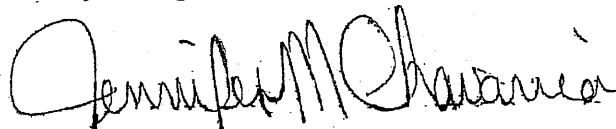
The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Department of Finance and other City departments. We express our sincere appreciation for the contributions made in the preparation of this report.

Special thanks to the members of the City Council and the City Administration whose support is necessary for the City of Wyoming to conform to reporting requirements established for municipal governments and to maintain the sound fiscal policies of the City.

Respectfully submitted,
City of Wyoming, Ohio



Robert W. Harrison
City Manager



Jennifer Chavarria
Finance Director

CITY OF WYOMING, OHIO

LISTING OF PRINCIPAL CITY OFFICIALS DECEMBER 31, 2005

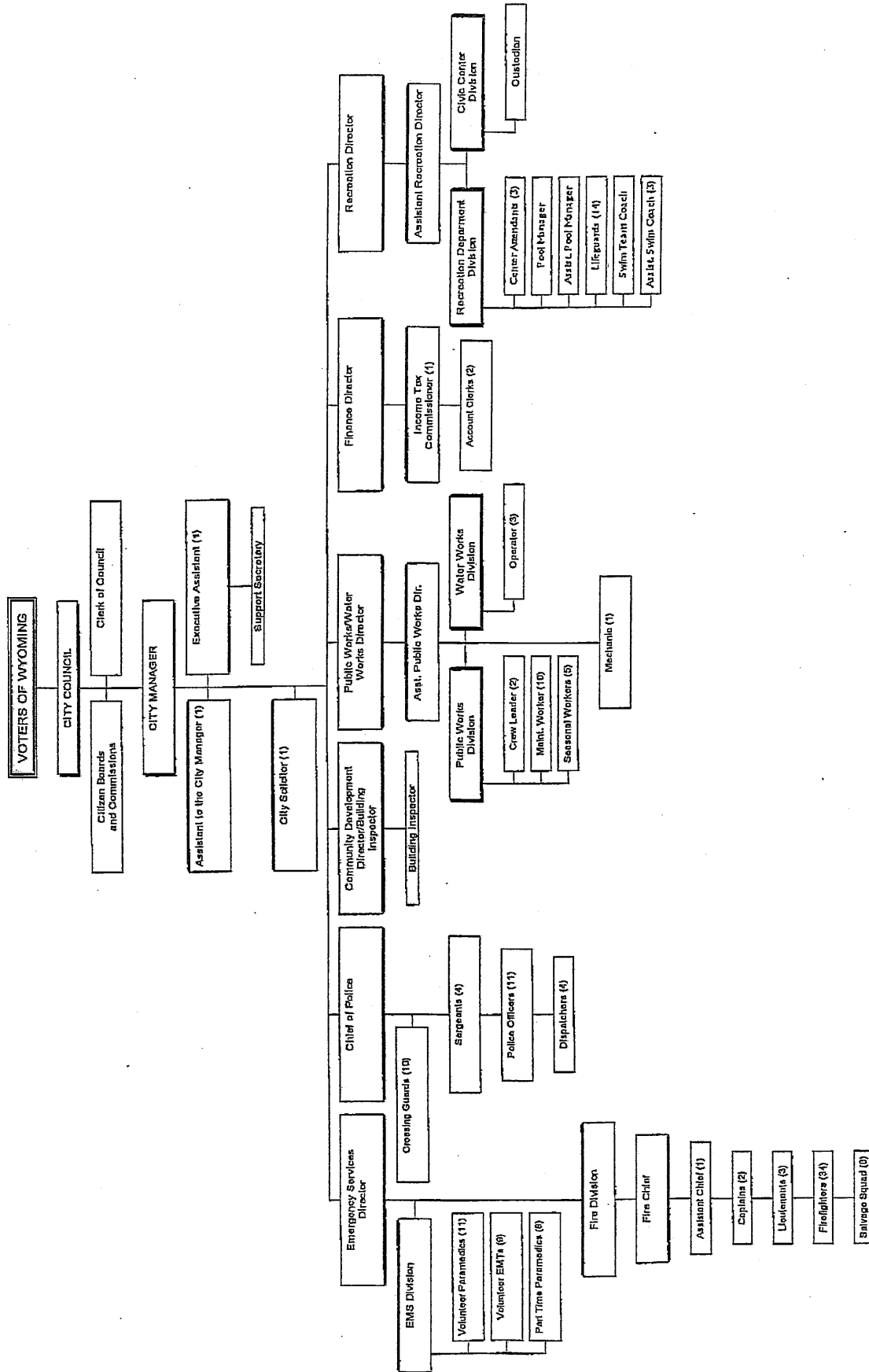
Elected Officials

Mayor	David J. Savage
Vice Mayor	Barry S. Porter
Council Member	Mike Eyman
Council Member	Victoria Zwissler
Council Member	Jim O'Reilly
Council Member	Dan Burke
Council Member	Tom Kramig

Appointed Officials

City Manager	Robert Harrison
Clerk of Council	Patricia Colvin

CITY OF WYOMING, OHIO



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wyoming,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2004

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.



Carla E. Perry

President

Jeffrey R. Emer

Executive Director

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**FINANCIAL
SECTION**

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Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Wyoming, Ohio:

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 26, 2006, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the budgetary information on pages 3-10 and 46-48, respectively, are not a required part of the basic financial statements but are 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 required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wyoming, Ohio's basic financial statements. 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 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, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Clark, Schaefer, Harkness & Co.

Cincinnati, Ohio
May 26, 2006

CITY OF WYOMING, OHIO

Management's Discussion and Analysis For The Year Ended December 31, 2005 (Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Wyoming's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2005. This is meant to be an easily readable summary of the most important financial information regarding the accompanying financial statements. Please read it in conjunction with the transmittal letter and the City's basic financial statements and the notes to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The City's total net assets increased \$2,801,614. Net assets of governmental activities increased \$2,506,327, net assets of business-type activities increased by \$295,287.
- The General Fund reported a fund balance of \$3,150,048.
- Business-type operations reflected operating income of \$716,335.
- The City had \$7,261,150 in expenses relating to governmental activities; program revenues offset only \$1,786,372 of these expenses. General revenues and transfers of \$7,981,105 were also used to provide for these programs.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City's financial situation as a whole and also give a detailed view of the City's fiscal condition.

The Statement of Net Assets and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Government-wide Financial Statements

The analysis of the City as a whole begins with the Government-wide Financial Statements. These reports provide information that will help the reader to determine if the City of Wyoming is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes to those assets. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well being. Some of these factors include the City's tax base and the condition of capital assets.

In the Government-wide Financial Statements, the City is divided into two kinds of activities.

- **Governmental Activities** - Most of the City's services are reported here including police, fire, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, building permits and interest finance most of these activities.
- **Business-Type Activities** - These services include water utilities. Service fees for these operations are charged based upon the amount of usage or a usage fee. The intent is that the fees charged recoup operational costs.

Fund Financial Statements

The analysis of the City's major funds is presented later in the Management's Discussion and Analysis section. Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the Finance Director, with approval of council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General, Capital Improvement, Equipment Replacement and Waterworks Fund.

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

Proprietary Funds - When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

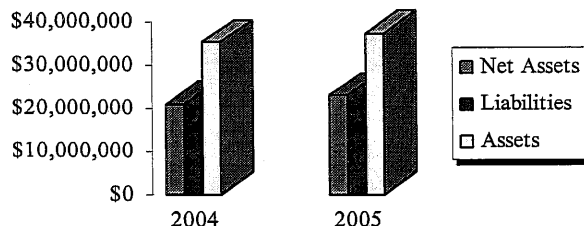
Fiduciary Funds - The City is the fiscal agent for the Metropolitan Sewer District (accounted for in the sewer fund) and for the Mayor's Court (accounted for in the Mayor's Court fund). The City's other fiduciary fund is the Kathryn Bond Private Purpose Trust. The City's fiduciary activities are reported in separate Statement of Fiduciary Net Assets and Statement of Changes in Fiduciary Net Assets. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The City as a Whole

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2005 compared to 2004.

Table 1
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2005	2004	2005	2004	2005
Assets						
Current Assets	\$10,166,329	\$11,448,997	\$2,060,275	\$1,435,865	\$12,226,604	\$12,884,862
Capital Assets, Net	17,234,848	18,485,000	5,918,016	6,521,067	23,152,864	25,006,067
Total Assets	27,401,177	29,933,997	7,978,291	7,956,932	35,379,468	37,890,929
Liabilities						
Long-Term Liabilities	4,661,492	4,531,840	7,220,952	6,894,532	11,882,444	11,426,372
Other Liabilities	2,656,038	2,812,183	39,345	49,119	2,695,383	2,861,302
Total Liabilities	7,317,530	7,344,023	7,260,297	6,943,651	14,577,827	14,287,674
Net Assets						
Invested in Capital						
Assets Net of Debt	13,158,482	14,576,755	(1,274,189)	32,464	11,884,293	14,609,219
Restricted	1,378,384	1,218,696	0	372,967	1,378,384	1,591,663
Unrestricted	5,546,781	6,794,523	1,992,183	607,850	7,538,964	7,402,373
Total Net Assets	\$20,083,647	\$22,589,974	\$717,994	\$1,013,281	\$20,801,641	\$23,603,255



Total net assets of the City as a whole increased \$2,801,614. Net assets of the City's governmental activities increased \$2,506,327, while the net assets of the City's business-type activities increased \$295,287 from 2004. The largest portion of the City's net assets reflect its investment in capital assets, less any related debt to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens of the City. The City had an unrestricted net assets balance of \$7,402,373 that may be used to meet the government's ongoing obligations to citizens and creditors.

The increase in Capital Assets, net reflects the completion of the Rolling Hills (stormsewer/catch basin installation and street reconstruction) project and other various building and equipment improvements throughout the City.

Table 2 shows the changes in net assets at year-end.

Table 2
Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2005	2004	2005	2004	2005
Program Revenues:						
Charges for Services	\$827,254	\$804,914	\$1,695,701	\$1,726,172	\$2,522,955	\$2,531,086
Operating Grants, Contributions	389,628	406,518	0	0	389,628	406,518
Capital Grants and Contributions	1,183,976	574,940	0	0	1,183,976	574,940
Total Program Revenues	2,400,858	1,786,372	1,695,701	1,726,172	4,096,559	3,512,544
General Revenue:						
Income Taxes	2,041,209	3,747,586	0	0	2,041,209	3,747,586
Property Taxes	2,280,849	2,512,285	0	0	2,280,849	2,512,285
Grants and Entitlements	1,008,868	1,310,813	0	0	1,008,868	1,310,813
Investment Earnings	71,655	167,969	12,258	40,462	83,913	208,431
Other	372,103	14,205	0	0	372,103	14,205
Total General Revenues	5,774,684	7,752,858	12,258	40,462	5,786,942	7,793,320
Total Revenues	8,175,542	9,539,230	1,707,959	1,766,634	9,883,501	11,305,864
Program Expenses:						
General Government	1,985,653	2,159,044	0	0	1,985,653	2,159,044
Public Safety	2,417,610	2,319,318	0	0	2,417,610	2,319,318
Leisure Time Activities	1,111,773	895,068	0	0	1,111,773	895,068
Community Development	857,662	217,786	0	0	857,662	217,786
Basic Utility Service	962,224	518,902	0	0	962,224	518,902
Transportation and Street Repair	896,981	907,633	0	0	896,981	907,633
Public Health and Welfare	64,271	64,798	0	0	64,271	64,798
Interest and Fiscal Charges	150,844	178,601	0	0	150,844	178,601
Water Utility	0	0	1,395,795	1,243,100	1,395,795	1,243,100
Total Program Expenses	8,447,018	7,261,150	1,395,795	1,243,100	9,842,813	8,504,250
Increase (Decrease) in Net Assets						
before Transfers	(271,476)	2,278,080	312,164	523,534	40,688	2,801,614
Transfers - Internal Activities	161,648	228,247	(161,648)	(228,247)	0	0
Change in Net Assets	(109,828)	2,506,327	150,516	295,287	40,688	2,801,614
Beginning Net Assets	20,193,475	20,083,647	567,478	717,994	20,760,953	20,801,641
Ending Net Assets	\$20,083,647	\$22,589,974	\$717,994	\$1,013,281	\$20,801,641	\$23,603,255

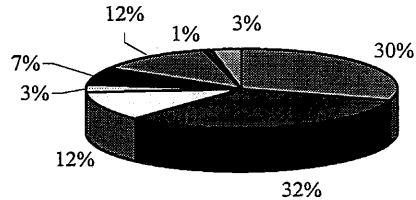
Governmental Activities

The Governmental Activities had an increase in income taxes of \$1,706,377 from 2004 mainly due to an increase in the income tax rate from .5% to .8% for 2005. The City also had a decrease in public safety, leisure time, community development and basic utility service expenses due mainly to the City's increased effort to decrease expenses throughout various departments for 2005.

In 2005, the Wyoming City Council continued to actively promote its Vision Statement and Master Plan Initiatives that were created in 1995 through the dedicated and professional combination of residents and city officials. Primarily a residential bedroom community with a population of 8,261 living in 2.8 square miles, Wyoming relies heavily upon income and property tax revenues to provide general services and maintain infrastructure. The 0.8% income tax (based on a resident's Adjusted Gross Income) and the 10 mill property tax represented more than 80% of the City's total general fund revenues in 2005.

Program expenses for 2005 were as follows:

General Government	30%
Public Safety	32%
Leisure Time Activities	12%
Community Development	3%
Basic Utility Service	7%
Transportation & Street Repair	12%
Public Health & Welfare	1%
Interest & Fiscal Charges	3%
Total	<u>100%</u>



General Government includes legislative and executive as well as judicial expenses. The level of services provided to City residents continues to be very high. The City seeks to improve the quality and efficiency of existing services as well as consider additional services. Leaf and brush pickup, mulch distribution, refuse collection, aggressive street reconstruction programs, street cleaning, sidewalk in-fill projects, amenities in the parks, and police and volunteer/part time Fire/EMS services all culminate into a full service city. Services in the City of Wyoming have increased and become more efficient over the years. This has been accomplished by the City Council and employees.

Business-Type Activities

The City's business-type activities included Waterworks.

The Waterworks Fund had revenues of \$1,726,172 and operating expenses of \$1,009,837 for 2005. Business activities receive no support from tax revenues. The business-type activities had operating income of \$716,335 and net assets at the end of the year was \$1,013,281 which increased \$295,287 from 2004. The Waterworks Fund (business-type activities) had an increase in charges for services largely due to an increase in water rates of approximately 1.85% from 2004 to 2005. Investment earnings increased \$28,204 from 2004 due to the City's increased effort to maximize investment returns. The City had an open position for the Waterworks fund, which was not filled until March 2005. The open position accounts for some of the decrease in the amount of expense (water utility) in the Waterworks fund from 2004 to 2005.

The City's Funds

The City has three major governmental funds: the General Fund, Capital Improvement Fund and Equipment Replacement Fund. Assets of the general fund comprised \$7,688,339 (66%), the capital improvement fund comprised \$633,953 (5%) and the equipment replacement fund comprised \$2,327,257 (20%) of the total \$11,618,007 governmental funds assets.

General Fund: Fund balance at December 31, 2005 was \$3,150,048 an increase in fund balance of \$674,378 from 2004. The general fund had an increase in taxes revenue due to an increase in the income tax rate from .5% to .8% for 2005. The general fund also had an increase in intergovernmental revenue due to an increase in inheritance (estate) tax from 2004.

Capital Improvement Fund: Fund balance at December 31, 2005 was \$376,645 a decrease in fund balance of \$81,924 from 2004. The capital improvement fund remained fairly consistent from 2004 to 2005.

Equipment Replacement Fund: Fund balance at December 31, 2005 was \$2,315,411 an increase in fund balance of \$4,927 from 2004. The equipment replacement fund remained fairly consistent from 2004 to 2005.

General Fund Budgeting Highlights

The City's General Fund budget is formally adopted at the function level. Financial reports, which compare actual performance with the budget, are prepared monthly and presented to the Council so the Council is able to review the City's financial status and measure the effectiveness of budgetary controls.

As the City completed the year, its General Fund balance reported an actual fund balance of \$1,480,292, on a Non-GAAP Budgetary Basis.

Variations from the final amended budget amounts to the actual amounts are primarily due to the following reasons: The City underestimated the taxes revenue amount and overestimated the general government and public safety expenditures for 2005.

Capital Assets and Debt Administration

Capital Assets

Table 3
Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2005	2004	2005	2004	2005
Land	\$8,261,281	\$8,261,281	\$10,919	\$10,919	\$8,272,200	\$8,272,200
Construction in Progress	24,668	185,547	50,000	811,853	74,668	997,400
Buildings and Improvements	5,622,578	5,736,047	6,194,420	6,194,420	11,816,998	11,930,467
Equipment	2,836,050	3,073,933	231,013	271,631	3,067,063	3,345,564
Infrastructure	5,895,250	6,992,322	2,313,935	2,313,935	8,209,185	9,306,257
Accumulated Depreciation	(5,404,979)	(5,764,130)	(2,882,271)	(3,081,691)	(8,287,250)	(8,845,821)
Total Net Capital Assets	<u>\$17,234,848</u>	<u>\$18,485,000</u>	<u>\$5,918,016</u>	<u>\$6,521,067</u>	<u>\$23,152,864</u>	<u>\$25,006,067</u>

Increases in Capital Assets were mainly the result of the City's increase of \$1,097,072 in infrastructure due to the completion of the Rolling Hills (stormsewer/catch basin installation and street reconstruction) project.

See note 6 to the notes to the basic financial statements for further details on the City's capital assets.

Debt

At year-end the City had \$10,957,558 in unvoted general obligation and bonds and notes.

Table 4
Outstanding Debt at Year End

		2004	2005
Governmental Activities			
<u>General Obligation Bonds</u>			
Capital Financing Pool	3.15%	\$2,370,000	\$2,265,000
Police Pension Liability	4.30%	190,899	187,743
Various Purpose Bonds	2.00-5.25%	1,706,366	1,643,245
Total General Obligation Bonds		<u>4,267,265</u>	<u>4,095,988</u>
Business Type Activities			
<u>General Obligation Bonds</u>			
Capital Financing Pool	3.15%	175,000	160,000
OPWC Compton Road	3.00%	68,379	59,262
OPWC Van Roberts Place Waterline	3.00%	82,330	77,911
OPWC Oak Avenue Waterplant	3.00%	4,517,862	4,302,642
Various Purpose Bonds	2.00-5.25%	2,348,634	2,261,755
Total General Obligation Bonds		<u>7,192,205</u>	<u>6,861,570</u>
Total Debt		<u>\$11,459,470</u>	<u>\$10,957,558</u>

The City's 10.5% of assessed valuation legal debt margin within limitations was \$27,647,656 at year-end.

See note 8 to the notes to the basic financial statements for further details on the City's long-term debt.

CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, customers and investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Jennifer Chavarria, Finance Director, City of Wyoming, 800 Oak Avenue, Wyoming, Ohio 45215.

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

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$6,299,472	\$1,137,727	\$7,437,199
Receivables:			
Taxes	4,153,066	0	4,153,066
Accounts	76,809	272,242	349,051
Interest	38,409	6,501	44,910
Intergovernmental	873,135	0	873,135
Inventory	8,106	19,395	27,501
Nondepreciable Capital Assets	8,446,828	822,772	9,269,600
Depreciable Capital Assets, Net	10,038,172	5,698,295	15,736,467
Total Assets	29,933,997	7,956,932	37,890,929
Liabilities:			
Accounts Payable	223,924	29,240	253,164
Accrued Wages and Benefits	215,264	11,822	227,086
Accrued Interest Payable	15,453	8,057	23,510
Unearned Revenue	2,300,339	0	2,300,339
Claims Payable	57,203	0	57,203
Long-Term Liabilities:			
Due Within One Year	216,364	337,273	553,637
Due In More Than One Year	4,315,476	6,557,259	10,872,735
Total Liabilities	7,344,023	6,943,651	14,287,674
Net Assets:			
Invested in Capital Assets, Net of Related Debt	14,576,755	32,464	14,609,219
Restricted for:			
Capital Projects	383,371	372,967	756,338
Other Purposes	835,325	0	835,325
Unrestricted	6,794,523	607,850	7,402,373
Total Net Assets	\$22,589,974	\$1,013,281	\$23,603,255

See accompanying notes to the basic financial statements.

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

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$2,159,044	\$109,999	\$0	\$0
Public Safety	2,319,318	179,717	20,419	0
Leisure Time Activities	895,068	356,486	0	0
Community Development	217,786	71,877	2,785	29,004
Basic Utility Service	518,902	77,335	0	127,500
Transportation and Street Repair	907,633	9,500	383,314	418,436
Public Health and Welfare	64,798	0	0	0
Interest and Fiscal Charges	178,601	0	0	0
Total Governmental Activities	7,261,150	804,914	406,518	574,940
Business-Type Activities:				
Water Utility	1,243,100	1,726,172	0	0
Total Business-Type Activities	1,243,100	1,726,172	0	0
Totals	\$8,504,250	\$2,531,086	\$406,518	\$574,940

General Revenues:
 Income Taxes
 Property Taxes Levied for:
 General Purposes
 Grants and Entitlements not Restricted to Specific Programs
 Investment Earnings
 Other Revenues
 Transfers-Internal Activities

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$2,049,045)	\$0	(\$2,049,045)
(2,119,182)	0	(2,119,182)
(538,582)	0	(538,582)
(114,120)	0	(114,120)
(314,067)	0	(314,067)
(96,383)	0	(96,383)
(64,798)	0	(64,798)
(178,601)	0	(178,601)
<u>(5,474,778)</u>	<u>0</u>	<u>(5,474,778)</u>
<u>0</u>	<u>483,072</u>	<u>483,072</u>
<u>0</u>	<u>483,072</u>	<u>483,072</u>
<u>(\$5,474,778)</u>	<u>\$483,072</u>	<u>(\$4,991,706)</u>
3,747,586	0	3,747,586
2,512,285	0	2,512,285
1,310,813	0	1,310,813
167,969	40,462	208,431
14,205	0	14,205
<u>228,247</u>	<u>(228,247)</u>	<u>0</u>
<u>7,981,105</u>	<u>(187,785)</u>	<u>7,793,320</u>
2,506,327	295,287	2,801,614
<u>20,083,647</u>	<u>717,994</u>	<u>20,801,641</u>
<u>\$22,589,974</u>	<u>\$1,013,281</u>	<u>\$23,603,255</u>

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

	General	Capital Improvement	Equipment Replacement	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in Pooled Cash and Investments	\$2,729,745	\$633,921	\$2,158,247	\$777,559	\$6,299,472
Receivables:					
Taxes	4,153,066	0	0	0	4,153,066
Accounts	74,238	0	0	2,571	76,809
Interest	38,409	0	0	0	38,409
Intergovernmental	692,881	32	0	180,222	873,135
Interfund	0	0	169,010	0	169,010
Inventory	0	0	0	8,106	8,106
Total Assets	7,688,339	633,953	2,327,257	968,458	11,618,007
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	103,001	88,266	11,846	20,811	223,924
Accrued Wages and Benefits	202,899	0	0	12,365	215,264
Compensated Absences	39,953	0	0	0	39,953
Interfund Payable	0	169,010	0	0	169,010
Deferred Revenue	4,135,235	32	0	149,164	4,284,431
Claims Payable	57,203	0	0	0	57,203
Total Liabilities	4,538,291	257,308	11,846	182,340	4,989,785
Fund Balances:					
Reserved for Encumbrances	123,083	521,726	97,642	551,665	1,294,116
Reserved for Inventory	0	0	0	8,106	8,106
Unreserved, Undesignated, Reported in:					
General Fund	3,026,965	0	0	0	3,026,965
Special Revenue Funds	0	0	0	225,547	225,547
Debt Service Funds	0	0	0	800	800
Capital Projects Funds	0	(145,081)	2,217,769	0	2,072,688
Total Fund Balances	3,150,048	376,645	2,315,411	786,118	6,628,222
Total Liabilities and Fund Balances	\$7,688,339	\$633,953	\$2,327,257	\$968,458	\$11,618,007

See accompanying notes to the basic financial statements.

City of Wyoming, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Assets of Governmental Activities
 December 31, 2005

Total Governmental Fund Balance		\$6,628,222
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.		18,485,000
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Income Taxes	1,318,017	
Delinquent Property Taxes	127,885	
Interest	12,906	
Intergovernmental	<u>525,284</u>	
		1,984,092
In the statement of net assets interest payable is accrued when incurred, whereas in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		(15,453)
Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.		
Compensated Absences	<u>(395,899)</u>	
		(395,899)
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(4,095,988)</u>
Net Assets of Governmental Activities		<u>\$22,589,974</u>

See accompanying notes to the basic financial statements.

City of Wyoming, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended December 31, 2005

	General	Capital Improvement	Equipment Replacement	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$5,796,469	\$0	\$0	\$0	\$5,796,469
Fines, Licenses & Permits	100,998	0	0	4,905	105,903
Charges for Services	193,042	2,785	0	351,581	547,408
Investment Earnings	163,003	0	0	0	163,003
Intergovernmental	1,236,048	235,566	0	399,216	1,870,830
Special Assessments	0	5,099	0	0	5,099
Other Revenues	129,687	20,450	0	0	150,137
Total Revenues	7,619,247	263,900	0	755,702	8,638,849
Expenditures:					
Current:					
General Government	2,127,632	0	0	0	2,127,632
Public Safety	2,255,906	0	0	400	2,256,306
Leisure Time Activities	62,470	0	0	685,871	748,341
Community Development	157,825	0	0	0	157,825
Basic Utility Service	496,770	0	0	0	496,770
Transportation and Street Repair	509,802	0	0	235,316	745,118
Public Health and Welfare	64,798	0	0	0	64,798
Capital Outlay	0	880,972	284,009	39,453	1,204,434
Debt Service:					
Principal Retirement	3,155	113,121	0	55,000	171,276
Interest and Fiscal Charges	8,080	133,255	0	37,681	179,016
Total Expenditures	5,686,438	1,127,348	284,009	1,053,721	8,151,516
Excess of Revenues Over (Under) Expenditures	1,932,809	(863,448)	(284,009)	(298,019)	487,333
Other Financing Sources (Uses):					
Transfers In	56,023	781,524	288,936	436,682	1,563,165
Transfers (Out)	(1,314,454)	0	0	(20,464)	(1,334,918)
Total Other Financing Sources (Uses)	(1,258,431)	781,524	288,936	416,218	228,247
Net Change in Fund Balance	674,378	(81,924)	4,927	118,199	715,580
Fund Balance Beginning of Year	2,475,670	458,569	2,310,484	667,297	5,912,020
Change in Reserve for Inventory	0	0	0	622	622
Fund Balance End of Year	\$3,150,048	\$376,645	\$2,315,411	\$786,118	\$6,628,222

See accompanying notes to the basic financial statements.

City of Wyoming, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended December 31, 2005

Net Change in Fund Balance - Total Governmental Funds \$715,580

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

Governmental funds report capital asset additions 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 of the difference between capital
 asset additions and depreciation in the current period.

Capital assets used in governmental activities	1,764,348	
Depreciation Expense	<u>(498,687)</u>	
		1,265,661

Governmental funds only report the disposal of assets to the
 extent proceeds are received from the sale. In the statement
 of activities, a gain or loss is reported for each disposal. The
 amount of the proceeds must be removed and the gain or loss
 on the disposal of capital assets must be recognized. This is the
 amount of the difference between the proceeds and the gain or loss. (15,509)

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

Income Taxes	425,971	
Delinquent Property Taxes	37,431	
Interest	4,966	
Intergovernmental	<u>(98,414)</u>	
		369,954

Repayment of bond principal is an expenditure in the
 governmental funds, but the repayment reduces long-term
 liabilities in the statement of net assets. 171,276

In the statement of activities interest expense is accrued when incurred,
 whereas in governmental funds an interest expenditure is reported
 when due. 415

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

Compensated Absences	(1,672)	
Change in Inventory	<u>622</u>	
		<u>(1,050)</u>

Change in Net Assets of Governmental Activities \$2,506,327

See accompanying notes to the basic financial statements.

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

	<u>Waterworks</u>
Current Assets:	
Equity in Pooled Cash and Investments	\$1,137,727
Receivables:	
Accounts	272,242
Interest	6,501
Inventory	<u>19,395</u>
Total Current Assets	<u>1,435,865</u>
Noncurrent Assets:	
Nondepreciable Capital Assets	822,772
Depreciable Capital Assets, Net	<u>5,698,295</u>
Total Noncurrent Assets	<u>6,521,067</u>
Total Assets	<u>7,956,932</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	29,240
Accrued Wages and Benefits	11,822
Accrued Interest Payable	8,057
Long-Term Liabilities Due Within One Year	<u>337,273</u>
Total Current Liabilities	<u>386,392</u>
Long-Term Liabilities:	
Compensated Absences	32,962
Bonds, Notes & Loans Payable	<u>6,524,297</u>
Total Noncurrent Liabilities	<u>6,557,259</u>
Total Liabilities	<u>6,943,651</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	32,464
Restricted for:	
Capital Projects	372,967
Unrestricted	<u>607,850</u>
Total Net Assets	<u>\$1,013,281</u>

See accompanying notes to the basic financial statements.

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

	<u>Waterworks</u>
Operating Revenues:	
Charges for Services	<u>\$1,726,172</u>
Total Operating Revenues	<u>1,726,172</u>
Operating Expenses:	
Personal Services	356,826
Contactual Services	353,668
Materials and Supplies	96,876
Depreciation	199,420
Other Expenses	<u>3,047</u>
Total Operating Expenses	<u>1,009,837</u>
Operating Income (Loss)	<u>716,335</u>
Non-Operating Revenues (Expenses):	
Investment Earnings	40,462
Interest (Expense)	<u>(233,263)</u>
Total Non-Operating Revenues (Expenses)	<u>(192,801)</u>
Income (Loss) Before Contributions and Transfers	523,534
Transfers (Out)	<u>(228,247)</u>
Change in Net Assets	295,287
Net Assets Beginning of Year	<u>717,994</u>
Net Assets End of Year	<u>\$1,013,281</u>

See accompanying notes to the basic financial statements.

City of Wyoming, Ohio
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended December 31, 2005

	<u>Waterworks</u>
Cash Flows from Operating Activities:	
Cash Received from Customers	\$1,728,959
Cash Payments to Employees	(350,757)
Cash Payments to Suppliers	(450,652)
	<hr/>
Net Cash Provided (Used) by Operating Activities	927,550
	<hr/>
Cash Flows from Noncapital Financing Activities:	
Payments from Other Funds	575,645
Payments to Other Funds	(803,892)
	<hr/>
Net Cash Provided (Used) by Noncapital Financing Activities	(228,247)
	<hr/>
Cash Flows from Capital and Related Financing Activities:	
Payments for Capital Acquisitions	(802,471)
Debt Principal Payments	(330,636)
Debt Interest Payments	(233,450)
	<hr/>
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,366,557)
	<hr/>
Cash Flows from Investing Activities:	
Earnings on Investments	38,198
	<hr/>
Net Cash Provided (Used) by Cash Flows from Investing Activities	38,198
	<hr/>
Net Increase (Decrease) in Cash and Cash Equivalents	(629,056)
	<hr/>
Cash and Cash Equivalents Beginning of Year	1,766,783
	<hr/>
Cash and Cash Equivalents End of Year	1,137,727
	<hr/>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	716,335
Adjustments:	
Depreciation	199,420
Changes in Assets & Liabilities:	
(Increase) Decrease in Receivables	2,787
(Increase) Decrease in Inventory	(5,169)
Increase (Decrease) in Payables	8,108
Increase (Decrease) in Accrued Liabilities	6,069
	<hr/>
Net Cash Provided (Used) by Operating Activities	\$927,550
	<hr/>

See accompanying notes to the basic financial statements.

City of Wyoming, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2005

	Kathryn Bond Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$35,382	\$246,745
Receivables:		
Accounts	0	250,376
Total Assets	<u>35,382</u>	<u>\$497,121</u>
Liabilities:		
Intergovernmental Payable	0	497,121
Total Liabilities	<u>0</u>	<u>\$497,121</u>
Net Assets:		
Held in Trust	<u>35,382</u>	
Total Net Assets	<u>\$35,382</u>	

See accompanying notes to the basic financial statements.

City of Wyoming, Ohio
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended December 31, 2005

	Kathryn Bond Private Purpose Trust
Additions:	
Investment Earnings	\$587
Total Additions	587
Deductions:	
General Government	0
Total Deductions	0
Change in Net Assets	587
Net Assets Beginning of Year	34,795
Net Assets End of Year	\$35,382

See accompanying notes to the basic financial statements.

CITY OF WYOMING, OHIO

Notes to the Basic Financial Statements
For The Year Ended December 31, 2005

1. DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Wyoming (City) is a political body incorporated and established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The City operates under a council-manager form of government and provides the following services as authorized by its charter: public safety, public services, recreation and development.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this includes; police and fire, parks and recreation, planning, zoning, community development, street maintenance, water, sewer and waste collection. Council and the City Manager have direct responsibility for these activities.

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; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. There are no component units included as part of this report.

The Miami Valley Risk Management Association, Inc. (MVRMA) is a risk sharing insurance pool established for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. The members formed a not-for-profit corporation known as Miami Valley Risk Management Association, Inc. for the purpose of administering the pool. The subscribing members of the self-insurance pool include the Cities of Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, Wyoming, and the Village of Indian Hill. The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial 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 to its enterprise funds provided they do not conflict with or contradict GASB pronouncements. For proprietary funds the City has elected not to follow subsequent private-sector guidance. The most significant of the City's accounting policies are described below.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. 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. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.

Capital Improvement Fund – To account for various capital projects financed by governmental funds.

Equipment Replacement Fund – Created in 1981 to fund the acquisition and replacement of equipment. This fund does not generate any revenue and is financed by transfers from other funds. Expenditures are monies expended for the purchase of major pieces of equipment.

The other governmental funds of the City account for grants and other resources that are generally restricted to use for a particular purpose.

Proprietary Funds

Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City has no internal service funds.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's enterprise fund:

Waterworks – Accounts for all operations of the City's waterplant. Revenues include the sale of metered water, penalties, disconnecting fees, etc. Expenses are comprised of personnel and operating costs.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City currently has a Private Purpose Trust fund (Kathryn Bond Trust). The Kathryn Bond Trust is to account for donations received and designated to the Kathryn Bond Trust fund. The City also has two Agency Funds (Sewer and Mayor's Court). The Sewer agency is to account for all revenues collected for the Metropolitan Sewer District (MSD) for provision of sewer service to the citizens of Wyoming and to record sewer service charges paid to MSD. The Mayor's Court agency is to account for funds that flow through the Mayor's Court Office.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within thirty days of year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, grants and fees.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of the current year-end, but which were levied to finance future operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Unearned Revenue

Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met because such amounts have not yet been earned.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Equity in Pooled Cash and Investments

To improve cash management the City's cash and investments are pooled. Monies for all funds, except cash and investments held in segregated accounts, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating repurchase agreements, which are reported at cost. For investments in open-end mutual funds, fair value is determined by the fund's share price.

During the year, the City has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within 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 at year-end.

For purposes of the statement of cash flows the enterprise fund's portion of Pooled cash and investments is considered a cash equivalent because enterprise funds can access their balance of the investment pool at any time without any prior notice or penalty.

Following the Ohio Revised Code, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenues during 2005 amounted to \$208,431, \$163,003 in the General Fund.

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.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective proprietary funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City's capitalization threshold is \$5,000. Donated capital assets are recorded at their fair market values as of the date received. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings and Improvements	25-50 years	25-50 years
Machinery and Equipment	5-20 years	5-20 years
Infrastructure	40-60 years	40-60 years

Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB 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 employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is due and payable. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. Compensated absences are reported in governmental funds only if they have matured. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances and inventories are recorded as a reservation of fund balance.

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 adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for Other Purposes include programs (state and federal grants) for street and highway improvements and mandatory fines for various court programs.

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

Operating Revenues and Expenses

The City, in its proprietary fund, distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

As a general rule, the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities.

Self-Insurance

The City provides health insurance benefits through a self-insured program. This program is accounted for in the General Fund. The liability for unpaid claims includes estimates of costs related to incurred but not reported (IBNR) claims if it is probable that an IBNR liability has been incurred at year-end and the IBNR amount can be reasonably estimated.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles 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.

3. EQUITY IN POOLED CASH AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the City into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.

- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. 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 treasurer 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 to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2005, \$2,279,193 of the City's bank balance of \$2,479,193 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

Investments

As of December 31, 2005, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
FHLB	\$907,839	0.55
FHLMC	152,210	0.39
Fannie Mae	836,301	0.68
Freddie Mac	939,494	0.33
US Treasury N/B	288,093	0.57
STAROhio	2,208,671	0.00
Money Market Fund	<u>24,295</u>	0.00
Total Fair Value	<u>\$5,356,903</u>	
Portfolio Weighted Average Maturity		0.32

Interest rate risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years, unless matched to a specified obligation or debt of the City.

Credit Risk – It is the City’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City’s investments in Federal Agency Securities and in Money Market Funds were rated AAA by Standard and Poor’s and Fitch ratings and Aaa by Moody’s Investors Service. Investments in STAROhio were rated AAAM by Standard & Pools.

Concentration of credit risk – The City’s investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 17% in Federal Home Loan Bank, 3% in Federal Home Loan Mortgage Corporation, 16% in Fannie Mae, 17% in Freddie Mac, 5% in U.S. Treasury N/B, 41% in STAROhio and 1% in money market funds.

Custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City’s securities are either insured and registered in the name of the City or at least registered in the name of the City.

4. RECEIVABLES

Receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, accrued interest on investments, interfund and accounts receivable.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2005 for real and public utility property taxes represents collections of the 2004 taxes. Property tax payments received during 2005 for tangible personal property (other than public utility property) is for 2005 taxes.

2005 real property taxes are levied after October 1, 2005, on the assessed value as of January 1, 2005, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2005 real property taxes are collected in and intended to finance 2006 operations.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2005 public utility property taxes became a lien December 31, 2004, are levied after October 1, 2005, and are collected in 2006 with real property taxes.

2005 tangible personal property taxes are levied after October 1, 2004, on the value as of December 31, 2004. Collections are made in 2005. Tangible personal property assessments are 25 percent of true value.

The assessed values of real and tangible personal property upon which current year property tax receipts were based are as follows:

Real Property	\$256,950,950
Public Utility	3,666,360
Tangible Personal Property	<u>2,693,700</u>
Total Valuation	<u>\$263,311,010</u>

Real property taxes are payable annually or semi-annually. The first payment is due January 20 with the remainder payable by June 20.

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

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of year end for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at year end, nor were they levied to finance current year operations. The receivable is therefore offset by deferred revenue.

Income Taxes

The City levies a tax of .8% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City.

Employers within the City withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file an annual declaration.

5. RISK MANAGEMENT

Miami Valley Risk Management Association, Inc.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1988, the City joined the Miami Valley Risk Management Association, Inc. (MVRMA) a risk sharing insurance pool. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability. The City pays an annual premium to MVRMA for this coverage. The agreement provides that the MVRMA will be self-sustaining through member premiums and excess insurance. The deductible per occurrence for all types of claims is \$2,500.

Excess insurance coverage will cover additional claims up to the limits listed below:

General Liability:	\$7,000,000/occurrence
Automobile Liability:	\$7,000,000/occurrence
MVRMA coverage: \$2 million/occurrence with \$1 million excess \$1 million reinsured by Government Entities Mutual, Inc. (GEM)	
Excess Insurance: \$5 million/occurrence excess \$2 million insured by Illinois Union Insurance Co. (ACE) – Annual Aggregate \$15 million per member	
Police Professional Liability	
MVRMA coverage: \$2 million/occurrence with \$1 million excess \$1 million reinsured by GEM	
Excess Insurance: \$5 million/occurrence excess \$2 million insured by Illinois Union Insurance Co. (ACE) – Annual Aggregate \$10 million per member*	

Employment Practices Liability and Public Officials Liability

MVRMA coverage: \$2 million/occurrence and aggregate per member with \$1 million excess \$1 million reinsured by GEM

Excess Insurance: \$5 million/occurrence excess \$2 million insured by Illinois Union Insurance Co. (ACE) – Annual Aggregate \$10 million per member*

Property:

\$1 billion/occurrence

MVRMA SIR: \$200,000/occurrence

Coverage excess SIR provided by PEPiP USA with carriers as follows:

Lexington Insurance Company (Primary \$10 million)

Excess carriers (\$990 million excess \$10 million):

AXIS Specialty Insurance Corp.

Lloyds of London

Great Lakes

Commonwealth Ins. Co.

Essex Insurance Corp.

Arch Insurance

Insurance Company of the West

Flood (included in property policy):

\$25 million/occurrence and annual aggregate (Flood Zone A & V -\$5 million/occurrence and annual aggregate)

MVRMA SIR: \$100,000/occurrence excluding Flood Zones A & V

MVRMA SIR: \$250,000/occurrence Flood Zones A & V

Earthquake (included in property policy):

\$25 million/occurrence and annual aggregate

MVRMA SIR: \$100,000/occurrence

Boiler & Machinery (included in PEPiP Program):

\$100,000,000/occurrence

MVRMA SIR: \$5,000/occurrence

Coverage excess SIR provided by Continental Casualty

*Note: Police Professional, Employment Practices & Public Officials Liability are combined in a single aggregate limit of \$10 million per member by Illinois Union Insurance Co. (ACE).

There has been no material change in this coverage from the prior year. Settled claims have not exceeded this commercial coverage in any of the past three years.

Self-Insurance

The City has a self-insured group health insurance program for employees and their eligible dependents. This program is accounted for in the General Fund. The claims liability of \$57,203 reported in the fund at year end based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported 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 the fund's claims liability amounts were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year-End</u>
2005	\$32,800	\$638,120	(\$613,717)	\$57,203
2004	172,540	322,641	(462,381)	32,800

6. CAPITAL ASSETS

Capital asset activity for the current year end was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$8,261,281	\$0	\$0	\$8,261,281
Construction in Progress	24,668	185,547	24,668	185,547
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	5,622,578	113,469	0	5,736,047
Equipment	2,836,050	392,928	155,045	3,073,933
Infrastructure	5,895,250	1,097,072	0	6,992,322
Totals at Historical Cost	<u>22,639,827</u>	<u>1,789,016</u>	<u>179,713</u>	<u>24,249,130</u>
Less Accumulated Depreciation:				
Buildings and Improvements	1,573,701	127,726	0	1,701,427
Equipment	1,611,273	267,635	139,536	1,739,372
Infrastructure	2,220,005	103,326	0	2,323,331
Total Accumulated Depreciation	<u>\$5,404,979</u>	<u>\$498,687</u>	<u>\$139,536</u>	<u>\$5,764,130</u>
Governmental Activities Capital Assets, Net	<u>\$17,234,848</u>	<u>\$1,290,329</u>	<u>\$40,177</u>	<u>\$18,485,000</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$10,919	\$0	\$0	\$10,919
Construction in Progress	50,000	761,853	0	811,853
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	6,194,420	0	0	6,194,420
Equipment	231,013	40,618	0	271,631
Infrastructure	2,313,935	0	0	2,313,935
Totals at Historical Cost	<u>8,800,287</u>	<u>802,471</u>	<u>0</u>	<u>9,602,758</u>
Less Accumulated Depreciation:				
Buildings and Improvements	1,313,633	146,285	0	1,459,918
Equipment	190,376	22,655	0	213,031
Infrastructure	1,378,262	30,480	0	1,408,742
Total Accumulated Depreciation	<u>\$2,882,271</u>	<u>\$199,420</u>	<u>\$0</u>	<u>\$3,081,691</u>
Business-Type Activities Capital Assets, Net	<u>\$5,918,016</u>	<u>\$603,051</u>	<u>\$0</u>	<u>\$6,521,067</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$31,275
Public Safety	78,154
Leisure Time	146,257
Community Development	56,701
Basic Utility	24,153
Transportation	162,147
Total Depreciation Expense	<u>\$498,687</u>

7. COMPENSATED ABSENCES

In accordance with GASB Statement 16, the City accrues certain portions of unpaid sick leave and vacation pay as payment becomes probable. Each full-time, permanent employee is credited with 10 hours of sick leave per calendar month of service, to a maximum of 120 hours per year. Sick leave credit may be accumulated to a maximum of 2,225 hours. Upon retirement, employees are paid for a maximum of two-thirds of unused accumulated sick leave, provided however, that no more than 1,072 hours may be paid regardless of the accumulated amount.

All full-time employees earn vacation at varying rates based upon length of service. An employee's vacation must be used during the period in which it is earned unless the City Manager allows the balance to be carried over to the following year. Upon separation from the City, the employee (or his/her estate) is paid for his/her accumulated unused vacation leave balance. As of December 31, 2005, the liability for unpaid compensation absences was \$468,814. \$32,962 is reported in the Enterprise fund.

8. LONG-TERM DEBT

A schedule of changes in bonds and other long-term obligations of the City during the current year, follows:

		Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities						
<u>General Obligation Bonds and Notes</u>						
\$2,441,716 Capital Financing Pool	3.15%	\$2,370,000	\$0	(\$105,000)	\$2,265,000	\$110,000
\$245,219 Police Pension Liability	4.30%	190,898	0	(3,155)	187,743	3,290
\$1,706,366 Various Purpose Bonds (Street Improvements)	2.00-5.25%	1,706,366	0	(63,121)	1,643,245	63,121
Total General Obligation Bonds and Notes		<u>4,267,264</u>	<u>0</u>	<u>(171,276)</u>	<u>4,095,988</u>	<u>176,411</u>
Compensated Absences		394,227	72,041	(30,416)	435,852	39,953
Total Governmental Activities		<u>\$4,661,491</u>	<u>\$72,041</u>	<u>(\$201,692)</u>	<u>\$4,531,840</u>	<u>\$216,364</u>
Business Type Activities						
<u>General Obligation Bonds and Notes</u>						
\$187,500 Capital Financing Pool	3.20%	\$175,000	\$0	(\$15,000)	\$160,000	\$15,000
\$182,343 OPWC Compton Road	3.00%	68,379	0	(9,117)	59,262	9,117
\$102,555 OPWC Van Roberts Place Waterline	3.00%	82,330	0	(4,420)	77,911	4,552
\$5,222,608 OPWC Oak Avenue Waterline	3.00%	4,517,862	0	(215,220)	4,302,642	221,725
\$1,706,366 Various Purpose Bonds (Watermain Improvements)	2.00-5.25%	2,348,634	0	(86,879)	2,261,755	86,879
Total General Obligation Bonds and Notes		<u>7,192,205</u>	<u>0</u>	<u>(330,636)</u>	<u>6,861,570</u>	<u>337,273</u>
Compensated Absences		28,747	6,715	(2,500)	32,962	0
Total Business-Type Activities		<u>\$7,220,952</u>	<u>\$6,715</u>	<u>(\$333,136)</u>	<u>\$6,894,532</u>	<u>\$337,273</u>

Compensated Absences will be paid from the fund from which the person is paid. Historically, this is the General Fund or a Special Revenue Fund.

Principal and interest requirements to retire the City's general obligation debt and notes outstanding at year end are as follows:

Year Ending December 31	Principal	Interest	Total
2006	\$513,685	\$398,850	\$912,535
2007	530,664	384,870	915,534
2008	552,858	370,132	922,990
2009	560,271	353,979	914,250
2010	577,910	336,620	914,530
2011-2015	3,095,624	1,382,675	4,478,299
2016-2020	3,409,143	779,110	4,188,253
2021-2025	1,630,678	180,718	1,805,396
2026-2030	41,565	14,607	56,172
2031-2035	45,160	4,891	50,051
Total	<u>\$10,957,558</u>	<u>\$4,206,452</u>	<u>\$15,158,010</u>

9. PENSION PLANS

Ohio Public Employees Retirement System

All full-time employees, other than non-administrative full-time police officers and firefighters, participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by writing to the OPERS, 277 East Town Street, Columbus, Ohio 43215-4642.

Members have a choice of three separate pension plans, a Traditional Pension Plan (TP), a Member-Directed Plan (MD) and a Combined Plan (CO). The TP Plan is a cost-sharing multiple-employer defined benefit pension plan. The MD Plan is a defined contribution plan in which member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustment to members of the TP and CO Plans. Members of the MD Plan do not qualify for the ancillary benefits.

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The employer pension contribution rate for the City is 13.55 percent of covered payroll. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to OPERS for the years ended December 31, 2005, 2004 and 2003 were \$279,603, \$269,743, and \$273,931, respectively. The full amount has been contributed for 2004 and 2003 and 73 percent has been contributed for 2005.

Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple employer public employee retirement system administered by the OP&F's Board of Trustees. 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 by Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 19.5 percent for police and 24.0 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the OP&F for the years ending December 31, 2005, 2004 and 2003 were \$224,106, \$221,326 and \$210,095, respectively. The full amount has been contributed for 2004 and 2003 and 74 percent has been contributed for 2005.

10. POST EMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides retirement, disability, survivor, and postretirement health care benefits 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 postretirement health care coverage, age and service retirees must have ten 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 Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care based on authority granted by State statute. The current year employer contribution rate was 13.55 percent of covered payroll; 4.00 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2004, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.30 percent based on additional annual pay increases. Health care premiums were assumed to increase at the projected wage inflation rates plus an additional factor ranging from 1 percent to 6 percent for the next 8 years. In subsequent years (9 and beyond) health care costs were assumed to increase at 4 percent (the projected wage inflation rate).

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

At December 31, 2005, the number of active contributing participants in the Traditional and Combined Plans totaled 376,109. The City's actual contributions for the current year, which were used to fund postemployment benefits were \$82,540. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2004, (the latest information available) were \$10.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.5 billion and \$18.7 billion, respectively.

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

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during the current year. 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 City's actual contributions for the current year that were used to fund postemployment benefits were \$81,577 for police and \$7,491 for fire. The OP&F's total health care expenses for the year ended December 31, 2004, (the latest information available) were \$102,173,796, which was net of member contributions of \$55,665,341. The number of OP&F participants eligible to receive health care benefits as of December 31, 2004, was 13,812 for police and 10,528 for firefighters.

11. INTERFUND BALANCES

Individual fund interfund receivable, interfund payable, transfers in and transfers out balances at fiscal year-end are as follows:

	Interfund		Transfers	
	<u>Receivable</u>	<u>Payable</u>	<u>In</u>	<u>Out</u>
General Fund	\$0	\$0	\$56,023	\$1,314,454
Capital Improvement	0	169,010	781,524	0
Equipment Replacement	169,010	0	288,936	0
Waterworks	0	0	0	228,247
Other Governmental Funds	<u>0</u>	<u>0</u>	<u>436,682</u>	<u>20,464</u>
Total All Funds	<u>\$169,010</u>	<u>\$169,010</u>	<u>\$1,563,165</u>	<u>\$1,563,165</u>

Interfund balances/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

12. CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2005, the City has implemented GASB Statement No. 40, "Deposit and Investment Risk Disclosures". GASB 40 establishes and modifies disclosure requirements related to investment risk: credit risk (including custodial credit risk and concentrations of credit risk) and interest rate risk. This statement also establishes and modifies disclosure requirements for custodial credit risk on deposits. This statement applies to all state and local governments.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

City of Wyoming, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2005

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$5,560,319	\$5,622,404	\$5,960,499	\$338,095
Fines, Licenses & Permits	98,950	83,945	106,072	22,127
Intergovernmental	558,855	416,775	599,076	182,301
Charges for Services	187,082	152,900	200,546	47,646
Investment Earnings	134,871	105,000	144,578	39,578
Other Revenues	120,980	124,550	129,687	5,137
Total Revenues	6,661,057	6,505,574	7,140,458	634,884
Expenditures:				
Current:				
General Government	2,275,590	2,535,723	2,134,257	401,466
Public Safety	2,350,853	2,331,688	2,204,148	127,540
Leisure Time Activities	66,607	79,900	62,470	17,430
Community Development	168,812	191,315	158,327	32,988
Basic Utility Service	529,667	497,676	496,770	906
Transportation & Street Repair	543,673	556,263	509,906	46,357
Public Health and Welfare	69,089	64,799	64,798	1
Debt Service:				
Principal Retirement	3,155	3,155	3,155	0
Interest and Fiscal Charges	8,080	8,080	8,080	0
Total Expenditures	6,015,526	6,268,599	5,641,911	626,688
Excess of Revenues Over (Under) Expenditures	645,531	236,975	1,498,547	1,261,572
Other financing sources (uses):				
Transfers In	50,992	54,662	54,662	0
Transfers (Out)	(2,090,117)	(2,062,304)	(1,960,304)	102,000
Total Other Financing Sources (Uses)	(2,039,125)	(2,007,642)	(1,905,642)	102,000
Net Change in Fund Balance	(1,393,594)	(1,770,667)	(407,095)	1,363,572
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,887,387	1,887,387	1,887,387	0
Fund Balance End of Year	\$493,793	\$116,720	\$1,480,292	\$1,363,572

See accompanying notes to the required supplementary information.

1. BUDGETARY PROCESS

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the function level for the general fund, and the fund level for all other funds. The Finance Director, with the approval of the City Manager and respective Department Heads, has been authorized to allocate appropriations to the function and object level within each fund. Council must approve any revisions that alter total fund appropriations.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the year.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance

	<u>General</u>
GAAP Basis	\$674,378
Net Adjustment for Revenue Accruals	(480,150)
Net Adjustment for Expenditure Accruals	(375,239)
Encumbrances	<u>(226,084)</u>
Budget Basis	<u>(\$407,095)</u>

**COMBINING STATEMENTS
AND INDIVIDUAL
FUND SCHEDULES**

NONMAJOR FUNDS

Special Revenue Funds: Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Street Construction - Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

State Highway - Required by the Ohio Revised Code to account for that portion of the state gasoline and motor vehicle registration fees designated for maintenance of state highways (Springfield Pike) within the City. 7.5 percent of state gasoline and auto license taxes are allocated to this fund.

Recreation - Accounts for the City's operation of recreation programs. Revenues are derived from recreation fees, memberships, admissions, etc. Expenditures include personnel as well as operating expenses.

Criminal Activity Forfeitures - Established in 1988 to enable the City to retain proceeds from the sale of contraband obtained by the Police Department through property seizure. Under State law, disbursements may be made from the fund only to pay the costs of investigations, technical training, matching funds for federal grants or other appropriate law enforcement purposes.

Drug Offenders - To account for monies acquired through mandatory fines imposed on felony drug traffic offenders and forfeited bail monies.

DUI Enforcement - Established in 1991 to receive fines imposed upon DUI offenders. Under state law, disbursements may be made from this fund for law enforcement purposes related to informing the public of laws governing the operation of a motor vehicle while under the influence of alcohol, and other information relating to the operation of a motor vehicle and the consumption of alcoholic beverages.

Mayor's Court Computer - To account for monies received from court fines. Monies generated under this fund shall be used for computer related expenses of the Court.

FEMA Firefighter Grant - To account for monies received from the proceeds of the City's FEMA Firefighter grant. Monies from this grant will be used for firefighting expenses (training, etc.).

Law Enforcement - To account for monies received from the proceeds of the City's law enforcement activities, which participate with federal agencies in the arrest, and seizure of assets.

FEMA Snow Assistance - To account for monies received from the proceeds of the City's FEMA Snow Assistance. Monies from this grant will be used for snow removal expenses.

Debt Service Funds: The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessments levies when the government is obligated in some manner for payment.

Public Facility Note Retirement - To account for resources applied to the repayment of the outstanding public facility note debt obligation.

Property Acquisition Note Retirement - To account for resources applied to the repayment of the outstanding property acquisition note debt obligation.

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$776,759	\$800	\$777,559
Receivables:			
Accounts	2,571	0	2,571
Intergovernmental	180,222	0	180,222
Inventory	8,106	0	8,106
Total Assets	967,658	800	968,458
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	20,811	0	20,811
Accrued Wages and Benefits	12,365	0	12,365
Deferred Revenue	149,164	0	149,164
Total Liabilities	182,340	0	182,340
Fund Balances:			
Reserved for Encumbrances	551,665	0	551,665
Reserved for Inventory	8,106	0	8,106
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	225,547	0	225,547
Debt Service Funds	0	800	800
Total Fund Balances	785,318	800	786,118
Total Liabilities and Fund Balances	\$967,658	\$800	\$968,458

City of Wyoming, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2005

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues:			
Fines, Licenses & Permits	\$4,905	\$0	\$4,905
Charges for Services	351,581	0	351,581
Intergovernmental	399,216	0	399,216
Total Revenues	755,702	0	755,702
Expenditures:			
Current:			
Public Safety	400	0	400
Leisure Time Activities	685,871	0	685,871
Transportation and Street Repair	235,316	0	235,316
Capital Outlay	39,453	0	39,453
Debt Service:			
Principal Retirement	0	55,000	55,000
Interest and Fiscal Charges	0	37,681	37,681
Total Expenditures	961,040	92,681	1,053,721
Excess of Revenues Over (Under) Expenc	(205,338)	(92,681)	(298,019)
Other Financing Sources (Uses):			
Transfers In	344,000	92,682	436,682
Transfers (Out)	(20,464)	0	(20,464)
Total Other Financing Sources (Uses)	323,536	92,682	416,218
Net Change in Fund Balance	118,198	1	118,199
Fund Balance Beginning of Year	666,498	799	667,297
Change in Reserve for Inventory	622	0	622
Fund Balance End of Year	\$785,318	\$800	\$786,118

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

	Street Construction	State Highway	Recreation	Criminal Activity Forfeitures	Drug Offenders
Assets:					
Equity in Pooled Cash and Investments	\$643,920	\$29,914	\$79,126	\$115	\$2,650
Receivables:					
Accounts	0	0	2,321	0	0
Intergovernmental	166,706	13,516	0	0	0
Inventory	8,106	0	0	0	0
Total Assets	818,732	43,430	81,447	115	2,650
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	11,539	337	8,935	0	0
Accrued Wages and Benefits	0	0	12,365	0	0
Deferred Revenue	137,977	11,187	0	0	0
Total Liabilities	149,516	11,524	21,300	0	0
Fund Balances:					
Reserved for Encumbrances	504,373	1,885	8,228	0	0
Reserved for Inventory	8,106	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	156,737	30,021	51,919	115	2,650
Total Fund Balances	669,216	31,906	60,147	115	2,650
Total Liabilities and Fund Balances	\$818,732	\$43,430	\$81,447	\$115	\$2,650

DUI Enforcement	Mayor's Court Computer	FEMA Firefighter Grant	Law Enforcement	FEMA Snow Assistance	Total Nonmajor Special Revenue Funds
\$6,280	\$13,030	\$0	\$1,724	\$0	\$776,759
0	250	0	0	0	2,571
0	0	0	0	0	180,222
0	0	0	0	0	8,106
<u>6,280</u>	<u>13,280</u>	<u>0</u>	<u>1,724</u>	<u>0</u>	<u>967,658</u>
0	0	0	0	0	20,811
0	0	0	0	0	12,365
0	0	0	0	0	149,164
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>182,340</u>
0	0	37,179	0	0	551,665
0	0	0	0	0	8,106
<u>6,280</u>	<u>13,280</u>	<u>(37,179)</u>	<u>1,724</u>	<u>0</u>	<u>225,547</u>
<u>6,280</u>	<u>13,280</u>	<u>0</u>	<u>1,724</u>	<u>0</u>	<u>785,318</u>
<u>\$6,280</u>	<u>\$13,280</u>	<u>\$0</u>	<u>\$1,724</u>	<u>\$0</u>	<u>\$967,658</u>

City of Wyoming, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2005

	Street Construction	State Highway	Recreation	Criminal Activity Forfeitures	Drug Offenders
Revenues:					
Fines, Licenses & Permits	\$0	\$0	\$0	\$0	\$80
Charges for Services	0	0	351,581	0	0
Intergovernmental	350,346	28,406	0	0	0
Total Revenues	350,346	28,406	351,581	0	80
Expenditures:					
Current:					
Public Safety	0	0	0	0	400
Leisure Time Activities	0	0	685,871	0	0
Transportation and Street Repair	215,093	20,223	0	0	0
Capital Outlay	39,453	0	0	0	0
Total Expenditures	254,546	20,223	685,871	0	400
Excess of Revenues Over (Under) Expenditures	95,800	8,183	(334,290)	0	(320)
Other Financing Sources (Uses):					
Transfers In	0	0	344,000	0	0
Transfers (Out)	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	344,000	0	0
Net Change in Fund Balance	95,800	8,183	9,710	0	(320)
Fund Balance Beginning of Year	572,794	23,723	50,437	115	2,970
Change in Reserve for Inventory	622	0	0	0	0
Fund Balance End of Year	\$669,216	\$31,906	\$60,147	\$115	\$2,650

DUI Enforcement	Mayor's Court Computer	FEMA Firefighter Grant	Law Enforcement	FEMA Snow Assistance	Total Nonmajor Special Revenue Funds
\$185	\$4,640	\$0	\$0	\$0	\$4,905
0	0	0	0	0	351,581
0	0	0	0	20,464	399,216
185	4,640	0	0	20,464	755,702
0	0	0	0	0	400
0	0	0	0	0	685,871
0	0	0	0	0	235,316
0	0	0	0	0	39,453
0	0	0	0	0	961,040
185	4,640	0	0	20,464	(205,338)
0	0	0	0	0	344,000
0	0	0	0	(20,464)	(20,464)
0	0	0	0	(20,464)	323,536
185	4,640	0	0	0	118,198
6,095	8,640	0	1,724	0	666,498
0	0	0	0	0	622
<u>\$6,280</u>	<u>\$13,280</u>	<u>\$0</u>	<u>\$1,724</u>	<u>\$0</u>	<u>\$785,318</u>

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

	Public Facility Note Retirement	Property Acquisition Note Retirement	Total Nonmajor Debt Service Funds
Assets:			
Equity in Pooled Cash and Investments	\$28	\$772	\$800
Total Assets	28	772	800
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	0	0	0
Total Liabilities	0	0	0
Fund Balances:			
Unreserved, Undesignated, Reported in: Debt Service Funds	28	772	800
Total Fund Balances	28	772	800
Total Liabilities and Fund Balances	\$28	\$772	\$800

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

	Public Facility Note Retirement	Property Acquisition Note Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Debt Service:			
Principal Retirement	10,000	45,000	55,000
Interest and Fiscal Charges	4,135	33,546	37,681
Total Expenditures	14,135	78,546	92,681
Excess of Revenues Over (Under) Expenditures	(14,135)	(78,546)	(92,681)
Other Financing Sources (Uses):			
Transfers In	14,135	78,547	92,682
Total Other Financing Sources (Uses)	14,135	78,547	92,682
Net Change in Fund Balance	0	1	1
Fund Balance Beginning of Year	28	771	799
Fund Balance End of Year	\$28	\$772	\$800

City of Wyoming, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2005

	Sewer			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$224,409	\$37,413	\$17,526	\$244,296
Receivables:				
Accounts	218,642	250,376	218,642	250,376
Total Assets	<u>443,051</u>	<u>287,789</u>	<u>236,168</u>	<u>494,672</u>
Liabilities:				
Intergovernmental Payable	443,051	287,789	236,168	494,672
Total Liabilities	<u>\$443,051</u>	<u>\$287,789</u>	<u>\$236,168</u>	<u>\$494,672</u>

	Mayor's Court			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$1,383	\$2,449	\$1,383	\$2,449
Total Assets	<u>1,383</u>	<u>2,449</u>	<u>1,383</u>	<u>2,449</u>
Liabilities:				
Intergovernmental Payable	1,383	2,449	1,383	2,449
Total Liabilities	<u>\$1,383</u>	<u>\$2,449</u>	<u>\$1,383</u>	<u>\$2,449</u>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$225,792	\$39,862	\$18,909	\$246,745
Receivables:				
Accounts	218,642	250,376	218,642	250,376
Total Assets	<u>444,434</u>	<u>290,238</u>	<u>237,551</u>	<u>497,121</u>
Liabilities:				
Intergovernmental Payable	444,434	290,238	237,551	497,121
Total Liabilities	<u>\$444,434</u>	<u>\$290,238</u>	<u>\$237,551</u>	<u>\$497,121</u>

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	Street Construction Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$292,000	\$314,000	\$348,144	\$34,144
Total Revenues	292,000	314,000	348,144	34,144
Expenditures:				
Current:				
Transportation & Street Repair	331,180	770,154	763,642	6,512
Total Expenditures	331,180	770,154	763,642	6,512
Net Change in Fund Balance	(39,180)	(456,154)	(415,498)	40,656
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	543,506	543,506	543,506	0
Fund Balance End of Year	\$504,326	\$87,352	\$128,008	\$40,656

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	State Highway Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$22,950	\$24,500	\$28,228	\$3,728
Total Revenues	22,950	24,500	28,228	3,728
Expenditures:				
Current:				
Transportation & Street Repair	25,864	32,050	22,558	9,492
Total Expenditures	25,864	32,050	22,558	9,492
Net Change in Fund Balance	(2,914)	(7,550)	5,670	13,220
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	22,021	22,021	22,021	0
Fund Balance End of Year	\$19,107	\$14,471	\$27,691	\$13,220

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	Recreation Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges for Services	\$344,534	\$327,534	\$351,518	\$23,984
Total Revenues	344,534	327,534	351,518	23,984
Expenditures:				
Current:				
Leisure Time Activities	681,885	744,157	707,259	36,898
Total Expenditures	681,885	744,157	707,259	36,898
Excess of Revenues Over (Under) Expenditures	(337,351)	(416,623)	(355,741)	60,882
Other financing sources (uses):				
Transfers In	337,165	344,000	344,000	0
Total Other Financing Sources (Uses)	337,165	344,000	344,000	0
Net Change in Fund Balance	(186)	(72,623)	(11,741)	60,882
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	73,703	73,703	73,703	0
Fund Balance End of Year	\$73,517	\$1,080	\$61,962	\$60,882

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	Criminal Activity Forfeitures Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
General Government	0	0	0	0
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	115	115	115	0
Fund Balance End of Year	<u>\$115</u>	<u>\$115</u>	<u>\$115</u>	<u>\$0</u>

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	Drug Offenders Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines, Licenses & Permits	\$0	\$80	\$80	\$0
Total Revenues	0	80	80	0
Expenditures:				
Current:				
Public Safety	0	400	400	0
Total Expenditures	0	400	400	0
Net Change in Fund Balance	0	(320)	(320)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,970	2,970	2,970	0
Fund Balance End of Year	\$2,970	\$2,650	\$2,650	\$0

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	DUI Enforcement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines, Licenses & Permits	\$0	\$160	\$185	\$25
Total Revenues	0	160	185	25
Expenditures:				
Current:				
General Government	0	0	0	0
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	160	185	25
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,095	6,095	6,095	0
Fund Balance End of Year	\$6,095	\$6,255	\$6,280	\$25

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	Mayor's Court Computer Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines, Licenses & Permits	\$4,000	\$4,000	\$4,800	\$800
Total Revenues	4,000	4,000	4,800	800
Expenditures:				
Current:				
General Government	0	0	0	0
Total Expenditures	0	0	0	0
Net Change in Fund Balance	4,000	4,000	4,800	800
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	8,230	8,230	8,230	0
Fund Balance End of Year	\$12,230	\$12,230	\$13,030	\$800

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	FEMA Firefighter Grant Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
General Government	0	0	0	0
Total Expenditures	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0	0
Fund Balance End of Year	\$0	\$0	\$0	\$0

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	Law Enforcement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
General Government	0	0	0	0
Total Expenditures	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,724	1,724	1,724	0
Fund Balance End of Year	<u>\$1,724</u>	<u>\$1,724</u>	<u>\$1,724</u>	<u>\$0</u>

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	FEMA Snow Assistance Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$0	\$20,464	\$20,464	\$0
Total Revenues	0	20,464	20,464	0
Expenditures:				
Current:				
Transportation & Street Repair	0	0	20,464	(20,464)
Total Expenditures	0	0	20,464	(20,464)
Net Change in Fund Balance	0	20,464	0	(20,464)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0	0
Fund Balance End of Year	\$0	\$20,464	\$0	(\$20,464)

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	Public Facility Note Retirement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Debt Service:				
Principal Retirement	10,000	10,000	10,000	0
Interest and Fiscal Charges	4,135	4,135	4,135	0
Total Expenditures	14,135	14,135	14,135	0
Excess of Revenues Over (Under) Expenditures	(14,135)	(14,135)	(14,135)	0
Other financing sources (uses):				
Transfers In	14,135	14,135	14,135	0
Total Other Financing Sources (Uses)	14,135	14,135	14,135	0
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	772	772	772	0
Fund Balance End of Year	\$772	\$772	\$772	\$0

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	Property Acquisition Note Retirement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Debt Service:				
Principal Retirement	45,001	45,000	45,000	0
Interest and Fiscal Charges	33,546	33,546	33,546	0
Total Expenditures	78,547	78,546	78,546	0
Excess of Revenues Over (Under) Expenditures	(78,547)	(78,546)	(78,546)	0
Other financing sources (uses):				
Transfers In	78,547	78,547	78,547	0
Total Other Financing Sources (Uses)	78,547	78,547	78,547	0
Net Change in Fund Balance	0	1	1	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	27	27	27	0
Fund Balance End of Year	\$27	\$28	\$28	\$0

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	Capital Improvement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$240,798	\$299,495	\$250,566	(\$48,929)
Special Assessments	4,900	6,095	5,099	(996)
Charges for Services	2,676	3,329	2,785	(544)
Other Revenues	19,653	24,443	20,450	(3,993)
Total Revenues	268,027	333,362	278,900	(54,462)
Expenditures:				
Capital Outlay	555,998	1,488,544	1,385,275	103,269
Debt Service:				
Principal Retirement	113,121	113,121	113,121	0
Interest and Fiscal Charges	133,255	133,255	133,255	0
Total Expenditures	802,374	1,734,920	1,631,651	103,269
Excess of Revenues Over (Under) Expenditures	(534,347)	(1,401,558)	(1,352,751)	48,807
Other financing sources (uses):				
Transfers In	751,058	781,524	781,524	0
Total Other Financing Sources (Uses)	751,058	781,524	781,524	0
Net Change in Fund Balance	216,711	(620,034)	(571,227)	48,807
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	623,107	623,107	623,107	0
Fund Balance End of Year	\$839,818	\$3,073	\$51,880	\$48,807

City of Wyoming, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2005

	Equipment Replacement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Capital Outlay	402,547	525,225	402,109	123,116
Total Expenditures	402,547	525,225	402,109	123,116
Excess of Revenues Over (Under) Expenditures	(402,547)	(525,225)	(402,109)	123,116
Other financing sources (uses):				
Transfers In	299,086	288,936	288,936	0
Total Other Financing Sources (Uses)	299,086	288,936	288,936	0
Net Change in Fund Balance	(103,461)	(236,289)	(113,173)	123,116
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,151,781	2,151,781	2,151,781	0
Fund Balance End of Year	<u>\$2,048,320</u>	<u>\$1,915,492</u>	<u>\$2,038,608</u>	<u>\$123,116</u>

**STATISTICAL
SECTION**

Table 1
General Governmental Revenues by Sources (A)
Last Ten Fiscal Years

Year	Local Taxes	Fines, Licenses, and Permits	Intergovernmental Revenues	Special Assessments	Charges For Services	Investment Earnings	Other Revenue	Total
1996	\$3,204,272	\$84,783	\$919,842	\$0	\$249,786	\$155,655	\$53,489	\$4,667,827
1997	3,373,102	105,279	1,193,923	0	350,935	155,137	61,870	5,240,246
1998	3,891,875	112,879	1,276,344	0	408,425	202,347	173,396	6,065,266
1999	4,975,486	126,374	841,165	0	472,561	236,506	108,315	6,760,407
2000	5,215,960	117,035	1,874,626	0	446,010	368,588	93,432	8,115,651
2001	4,544,862	102,437	1,387,869	22	427,187	294,118	101,196	6,857,691
2002	3,972,946	121,767	1,326,617	548	428,394	116,420	102,790	6,069,482
2003	4,669,125	233,489	1,065,710	222	456,185	100,260	76,919	6,601,910
2004	4,778,205	100,660	1,206,944	0	530,738	77,655	462,300	7,156,502
2005	5,796,469	105,903	1,635,264	0	544,623	163,003	129,687	8,374,949

Source: Department of Finance, City of Wyoming, Ohio

A - Includes general and special revenue funds.

Table 2
 General Governmental Expenditures by Function (A) (B)
 Last Ten Fiscal Years

Year	General Government	Public Safety	Community Development	Basic Utility Services	Leisure Time Activities	Transportation	Public Health and Welfare	Capital Outlay	Total
1996	\$1,411,610	\$1,489,626	\$121,522	\$273,472	\$389,383	\$685,263	\$11,489	\$0	\$4,382,365
1997	1,311,898	1,430,711	109,809	303,909	413,182	693,195	36,485	0	4,299,189
1998	1,398,334	1,419,585	139,504	352,615	414,686	640,264	36,787	63,630	4,465,405
1999	1,397,623	1,553,979	142,854	465,712	502,944	681,399	36,647	83,144	4,864,302
2000	1,419,844	1,690,442	200,404	466,969	537,329	721,526	39,878	65,061	5,141,453
2001	1,623,748	1,734,207	280,206	478,454	542,251	661,454	103,158	67,978	5,491,456
2002	1,717,725	1,860,414	175,699	496,100	626,460	710,263	37,695	9,388	5,633,744
2003	2,369,809	2,107,551	248,705	504,687	641,311	758,914	63,026	111,649	6,805,652
2004	1,907,662	2,086,975	137,485	521,966	681,288	682,502	64,271	77,704	6,159,853
2005	2,127,632	2,256,306	157,825	496,770	748,341	745,118	64,798	39,453	6,636,243

Source: Department of Finance, City of Wyoming, Ohio

A - Includes general and special revenue funds.

B - Excludes Debt Service

Table 3
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Tax Year/ Collection Year	Real Property		Personal Property Assessed Value	Public Utilities Assessed Value	Total Assessed Value
	Assessed Value	Estimated Actual Value (A)			
1995/1996	\$163,365,910	\$466,759,742	\$1,551,460	\$5,823,870	\$170,741,240
1996/1997	177,669,320	507,626,628	1,573,030	5,949,130	185,191,480
1997/1998	177,848,940	508,139,828	1,665,550	5,583,910	185,098,400
1998/1999	178,866,690	511,047,686	2,921,060	5,591,620	187,379,370
1999/2000	208,791,130	596,546,086	2,657,140	5,681,560	217,129,830
2000/2001	213,203,920	609,154,057	2,475,440	5,137,240	220,816,600
2001/2002	215,170,240	614,772,114	1,753,690	3,545,870	220,469,800
2002/2003	253,002,220	722,863,486	1,093,650	3,720,080	257,815,950
2003/2004	253,666,890	724,762,543	877,020	3,807,040	258,350,950
2004/2005	256,950,950	734,145,571	2,693,700	3,666,360	263,311,010

Source: Hamilton County Auditor

A - Estimated actual value based on assessment level of 35 percent.

Table 4
 Property Tax Rates - Direct and Overlapping Governments
 (Per \$1,000 of Assessed Valuation)
 Last Ten Fiscal Years

Tax Year/ Collection Year	City of Wyoming	Wyoming City School District	Hamilton County	Cincinnati City School District	Great Oaks Joint Vocational School District	Winton Woods City School District
1995/1996	10.00	64.98	18.30	53.52	2.70	0.00
1996/1997	10.00	64.98	19.44	53.19	2.70	62.12
1997/1998	10.00	64.98	19.01	53.13	2.70	62.13
1998/1999	10.00	73.18	19.54	53.13	2.70	70.08
1999/2000	10.00	71.03	20.83	51.94	2.70	70.08
2000/2001	10.00	70.39	19.92	56.93	2.70	70.08
2001/2002	10.00	70.29	21.47	57.15	2.70	70.08
2002/2003	10.00	79.79	21.87	56.25	2.70	70.08
2003/2004	10.00	78.93	21.51	60.75	2.70	70.08
2004/2005	10.00	78.93	21.06	60.83	2.70	78.03

Source: Hamilton County Auditor

Table 5
 Property Tax Levies and Collection
 Real and Public Utility
 Last Ten Fiscal Years

Tax Year/ Collection Year	Current Levy	Collection Including Delinquencies	Total Collections As Percent of Current Year	Accumulated Delinquency
1995/1996	\$1,690,213	\$1,689,594	100.0%	\$44,662
1996/1997	1,834,971	1,832,842	99.9	54,473
1997/1998	1,835,325	1,842,624	100.1	45,036
1998/1999	1,842,304	1,844,608	100.1	40,730
1999/2000	2,139,004	2,138,960	100.0	47,494
2000/2001	2,180,774	2,151,046	98.6	85,380
2001/2002	2,186,333	2,173,994	99.4	65,585
2002/2003	2,561,886	2,547,617	99.4	70,262
2003/2004	2,575,174	2,576,668	100.1	78,716
2004/2005	2,606,883	2,589,330	99.3	103,402

Source: Hamilton County Auditor

Table 6
Special Assessment Collections
Last Ten Fiscal Years

Fiscal Year	Current Assessments Due	Total Collection Including Delinquencies	Total Collections As Percent of Current Assessments	Accumulated Delinquency
1996	\$6,132	\$4,688	76.5%	\$0
1997	5,816	5,466	94.0	0
1998	9,556	7,937	83.0	1,879
1999	9,754	9,214	94.5	677
2000	14,211	12,817	90.2	1,845
2001	13,798	11,254	81.6	2,544
2002	14,706	14,111	96.0	596
2003	11,112	10,154	91.4	958
2004	7,284	6,635	91.1	649
2005	6,325	5,099	80.6	1,230

Source: Hamilton County Auditor

Table 7
 Computation of Legal Debt Margin
 December 31, 2005

	Debt Outstanding	10 1/2% of Assessed Valuation	5 1/2% of Assessed Valuation
Overall Debt Limitations		\$27,647,656	\$14,482,106
Gross Indebtedness	\$3,488,000		
Less: Debt Outside Limitations	\$3,488,000		
Less: Bond Retirement Fund Balance	0		
Net Debt Within Limitations		0	0
Legal Debt Margin Within Limitations		\$27,647,656	\$14,482,106

Source: Department of Finance, City of Wyoming, Ohio

Table 8
 Computation of Direct and Overlapping Debt
 December 31, 2005

	Debt Outstanding	Percentage Applicable To City of Wyoming	Amount Applicable To City of Wyoming
Direct:			
City of Wyoming	\$3,488,000	100.00%	\$3,488,000
Overlapping:			
Hamilton County	111,605,000	1.39%	1,551,310
Springfield Township	13,715,000	0.04%	5,486
Wyoming City School District	17,749,983	100.00%	17,749,983
Finneytown Local School District	7,020,000	0.12%	8,424
Great Oaks Joint Vocational School	4,340,000	1.49%	64,666
Total Overlapping:	154,429,983		19,379,869
Total Direct and Overlapping	\$157,917,983		\$22,867,869

Source: Ohio Municipal Advisory Council

Table 9
 Ratio of Annual Debt Service Expenditures for General
 Bonded Debt to Total General Governmental Expenditures
 Last Ten Fiscal Years

Year	Principal (B)	Interest (A)	Total Debt Service	General Governmental Expenditures (C)	Ratio of Debt Service to General Governmental Expenditures
1996	\$0	\$0	\$0	\$4,382,365	0.0000
1997	0	0	0	4,299,189	0.0000
1998	0	0	0	4,465,405	0.0000
1999	0	0	0	4,864,302	0.0000
2000	0	0	0	5,141,453	0.0000
2001	0	0	0	5,491,456	0.0000
2002	0	0	0	5,633,744	0.0000
2003	0	0	0	6,805,652	0.0000
2004	0	0	0	6,159,853	0.0000
2005	0	0	0	6,636,243	0.0000

Source: Department of Finance, City of Wyoming, Ohio

- A - Excludes bond issuance and other cost.
- B - Excludes general obligation bond anticipation notes.
- C - Includes general and special revenue funds.

Table 10
 Ratio of Net General Bonded Debt to Assessed
 Valuation and Net Bonded Debt per Capita
 Last Ten Fiscal Years

Year	Population (A)	Assessed Value (B)	Gross General Bonded Debt (C)	Less Balance In		Net General Bonded Debt (C)	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
				General Retirement Fund (C)	General Obligation Bond			
1996	8,128	\$170,741,240	\$0	\$3,642	\$0	0.0000	\$0.00	
1997	8,128	185,191,480	0	3,642	0	0.0000	0.00	
1998	8,128	185,098,400	0	4,117	0	0.0000	0.00	
1999	8,128	187,379,370	0	0	0	0.0000	0.00	
2000	8,128	217,129,830	0	0	0	0.0000	0.00	
2001	8,261	220,816,600	0	0	0	0.0000	0.00	
2002	8,261	220,469,800	0	0	0	0.0000	0.00	
2003	8,261	257,815,950	0	0	0	0.0000	0.00	
2004	8,261	258,350,950	1,706,366	799	1,705,567	0.0066	206.46	
2005	8,261	263,311,010	1,643,245	800	1,642,445	0.0062	198.82	

Source:

- A - Federal census
- B - Hamilton County Auditor
- C - Department of Finance, City of Wyoming, Ohio

Table 11
Demographic Statistics
Last Ten Fiscal Years

Population:	
1950	5,582
1960	7,736
1970	9,089
1980	8,282
1990	8,128
2000	8,261
Number of Housing Units (2000)	3,172
Percentage of Population With High School Diploma or Higher (1990)	89.6%
Percentage of Population With Bachelor's Degree or Higher (1990)	59.3%
Unemployment Rate (1990)	4.6%
Per Capita Income (1990)	\$29,735
Median Income Per Household (1990)	\$58,784
Percentage of Population With Income Below the Poverty Level (1990)	2.8%

Source: Federal Census

Table 12
Construction and Bank Deposits
Last Ten Fiscal Years

Year	Residential Construction (A)		Bank Deposits In Thousands (B)
	Number of Permits	Value	
1996	322	\$4,450,708	\$21,598,936
1997	323	4,156,484	18,070,437
1998	400	7,222,418	24,305,322
1999	382	8,296,684	41,302,569
2000	298	10,418,783	76,137,192
2001	294	7,631,776	133,025,841
2002	346	9,381,154	145,359,134
2003	348	9,657,518	147,868,600
2004	321	6,572,672	149,199,466
2005	316	11,823,025	144,600,565

Sources:
A - City of Wyoming, Ohio
B - Federal Reserve Bank of Cleveland -
Amounts Are For Hamilton County

Table 13
Principal Taxpayers
December 31, 2005

Taxpayer	Real Property Assessed Valuation (A)	Percent of Total for the City
Cinergy	\$2,811,250	1.09%
Coral Wyoming, L.L.C.	964,850	0.38%
Heritage Apartments Company	939,400	0.37%
Cincinnati Bell	828,560	0.32%
Friendship United Methodist Church	570,700	0.22%
Westendorf, Joseph A.	490,420	0.19%
Wilson, Kathleen Y.	456,370	0.18%
Landers, Thomas & B. Kay	455,010	0.18%
Jackson, Phyllis A.	405,340	0.16%
Lipson, Stevan G.	350,000	0.14%
Total	\$8,271,900	3.23%
Total Assessed Valuation of City	\$256,950,950	100.00%

Source: Hamilton County Auditor

A - Property assessed at 35 percent of estimated actual value.

Table 14
Other Statistics
December 31, 2005

Year of Incorporation	1874
Form of Government	Council/Manager
Area	2.8 Square Miles
Miles of Streets	36 Street Miles (72 Lane Miles)
Fire Protection and Emergency Rescue:	
Number of Stations	1
Number of Firefighters	41
Police Protection:	
Number of Stations	1
Number of Police Officers	15
Municipal Water Department:	
Number of Consumers	3,260
Average Daily Consumption	1.2 Million Gallons
Miles of Water Mains	42
Sewers:	
Miles of Storm Sewers	16
Buildings:	
2005 Permits Issued	316
2005 Valuation of Construction	\$11,823,025
Parks and Recreation:	
Number of Parks	10
Number of Acres	46.46
Employees (Full Time):	
Classified Service	38
Exempt	13

Source: City of Wyoming, Ohio



**Auditor of State
Betty Montgomery**

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CITY OF WYOMING

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 1, 2006**