



Dave Yost • Auditor of State

CITY OF ASHLAND
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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

City of Ashland
Ashland City
206 Claremont Avenue
Ashland, Ohio 44805

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Ashland County, Ohio, (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 25, 2013.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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

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

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2012-001.

City's Response to Finding

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

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

June 25, 2013



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

City of Ashland
Ashland County
206 Claremont Avenue
Ashland, Ohio 44805

To the City Council:

Report on Compliance for Each Major Federal Program

We have audited the City of Ashland's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the City of Ashland's major federal programs for the year ended December 31, 2012. The *Summary of Audit Results* in the accompanying schedule of findings identifies the City's major federal programs.

Management's Responsibility

The City's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for each of the City's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City of Ashland complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2012.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

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

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

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

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

We have also 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 Ashland (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 25, 2013. We conducted our audit to opine on the City's basic financial statements. The accompanying federal awards expenditures schedule presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

June 25, 2013

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CITY OF ASHLAND
ASHLAND COUNTY

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

| Federal Grantor/ <i>Pass Through Grantor/</i> Program Title | Federal CFDA Number | Pass Through Entity Number | Federal Expenditures |
|--|---------------------------|----------------------------------|-------------------------|
| <u>U.S. Department of Housing and Urban Development</u> | | | |
| <i>Passed through the Ohio Development Services Agency:</i> | | | |
| Community Development Block Grants/State's Program | 14.228 | A-F-11-2AC-1 | \$86,726 |
| | | A-C-11-2AC-1 | 63,000 |
| | | A-C-11-2AC-1 | 85,675 |
| | | A-C-11-2AC-1 | <u>82,953</u> |
| Total Community Development Block Grant Program/U.S. Department of Housing and Urban Development | | | <u>318,354</u> |
| <u>U.S. Department of Transportation - Federal Transit Administration</u> | | | |
| <i>Passed through the Ohio Department of Transportation:</i> | | | |
| Formula Grants for Other Than Urbanized Areas | 20.509 | RPT-4003-031-111 | 19,520 |
| | | RPT-0003-031-112 | 8,543 |
| | | RPT-4003-032-121 | 184,516 |
| | | RPT-0003-032-122 | <u>23,380</u> |
| Total Formula Grants for Other Than Urbanized Areas/U.S. Department of Transportation - Federal Transit Administration | | | <u>235,959</u> |
| Total Federal Expenditures | | | <u><u>\$554,313</u></u> |

The accompanying notes to this schedule are an integral part of this schedule.

**CITY OF ASHLAND
ASHLAND COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2012**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the City of Ashland, Ashland County, Ohio, (the City's) federal award programs' disbursements. The schedule has been prepared on the cash basis of accounting.

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**CITY OF ASHLAND
ASHLAND COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2012**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|--|
| (d)(1)(i) | Type of Financial Statement Opinion | Unmodified |
| (d)(1)(ii) | Were there any material control weaknesses reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material noncompliance at the financial statement level (GAGAS)? | Yes |
| (d)(1)(iv) | Were there any material internal control weaknesses reported for major federal programs? | No |
| (d)(1)(iv) | Were there any significant deficiencies in internal control reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Programs' Compliance Opinion | Unmodified |
| (d)(1)(vi) | Are there any reportable findings under § .510(a)? | No |
| (d)(1)(vii) | Major Programs (list): | <ul style="list-style-type: none"> ➤ CFDA 14.228 - Community Development Block Grants; ➤ CFDA 20.509 – Formula Grants for Other Than Urbanized Areas |
| (d)(1)(viii) | Dollar Threshold: Type A/B Programs | Type A: > \$300,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee? | No |

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

FINDING NUMBER 2012-001

Noncompliance Finding

Ohio Rev. Code Section 5705.41(D) provides no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision stating the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. "Then and Now" Certificate – If the fiscal officer can certify both at the time the contract or order was made ("then"), and at the time the fiscal officer is completing the certification ("now"), sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the City can authorize the drawing of a warrant for the payment of the amount due. The City has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the City.

2. Blanket Certificate – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

3. Super Blanket Certificate– The City may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

44 percent of expenditures tested were not certified prior to incurring the obligation. It was also found none of the exceptions above were utilized for the items found to be in non-compliance. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balance.

Unless the exceptions noted above are used, prior certification is not only required by statute, but is a key control in the disbursement process to assure purchase commitments received prior approval. To improve control over disbursements and to help reduce the possibility of the City's funds exceeding budgetary spending limitations, the Finance Director should certify the funds are or will be available prior to the obligation by the City. When prior certification is not possible, "then and now" certification should be used.

We recommend the City certify purchases to which section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The Finance Director should sign the certification prior to the City incurring a commitment, and only when the requirements of 5705.41(D) are satisfied. The Finance Director should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

Officials' Response:

The City has revised its comprehensive purchasing policy and program to include the proper certificate language on all purchase orders being issued in an effort to comply with the ORC 5705.41 (D). The purchasing program was also revised lowering the threshold from \$500.00 dollars to include all items that the city purchases less personnel expenditures, utility & income tax refund and inter departmental transfers.

The City will work to develop an advanced certification of contracts process where as contracts will be research and certified before being entered into.

| |
|--|
| 3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS |
|--|

None

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**CITY OF ASHLAND
ASHLAND COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
DECEMBER 31, 2012**

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i> |
|----------------|--|------------------|---|
| 2011-001 | Material Noncompliance Citation: Ohio Rev. Code Section 5705.41(D) – The City had 55 percent of disbursements tested not properly certified. | No | Repeated as Finding 2012-001. |
| 2011-002 | Significant Deficiency: IT – Backup Procedures – The City’s backup procedures contained weaknesses. | No | Partially Corrected. Repeated in Management Letter. |
| 2011-003 | Questioned Cost/Noncompliance/ Material Weakness: 49 USC 5311(g) and ODOT Rural Transit Program Manual, Chapter 1, Section D(1) – The City did not provide the correct match amount for the operating or capital portion of the grant. | Yes | Finding No Longer Valid. |
| 2011-004 | Noncompliance/Material Weakness: 49 CFR 630.4 (a) National Transit Database Reporting System and Rural Transit Manual Chapter 5, Section H – The City did not retain documentation to support the information on the Quarterly Operating and Administrative Invoice form. | Yes | Finding No Longer Valid. |

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City of Ashland, Ohio



For Year Ended December 31, 2012



City of Ashland, Ohio

Comprehensive Annual Financial Report
For the Year Ended December 31, 2012

Prepared by:
Larry D. Paxton, Finance Director
and Finance Department Staff

*City of Ashland
Comprehensive Annual Financial Report
Year Ended December 31, 2012*

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Introductory Section



CITY OF ASHLAND

**Finance Division
206 Claremont Ave.
Ashland, Ohio 44805
(419) 289-8170
FAX: (419) 281-0400**

**Larry D. Paxton
Finance Director**

June 25, 2013

Dear Fellow Citizens, Business Partners and Interested Parties;

Attached, is your City's Comprehensive Annual Financial Report for the year ended December 31, 2012. As a part of our commitment to good government we have prepared this report for your review and consideration. It is our hope that you find this report informative of your community's business and activities. In conjunction with preparing this report we are obligated to file it with the Auditor of State's office within one hundred and fifty (150) days after the end of the calendar year. This report utilizes a Generally Accepted Accounting Principles (GAAP) format and strict accounting standards and principles. Within the report you will find the City's financial statements, notes, statements of revenues and expenditures, fund balances, and a statistical section. We have diligently worked to prepare a complete and accurate representation of the information contained within this report. We have also included a section of the Management's Discussion and Analysis (MD&A). It provides a narrative of the financial statements, including an introduction, overview and analysis of information contained within the report. MD&A complements this letter of transmittal and should be read in conjunction with it. The annual audit for the City was performed by the Honorable State Auditor David Yost's regional Canton office and his dedicated staff. The City also employed Rea & Associates, Inc., a Certified Public Accounting firm to assist in the preparation of the financial statements of this report. The Auditor's report and opinion is located in the front of this report.

Profile of the Government

The City of Ashland, Ohio was incorporated in 1884 and is located in the North Central region of the State of Ohio. The City's 10.9976 square mile area is home to a population of 20,362. Located within Ashland County, the City of Ashland is home to the Ashland County government seat. The City of Ashland is a municipal corporation formed under the laws of the State of Ohio and, as such, operates with its own Charter form of government. The City's Charter was adopted June 18, 1914 and has undergone several amendments, with the last being in 2007. The City's management team consists of a Mayor serving as the Chief Executive Officer and Chief Safety

Service Director. The Director of Law serving as Chief Legal Advisor and Prosecutor for the City. The Director of Finance serving as the Chief Financial Officer and overseeing the Finance and Income Tax Divisions. The Council President is elected as an at-large position and serves as the President and residing officer of the legislative body. The citizens also elect four individuals from the four wards of the city to serve as their individual elected representatives on City Council. A Municipal Court Judge is also elected, but serves both the City and the County in matters other than Juvenile and Common Pleas Court issues. All of these public servants serve our community as independently elected officials but work well with each other in an effort to build a better and safer community. These officials are elected to staggered four-year terms, with the Judge serving a six year term.

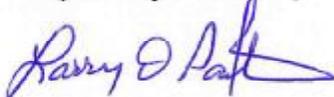
Services and Processes

The City provides a full range of services as directed by its Charter. These services include Police & Fire Protection, Public Healthcare and Administration, Utility Services, Recreational Activities, Programing, Planning and Zoning, Right-of-Way Development and Maintenance, Sanitation Services, Tax Collection and Enforcement, Economic Development and General Administrative Services. The City includes within this report all funds, agencies, boards and commissions that are either controlled by or dependent on the budget adoption process, taxing authority, and/or the city's obligation to fund those activities. The City prepares annual tax budgets for the coming year for all funds and departments and approves it by July 15th. Spending appropriations are prepared and adopted annually on or before March 31st of each year. The line item spending appropriation builds upon the tax budget which mainly establishes revenues streams for the appropriations.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to The City of Ashland for its Comprehensive Annual Financial Report for the calendar year ended December 31, 2011. This was the fifth consecutive year the City of Ashland has achieved this prestigious award for financial reporting. To achieve this award the city has to prepare and publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. This award is valid for a period of one year. The preparation of this report would not have been possible without the dedication and hard work of the many individuals who worked to prepare this report and for that I am sincerely grateful.

Respectfully submitted,



Larry D. Paxton
Director of Finance
City of Ashland, Ohio

City of Ashland, Ohio
Comprehensive Annual Financial Report
For the year ended December 31, 2012

City Officials

Ruth G. Detrow

1/1/1982 – 12/31/1985 (Council)
9/20/2002 – present (Council)

Duane Fishpaw

9/3/1980 – 11/25/2011 (Fireman) (Retired as Assistant Fire Chief)
1/1/2012 – present (Council)

Robert M. Valentine

Employed **seasonally**: 1974 (Laborer), 1978 (Sewer), 1979 (Park)
1/1/2006 – present (Council)

Sandra Hedlund Tunnell

1/1/2010 - present (Council)

Stephen L. Stuart

2/5/2008 – present (Council)

Glen P. Stewart

10/28/1981 – 9/30/1989 (Council)
7/3/2002 – 12/31/2007 (Council)
1/1/2008 – present (Mayor)

John Good

1/11/2008 – 12/31/2011 (Acting Judge)
1/1/2012 – present (Judge)

Richard P. Wolfe II

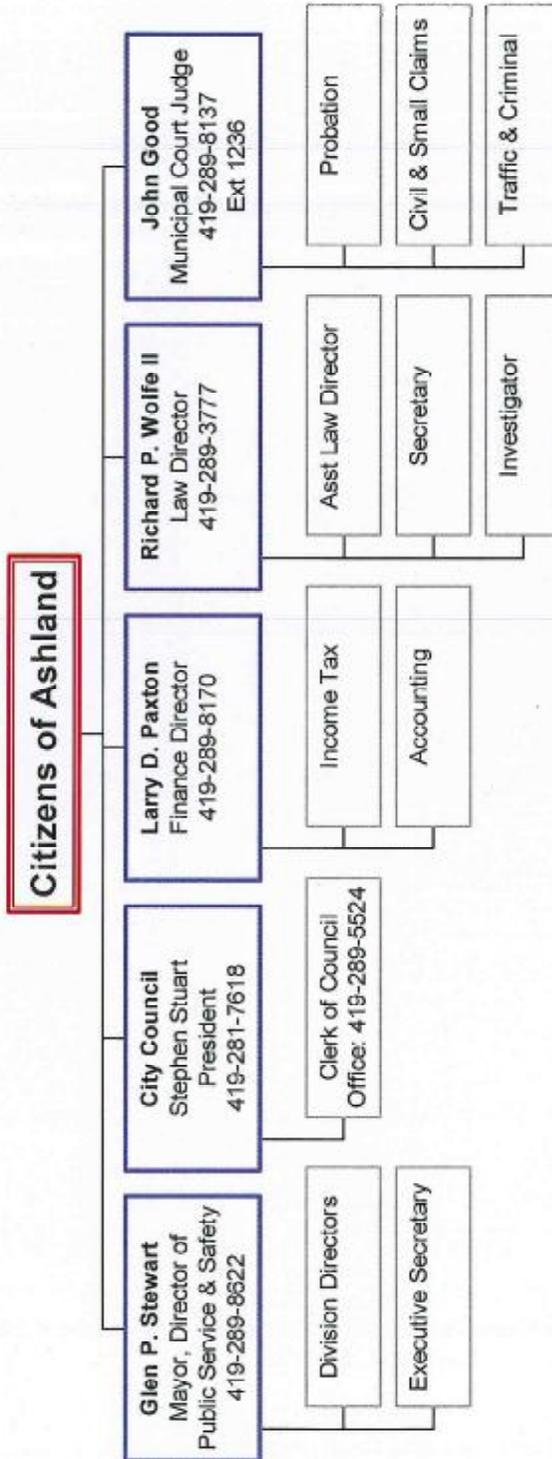
2/11/1974 – 12/31/1975 (Asst Law Director)
1/1/1976 – present (Law Director)

Larry D. Paxton

5/1/2006 – 1/6/2007 (Assistant Director of Finance)
1/6/2007– 1/28/2009 (Assistant to the City Engineer)
1/28/2009 – 6/1/2009 (Acting Director of Engineering)
6/1/2009 – 11/20/2009 (Assistant to the City Engineer)
11/20/2009 – Present (Director of Finance)



City of Ashland Elected Officials



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Ashland
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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Christopher P. Moynell

President

Jeffrey R. Emer

Executive Director

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Financial Section



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Ashland
Ashland City
206 Claremont Avenue
Ashland, Ohio 44805

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Ashland County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

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 Ashland, Ashland County, Ohio, as of December 31, 2012, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund and Street Maintenance and Repair Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's Discussion and Analysis*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

Columbus, Ohio

June 25, 2013

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

The discussion and analysis of the City of Ashland's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2012. The intent of this discussion and analysis is to look at the City's performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2012 are as follows:

- In total, net position increased \$132,603, which represents a .2 percent increase from 2011. Net position of governmental activities decreased \$1,285,429. Net position of business-type activities increased \$1,418,032.
- Total capital assets decreased \$1,052,320 in 2012. Capital assets of governmental activities decreased \$835,441 and capital assets of business-type activities decreased \$216,879.
- Outstanding debt decreased from \$16,219,637 to \$15,051,649 due to principal payments made during the year.

Using this Annual Financial Report

This report is designed to allow the reader to look at the financial activities of the City of Ashland as a whole and is intended to allow the reader to obtain a summary view or a more detailed view of the City's operations, as they prefer.

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2012 and how they affected the operations of the City as a whole.

Reporting the City of Ashland as a Whole

Statement of Net Position and the Statement of Activities

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. 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 what remains 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. In the case of the City of Ashland, the general fund and street maintenance and repair fund are by far the most significant funds. Business-type funds consist of the water, sewer, sanitation, stormwater management, golf course and swimming pool funds.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

A question typically asked about the City's finances "How did we do financially during 2012?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and liabilities* (excluding fiduciary funds) using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's *net position* and *changes in net position*. This change in net position is important because it tells the reader that, for the City as a whole, the *financial position* of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, and other factors.

In the Statement of Net Position and the Statement of Activities, the City is divided into two distinct kinds of activities:

- **Governmental Activities** - Most of the City's programs and services are reported here, including general government, security of persons and property, public health, community and economic development, leisure time activities and transportation.
- **Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water, sewer, sanitation, stormwater management, golf course and swimming pool funds are reported as business-type activities.

Reporting the City of Ashland's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. The City uses many funds to account for financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund and the street maintenance and repair fund.

Governmental Funds Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance future services. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

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

The City of Ashland as a Whole

Recall that the Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2012 compared to 2011:

Table 1
Net Position

| | Governmental Activities | | Business-Type Activities | | Total | |
|-------------------------------|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Assets | | | | | | |
| Current and Other Assets | \$ 9,767,592 | \$ 10,494,702 | \$ 7,009,462 | \$ 6,146,391 | \$ 16,777,054 | \$ 16,641,093 |
| Capital Assets | 19,428,605 | 20,264,046 | 37,122,233 | 37,339,112 | 56,550,838 | 57,603,158 |
| <i>Total Assets</i> | <u>29,196,197</u> | <u>30,758,748</u> | <u>44,131,695</u> | <u>43,485,503</u> | <u>73,327,892</u> | <u>74,244,251</u> |
| Liabilities | | | | | | |
| Current and Other Liabilities | 1,981,740 | 1,865,728 | 338,457 | 329,438 | 2,320,197 | 2,195,166 |
| Long-Term Liabilities | 3,155,968 | 3,549,102 | 12,743,105 | 13,523,964 | 15,899,073 | 17,073,066 |
| <i>Total Liabilities</i> | <u>5,137,708</u> | <u>5,414,830</u> | <u>13,081,562</u> | <u>13,853,402</u> | <u>18,219,270</u> | <u>19,268,232</u> |
| Net Position | | | | | | |
| Net Investment in | | | | | | |
| Capital Assets | 16,986,579 | 17,429,633 | 24,787,398 | 24,249,832 | 41,773,977 | 41,679,465 |
| Restricted | 4,870,075 | 5,247,071 | 0 | 0 | 4,870,075 | 5,247,071 |
| Unrestricted | 2,201,835 | 2,667,214 | 6,262,735 | 5,382,269 | 8,464,570 | 8,049,483 |
| <i>Total Net Position</i> | <u>\$ 24,058,489</u> | <u>\$ 25,343,918</u> | <u>\$ 31,050,133</u> | <u>\$ 29,632,101</u> | <u>\$ 55,108,622</u> | <u>\$ 54,976,019</u> |

At year end, capital assets represented 77 percent of total assets. Capital assets include, land, buildings and improvements, equipment, vehicles, streets, bridges, street lighting, infrastructure and construction in progress. Net investment in capital assets was \$41,773,977 at December 31, 2012, with \$16,986,579 in governmental activities and \$24,787,398 in business-type activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, \$4,870,075 or 9 percent, represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position of \$8,464,570 may be used to meet the City's ongoing obligations to citizens and creditors.

Current assets of governmental activities decreased \$727,110 due to a reduction in local government funding, the completion of several CDBG grants as well as an OPWC grant. Current liabilities increased \$116,012 due to the timing difference of payroll and pension payments compared to 2011.

Business type activities/enterprise funds saw an increase of \$863,071 in current and other assets. This increase is due to a rate increase in utility rates billed to customers.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

Table 2 shows the changes in net position for fiscal year 2012 and 2011.

Table 2
Changes in Net Position

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2012 | *2011 | 2012 | *2011 | 2012 | 2011 |
| Revenues | | | | | | |
| <i>Program Revenues:</i> | | | | | | |
| Charges for Services and Sales | \$ 2,756,133 | \$ 2,979,200 | \$ 9,909,877 | \$ 9,709,024 | \$ 12,666,010 | \$ 12,688,224 |
| Operating Grants, Contributions and Interest | 1,854,051 | 2,349,255 | 0 | 0 | 1,854,051 | 2,349,255 |
| Capital Grants, Contributions and Interest | 304,663 | 513,400 | 297,557 | 295,005 | 602,220 | 808,405 |
| <i>General Revenues:</i> | | | | | | |
| Property Taxes | 1,076,792 | 1,139,664 | 0 | 0 | 1,076,792 | 1,139,664 |
| Income Taxes | 8,420,635 | 8,287,362 | 0 | 0 | 8,420,635 | 8,287,362 |
| Grants and Entitlements | 718,298 | 1,513,673 | 0 | 0 | 718,298 | 1,513,673 |
| Gain on Sale of Capital Assets | 0 | 89,558 | 0 | 0 | 0 | 89,558 |
| Investment Earnings | 14,052 | 53,567 | 0 | 0 | 14,052 | 53,567 |
| Miscellaneous | 133,248 | 195,116 | 1,758 | 8,303 | 135,006 | 203,419 |
| <i>Total Revenues</i> | <u>15,277,872</u> | <u>17,120,795</u> | <u>10,209,192</u> | <u>10,012,332</u> | <u>25,487,064</u> | <u>27,133,127</u> |
| Program Expenses | | | | | | |
| General Government | 4,873,750 | 4,644,683 | 0 | 0 | 4,873,750 | 4,644,683 |
| Security of Persons and Property | 6,961,052 | 6,542,728 | 0 | 0 | 6,961,052 | 6,542,728 |
| Public Health | 297,364 | 315,944 | 0 | 0 | 297,364 | 315,944 |
| Leisure Time Services | 1,131,083 | 1,181,955 | 0 | 0 | 1,131,083 | 1,181,955 |
| Community Development | 574,802 | 455,576 | 0 | 0 | 574,802 | 455,576 |
| Transportation | 2,446,458 | 2,785,525 | 0 | 0 | 2,446,458 | 2,785,525 |
| Interest and Fiscal Charges | 112,685 | 127,022 | 0 | 0 | 112,685 | 127,022 |
| <i>Enterprise Operations:</i> | | | | | | |
| Water | 0 | 0 | 3,372,372 | 3,184,957 | 3,372,372 | 3,184,957 |
| Sewer | 0 | 0 | 2,939,944 | 2,862,379 | 2,939,944 | 2,862,379 |
| Sanitation | 0 | 0 | 1,666,114 | 1,718,055 | 1,666,114 | 1,718,055 |
| Stormwater Management | 0 | 0 | 293,053 | 289,361 | 293,053 | 289,361 |
| Golf Course | 0 | 0 | 609,321 | 524,339 | 609,321 | 524,339 |
| Swimming Pool | 0 | 0 | 76,463 | 73,347 | 76,463 | 73,347 |
| <i>Total Program Expenses</i> | <u>16,397,194</u> | <u>16,053,433</u> | <u>8,957,267</u> | <u>8,652,438</u> | <u>25,354,461</u> | <u>24,705,871</u> |
| <i>Increase (Decrease) in Net Position</i> | (1,119,322) | 1,067,362 | 1,251,925 | 1,359,894 | 132,603 | 2,427,256 |
| Transfers | (166,107) | (135,213) | 166,107 | 135,213 | 0 | 0 |
| <i>Change in Net Position</i> | (1,285,429) | 932,149 | 1,418,032 | 1,495,107 | 132,603 | 2,427,256 |
| <i>Net Position Beginning of Year</i> | <u>25,343,918</u> | <u>24,411,769</u> | <u>29,632,101</u> | <u>28,136,994</u> | <u>54,976,019</u> | <u>52,548,763</u> |
| <i>Net Position End of Year</i> | <u>\$ 24,058,489</u> | <u>\$ 25,343,918</u> | <u>\$ 31,050,133</u> | <u>\$ 29,632,101</u> | <u>\$ 55,108,622</u> | <u>\$ 54,976,019</u> |

*2011 amounts have been reclassified to make them more comparable to 2012.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

Governmental Activities

The funding for the governmental activities comes from several different sources, the most significant being the municipal income tax. Other prominent sources are property taxes, grants and entitlements, charges for services and investment interest.

The City's income tax is at a rate of 1.5 percent. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City provides 100 percent credit up to 1 percent for those who pay income tax to another city. City Council could by Ordinance, choose to vary that income tax credit and create additional revenues for the City.

General revenues include grants and entitlements, such as local government funds. With the combination of property tax, income tax and intergovernmental funding all expenses in the governmental activities are funded. The City monitors its sources of revenues very closely for fluctuations.

The City saw a \$1,842,923 decrease in governmental revenue in 2012. This is largely due to a decrease in other local government revenue and a decrease in grants due to several CDBG grants and an OPWC grant being fully drawn down during 2012.

Police and fire represent the largest expense of the Governmental Activities. This expense of \$6,961,052 represents 42 percent of the total governmental activities expenses. These two departments operate primarily out of the General fund.

The City's Street Maintenance and Repair Department provides the City and its citizens many services that include public road salting, leaf and debris pickup, paint striping and alley profiling. These expenses totaled \$2,446,458, or 15 percent of total governmental activities expenses, during 2012.

The City also maintains a health department (public health) and a park (leisure time services) within the City. These areas had expenses of \$1,428,447 in 2012 equaling 9 percent of the total governmental activities expenses.

Business-Type Activities

Business-type activities include water, sewer, sanitation, stormwater management, golf course and swimming pool operations. The revenues are generated primarily from charges for services. In 2012, charges for services of \$9,909,877 accounted for 97 percent of the business type revenues. The total expenses for the utilities were \$8,957,267 thus leaving an increase in net position of \$1,251,925 (before transfers) for the business-type activities.

The City's Funds

Governmental Funds

Information about the City's governmental funds begins on page 14. These funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues of \$15,429,122 and expenditures of \$15,974,430. The funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

The general fund's net change in fund balance for fiscal year 2012 was a decrease of \$656,967. This decrease is a direct result of the significant reduction in the City's local government revenue allocation in 2012.

The street maintenance and repair fund's net change in fund balance for fiscal year 2012 was a decrease of \$16,419. This is due to a decrease in intergovernmental revenue.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for the business-type activities, but in more detail.

Unrestricted net position of the water fund at the end of the year amounted to \$1,475,543, unrestricted net position of the sanitation fund were \$1,121,260 and the unrestricted net position of the sewer fund were \$2,911,142. The total growth in net position for these funds was \$14,917, \$180,295 and \$1,032,821, respectively. The sewer fund consistently sees a large increase each year. Other factors concerning the finances of these funds have already been addressed in the discussion of the business-type activities.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

During the course of 2012, the City amended its general fund budget on various occasions. All recommendations for appropriation changes come to Council from the Director of Finance. The Finance Committee of Council reviews them, and they make their recommendation to the Council as a whole.

For the general fund, the actual budget basis revenue was \$9,542,883, representing an increase of \$277,621 over the final budget estimate of \$9,265,262. Most of this difference was attributable to an increase in income tax revenue.

Final expenditure appropriations of \$10,144,624 were \$628,739 higher than the actual expenditures of \$9,515,885 as cost savings were recognized for general government and security of persons and property throughout the year.

Capital Assets and Debt Administration

Capital Assets

At the end of year 2012, the City had \$56,550,838 invested in capital assets. A total of \$19,428,605 of this was for governmental activities and \$37,122,233 being attributable to business-type activities. Table 3 shows fiscal year 2012 balances compared with 2011.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

Table 3
Capital Assets at December 31
(Net of Depreciation)

| | Governmental Activities | | Business-Type Activities | | Total | |
|----------------------------|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Land | \$ 7,010,051 | \$ 6,982,327 | \$ 3,734,692 | \$ 3,538,626 | \$ 10,744,743 | \$ 10,520,953 |
| Construction in Progress | 53,222 | 244,891 | 360,775 | 167,624 | 413,997 | 412,515 |
| Buildings and Improvements | 4,887,269 | 4,976,021 | 7,793,894 | 8,053,912 | 12,681,163 | 13,029,933 |
| Equipment | 960,497 | 1,022,336 | 1,672,127 | 1,860,750 | 2,632,624 | 2,883,086 |
| Vehicles | 1,773,070 | 1,950,767 | 536,305 | 605,384 | 2,309,375 | 2,556,151 |
| Streets | 3,240,300 | 3,700,763 | 0 | 0 | 3,240,300 | 3,700,763 |
| Bridges | 650,143 | 731,003 | 0 | 0 | 650,143 | 731,003 |
| Street Lighting | 854,053 | 655,938 | 0 | 0 | 854,053 | 655,938 |
| Infrastructure | 0 | 0 | 23,024,440 | 23,112,816 | 23,024,440 | 23,112,816 |
| <i>Total</i> | <u>\$ 19,428,605</u> | <u>\$ 20,264,046</u> | <u>\$ 37,122,233</u> | <u>\$ 37,339,112</u> | <u>\$ 56,550,838</u> | <u>\$ 57,603,158</u> |

The \$835,441 decrease in capital assets of governmental activities was attributable to current year depreciation and disposals exceeding additional purchases. The \$216,879 decrease in capital assets of business-type activities is due to current year depreciation and disposals exceeding additional purchases. See Note 10 for additional information about the capital assets of the City.

Debt

The outstanding debt for the City as of December 31, 2012 was \$15,051,649. See Note 15 for additional details. Table 4 summarizes outstanding debt.

Table 4
Outstanding Debt, at December 31

| | Governmental Activities | | Business-Type Activities | | Total | |
|-------------------------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| General Obligation Bonds | \$ 2,266,000 | \$ 2,597,000 | \$ 12,424,000 | \$ 13,183,000 | \$ 14,690,000 | \$ 15,780,000 |
| Premium on General Obligation Bonds | 0 | 0 | 157,913 | 171,935 | 157,913 | 171,935 |
| ODOT Loans | 203,736 | 267,702 | 0 | 0 | 203,736 | 267,702 |
| <i>Total</i> | <u>\$ 2,469,736</u> | <u>\$ 2,864,702</u> | <u>\$ 12,581,913</u> | <u>\$ 13,354,935</u> | <u>\$ 15,051,649</u> | <u>\$ 16,219,637</u> |

Economic Factors

In 2012 the City of Ashland continued to feel the effects of the sluggish national economy. The local unemployment rate continued to linger above 7%, and the cost of operating the City continued to be a challenge. During this period of time the City saw its overall operating receipts and disbursements decline from 2011 to 2012 by 2.56% for receipts and 2.34% for disbursements. A major contributing factor to this was the General Fund revenues declined by 7% while its expenditures declined by 4%. The General Fund decline was because the City received \$571,000 less in 2012 than in 2011 from estate taxes. This problem has now been compounded by the state legislature eliminating the collection of this tax at the beginning of 2013. To counter act this loss of revenue the City has begun continually monitoring and scrutinizing its programs and activities for efficiencies and cost effectiveness.

City of Ashland
Ashland County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
(Unaudited)

In the year 2012 the City had the good fortune to take advantage of several grant programs to assist it providing services and or completing construction projects. The City applied for and received \$298,502 in federal and state grants dollars to assist in providing public transportation for the citizens of our community. We also received \$71,741 in EPA grants to replace a major waterline in our community. The City also received Ohio Public Works Commission grant moneys to help make street improvements, new traffic control signalization upgrades and a sewer lift station replacement project. These OPWC projects totaled approximately \$590,138 in grants receipts to the City. The City also received \$309,076 in community housing block grant funding to assist in making home repairs for low to moderate families in our community. The City also utilized \$555,965 of its own storm water funds to begin the installation of a new storm water project in a neighborhood that had not previously been served by a storm water system. Many of these projects had been designed for a period of time but would not have been possible to be completed without grant funding. These grants required the City to participate by contributing a match of local moneys while maximizing grant resources. The City plans to continue to apply for these grants as long as it can continue to raise the local match of moneys.

In 2012 the City continued to take the position that debt is a tool to be used in managing the City. During this time frame the City continued its program of addressing and retiring its long-term obligations. It is the City's position that this program establishes better long term goals and a stronger and sounder financial plan for the City's future. Since its conception the City has continually retired over a million dollars in long-term debt annually.

In 2012 the City continued the development of the City's Industrial Park by assisting companies in their development or expansion projects. These initiatives meet with great success and helped the City to develop a more stable local economy. The Barbasol Shaving Cream Plant completed its second expansion phase doubling its plant size and production. Novatex North America Inc., a manufacturer of infant care products also completed an expansion, doubling its plant and production capabilities. Package Corporation of America began a construction project to expand its facility and also enhancing its production capabilities. Also during this time frame the City began negotiations with a retail establishment to locate at the front of the industrial park along US Route 250 North to better utilize that space. Most of these projects required the City to sell these companies additional land to build their expansion on to.

The City continues to enjoy a stable and cooperative relationship with its workforce with few adjustments. The City currently employees approximately 280 full time employees and estimates it will employ another 40 temporary summer employees, mostly working in recreational programs.

In closing, it is the commitment of the management team of the City to continually strive to meet the needs of the community with the resources and tools we have available to us. It is our desire in this section to have a discussion of our funding initiatives, our debt, our efforts to utilize internal and external funding sources, our workforce relationships, and our efforts to assist in the development of our local economy.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, 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 Larry Paxton, Director of Finance, 206 Claremont Avenue, Ashland, Ohio 44805 or email paxton.larry@ashland-ohio.com

City of Ashland
Ashland County, Ohio
Statement of Net Position
December 31, 2012

| | Governmental Activities | Business-Type Activities | Total |
|--|----------------------------|-----------------------------|----------------------|
| Assets | | | |
| Equity in Pooled Cash and Investments | \$ 4,517,231 | \$ 5,619,820 | \$ 10,137,051 |
| Cash and Cash Equivalents in Segregated Accounts | 0 | 1,144 | 1,144 |
| Accounts Receivable | 249,795 | 903,428 | 1,153,223 |
| Intergovernmental Receivable | 1,458,861 | 0 | 1,458,861 |
| Taxes Receivable | 3,199,946 | 0 | 3,199,946 |
| Prepaid Items | 109,028 | 53,283 | 162,311 |
| Materials and Supplies Inventory | 205,021 | 184,709 | 389,730 |
| Deferred Charges | 27,710 | 247,078 | 274,788 |
| Non-Depreciable Capital Assets | 7,063,273 | 4,095,467 | 11,158,740 |
| Depreciable Capital Assets, Net | 12,365,332 | 33,026,766 | 45,392,098 |
| <i>Total Assets</i> | <u>29,196,197</u> | <u>44,131,695</u> | <u>73,327,892</u> |
| Liabilities | | | |
| Accounts Payable | 108,752 | 36,552 | 145,304 |
| Accrued Wages | 312,422 | 111,460 | 423,882 |
| Contracts Payable | 35,046 | 2,799 | 37,845 |
| Retainage Payable | 0 | 6,550 | 6,550 |
| Intergovernmental Payable | 401,073 | 110,990 | 512,063 |
| Accrued Interest Payable | 11,551 | 43,232 | 54,783 |
| Unearned Revenue | 1,064,498 | 0 | 1,064,498 |
| Accrued Vacation Leave Payable | 35,395 | 0 | 35,395 |
| Matured Compensated Absences Payable | 13,003 | 26,874 | 39,877 |
| Long-Term Liabilities: | | | |
| Due Within One Year | 428,965 | 787,121 | 1,216,086 |
| Due in More Than One Year | 2,727,003 | 11,955,984 | 14,682,987 |
| <i>Total Liabilities</i> | <u>5,137,708</u> | <u>13,081,562</u> | <u>18,219,270</u> |
| Net Position | | | |
| Net Investment in Capital Assets | 16,986,579 | 24,787,398 | 41,773,977 |
| Restricted for Debt Service | 232,138 | 0 | 232,138 |
| Restricted for Capital Outlay | 832,155 | 0 | 832,155 |
| Restricted for Roads and Bridges | 1,762,225 | 0 | 1,762,225 |
| Restricted for Parks & Recreation | 228,366 | 0 | 228,366 |
| Restricted for Police & Fire | 231,347 | 0 | 231,347 |
| Restricted for Public Transportation | 214,067 | 0 | 214,067 |
| Restricted for Municipal Court Programs | 680,331 | 0 | 680,331 |
| Restricted for Community Development | 461,652 | 0 | 461,652 |
| Restricted for Other Purposes | 227,794 | 0 | 227,794 |
| Unrestricted | 2,201,835 | 6,262,735 | 8,464,570 |
| <i>Total Net Position</i> | <u>\$ 24,058,489</u> | <u>\$ 31,050,133</u> | <u>\$ 55,108,622</u> |

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Statement of Activities
For the Year Ended December 31, 2012

| | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | | |
|---|----------------------|--------------------------------|--|---|-------------------------|--------------------------|----------------------|
| | Expenses | Charges for Services and Sales | Operating Grants, Contributions and Interest | Capital Grants, Contributions and Interest | Governmental Activities | Business-Type Activities | Total |
| Governmental Activities | | | | | | | |
| General Government | \$ 4,873,750 | \$ 889,651 | \$ 402,880 | \$ 0 | \$ (3,581,219) | \$ 0 | \$ (3,581,219) |
| Security of Persons and Property | 6,961,052 | 1,557,252 | 143,479 | 0 | (5,260,321) | 0 | (5,260,321) |
| Public Health | 297,364 | 238,699 | 0 | 0 | (58,665) | 0 | (58,665) |
| Leisure Time Services | 1,131,083 | 70,282 | 44,399 | 0 | (1,016,402) | 0 | (1,016,402) |
| Community Development | 574,802 | 0 | 132,963 | 0 | (441,839) | 0 | (441,839) |
| Transportation | 2,446,458 | 249 | 1,130,330 | 304,663 | (1,011,216) | 0 | (1,011,216) |
| Interest and Fiscal Charges | 112,685 | 0 | 0 | 0 | (112,685) | 0 | (112,685) |
| <i>Total Governmental Activities</i> | <u>16,397,194</u> | <u>2,756,133</u> | <u>1,854,051</u> | <u>304,663</u> | <u>(11,482,347)</u> | <u>0</u> | <u>(11,482,347)</u> |
| Business-Type Activities | | | | | | | |
| Water | 3,372,372 | 3,298,482 | 0 | 71,742 | 0 | (2,148) | (2,148) |
| Sewer | 2,939,944 | 3,751,473 | 0 | 225,815 | 0 | 1,037,344 | 1,037,344 |
| Sanitation | 1,666,114 | 1,844,651 | 0 | 0 | 0 | 178,537 | 178,537 |
| Stormwater Management | 293,053 | 517,609 | 0 | 0 | 0 | 224,556 | 224,556 |
| Golf Course | 609,321 | 435,143 | 0 | 0 | 0 | (174,178) | (174,178) |
| Swimming Pool | 76,463 | 62,519 | 0 | 0 | 0 | (13,944) | (13,944) |
| <i>Total Business-Type Activities</i> | <u>8,957,267</u> | <u>9,909,877</u> | <u>0</u> | <u>297,557</u> | <u>0</u> | <u>1,250,167</u> | <u>1,250,167</u> |
| <i>Total</i> | <u>\$ 25,354,461</u> | <u>\$ 12,666,010</u> | <u>\$ 1,854,051</u> | <u>\$ 602,220</u> | <u>(11,482,347)</u> | <u>1,250,167</u> | <u>(10,232,180)</u> |
| General Revenues: | | | | | | | |
| Property Taxes Levied for: | | | | | | | |
| General Purposes | | | | | 535,666 | 0 | 535,666 |
| Park and Recreation | | | | | 133,842 | 0 | 133,842 |
| Police and Fire Pension | | | | | 175,434 | 0 | 175,434 |
| Debt Service | | | | | 231,850 | 0 | 231,850 |
| Income Taxes Levied for: | | | | | | | |
| General Purposes | | | | | 7,026,505 | 0 | 7,026,505 |
| Street Maintenance and Repair | | | | | 651,885 | 0 | 651,885 |
| Park and Recreation | | | | | 742,245 | 0 | 742,245 |
| Grants and Entitlements not Restricted to Specific Programs | | | | | 718,298 | 0 | 718,298 |
| Investment Earnings | | | | | 14,052 | 0 | 14,052 |
| Miscellaneous | | | | | 133,248 | 1,758 | 135,006 |
| <i>Total General Revenues</i> | | | | | <u>10,363,025</u> | <u>1,758</u> | <u>10,364,783</u> |
| Transfers | | | | | (166,107) | 166,107 | 0 |
| <i>Change in Net Position</i> | | | | | <u>(1,285,429)</u> | <u>1,418,032</u> | <u>132,603</u> |
| <i>Net Position Beginning of Year</i> | | | | | <u>25,343,918</u> | <u>29,632,101</u> | <u>54,976,019</u> |
| <i>Net Position End of Year</i> | | | | | <u>\$ 24,058,489</u> | <u>\$ 31,050,133</u> | <u>\$ 55,108,622</u> |

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Balance Sheet
Governmental Funds
December 31, 2012

| | General | Street Maintenance and Repair | All Other Governmental Funds | Total Governmental Funds |
|--|---------------------|-------------------------------------|------------------------------------|--------------------------------|
| Assets | | | | |
| Equity in Pooled Cash and Investments | \$ 955,628 | \$ 998,627 | \$ 2,562,976 | \$ 4,517,231 |
| Accounts Receivable | 215,915 | 190 | 33,690 | 249,795 |
| Intergovernmental Receivable | 456,130 | 384,086 | 618,645 | 1,458,861 |
| Taxes Receivable | 2,277,868 | 164,226 | 757,852 | 3,199,946 |
| Interfund Receivable | 0 | 0 | 96,266 | 96,266 |
| Prepaid Items | 81,683 | 12,567 | 14,778 | 109,028 |
| Materials and Supplies Inventory | 0 | 205,021 | 0 | 205,021 |
| <i>Total Assets</i> | <u>\$ 3,987,224</u> | <u>\$ 1,764,717</u> | <u>\$ 4,084,207</u> | <u>\$ 9,836,148</u> |
| Liabilities | | | | |
| Accounts Payable | \$ 25,588 | \$ 0 | \$ 83,164 | \$ 108,752 |
| Accrued Wages | 259,734 | 29,266 | 23,422 | 312,422 |
| Contracts Payable | 0 | 10,514 | 24,532 | 35,046 |
| Intergovernmental Payable | 351,999 | 26,366 | 22,708 | 401,073 |
| Interfund Payable | 0 | 0 | 96,266 | 96,266 |
| Deferred Revenue | 1,914,233 | 335,976 | 1,127,738 | 3,377,947 |
| Matured Compensated Absences Payable | 0 | 12,043 | 960 | 13,003 |
| <i>Total Liabilities</i> | <u>2,551,554</u> | <u>414,165</u> | <u>1,378,790</u> | <u>4,344,509</u> |
| Fund Balances | | | | |
| Nonspendable | 81,683 | 217,588 | 14,778 | 314,049 |
| Restricted | 0 | 1,132,964 | 2,215,505 | 3,348,469 |
| Committed | 4,758 | 0 | 500,714 | 505,472 |
| Assigned | 1,360,086 | 0 | 0 | 1,360,086 |
| Unassigned | (10,857) | 0 | (25,580) | (36,437) |
| <i>Total Fund Balances</i> | <u>1,435,670</u> | <u>1,350,552</u> | <u>2,705,417</u> | <u>5,491,639</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 3,987,224</u> | <u>\$ 1,764,717</u> | <u>\$ 4,084,207</u> | <u>\$ 9,836,148</u> |

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2012

| | | |
|---|----|-----------|
| Total Governmental Fund Balances | \$ | 5,491,639 |
|---|----|-----------|

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

| | | |
|---|--|------------|
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | 19,428,605 |
|---|--|------------|

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

| | | |
|----------------------|----|-----------|
| Property Taxes | \$ | 102,950 |
| Income Tax | | 1,002,502 |
| Intergovernmental | | 1,117,016 |
| Charges for Services | | 90,981 |
| | | 90,981 |

| | | |
|-------|--|-----------|
| Total | | 2,313,449 |
|-------|--|-----------|

| | | |
|--|--|----------|
| Accrued interest payable is not due and payable in the current period and therefore not reported in the funds. | | (11,551) |
|--|--|----------|

| | | |
|---|--|--------|
| Unamortized issuance costs represent deferred charges which do not provide current financial resources and, therefore, are not reported in the funds. | | 27,710 |
|---|--|--------|

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

| | | |
|--------------------------------|--|-------------|
| General Obligation Bonds | | (2,266,000) |
| ODOT Loan | | (203,736) |
| Accrued Vacation Leave Payable | | (35,395) |
| Compensated Absences | | (686,232) |
| | | (686,232) |

| | | |
|-------|--|-------------|
| Total | | (3,191,363) |
|-------|--|-------------|

| | | |
|--|----|------------|
| <i>Net Position of Governmental Activities</i> | \$ | 24,058,489 |
|--|----|------------|

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

| | General | Street Maintenance and Repair | All Other Governmental Funds | Total Governmental Funds |
|---|---------------------|-------------------------------------|------------------------------------|--------------------------------|
| Revenues | | | | |
| Property Taxes | \$ 547,139 | \$ 0 | \$ 552,438 | \$ 1,099,577 |
| Income Taxes | 6,937,454 | 643,187 | 732,341 | 8,312,982 |
| Charges for Services | 1,030,448 | 0 | 458,577 | 1,489,025 |
| Licenses and Permits | 21,867 | 0 | 0 | 21,867 |
| Fines and Forfeitures | 703,556 | 59 | 475,819 | 1,179,434 |
| Intergovernmental | 696,913 | 874,219 | 1,484,514 | 3,055,646 |
| Interest | 11,010 | 6,242 | 3,835 | 21,087 |
| Rent | 10,200 | 0 | 63,710 | 73,910 |
| Contributions and Donations | 390 | 0 | 35,927 | 36,317 |
| Other | 57,218 | 19,730 | 62,329 | 139,277 |
| <i>Total Revenues</i> | <u>10,016,195</u> | <u>1,543,437</u> | <u>3,869,490</u> | <u>15,429,122</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 3,942,767 | 0 | 731,178 | 4,673,945 |
| Security of Persons and Property | 5,906,983 | 0 | 769,338 | 6,676,321 |
| Public Health | 295,564 | 0 | 1,800 | 297,364 |
| Leisure Time Services | 0 | 0 | 997,974 | 997,974 |
| Community Development | 160,997 | 0 | 418,510 | 579,507 |
| Transportation | 0 | 1,539,953 | 196,373 | 1,736,326 |
| Capital Outlay | 15,908 | 19,903 | 470,269 | 506,080 |
| Debt Service: | | | | |
| Principal Retirement | 0 | 0 | 394,966 | 394,966 |
| Interest and Fiscal Charges | 0 | 0 | 111,947 | 111,947 |
| <i>Total Expenditures</i> | <u>10,322,219</u> | <u>1,559,856</u> | <u>4,092,355</u> | <u>15,974,430</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(306,024)</u> | <u>(16,419)</u> | <u>(222,865)</u> | <u>(545,308)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 0 | 0 | 197,378 | 197,378 |
| Transfers Out | (350,943) | 0 | 0 | (350,943) |
| <i>Total Other Financing Sources (Uses)</i> | <u>(350,943)</u> | <u>0</u> | <u>197,378</u> | <u>(153,565)</u> |
| <i>Net Change in Fund Balance</i> | (656,967) | (16,419) | (25,487) | (698,873) |
| <i>Fund Balance Beginning of Year</i> | <u>2,092,637</u> | <u>1,366,971</u> | <u>2,730,904</u> | <u>6,190,512</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 1,435,670</u> | <u>\$ 1,350,552</u> | <u>\$ 2,705,417</u> | <u>\$ 5,491,639</u> |

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2012*

| | | |
|---|----|-----------|
| Net Change in Fund Balances - Total Governmental Funds | \$ | (698,873) |
|---|----|-----------|

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

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

| | | |
|---|--------------------|-----------|
| Capital Asset Additions and Net Transfers | \$ 493,538 | |
| Current Year Depreciation | <u>(1,315,749)</u> | (822,211) |

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (13,230)

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

| | | |
|----------------------|-----------------|-----------|
| Property Taxes | (22,785) | |
| Income Tax | 107,652 | |
| Intergovernmental | (221,712) | |
| Charges for Services | <u>(14,406)</u> | (151,250) |

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

| | | |
|--------------------------|---------------|---------|
| General Obligation Bonds | 331,000 | |
| ODOT Loan | <u>63,966</u> | 394,966 |

In the statement of activities, interest is accrued on outstanding bonds, and bond issuance costs are amortized over the term of the bonds, whereas in governmental funds, interest and bond issuance cost expenditures are reported when bonds are issued.

| | | |
|--------------------------|----------------|-------|
| Accrued Interest Payable | 1,841 | |
| Bond Issuance Costs | <u>(2,579)</u> | (738) |

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.

| | | |
|--------------------------------|----------------|--------------|
| Accrued Vacation Leave Payable | 7,739 | |
| Compensated Absences | <u>(1,832)</u> | <u>5,907</u> |

| | | |
|--|----|---------------------------|
| <i>Change in Net Position of Governmental Activities</i> | \$ | <u><u>(1,285,429)</u></u> |
|--|----|---------------------------|

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

| | Budgeted Amounts | | | Final Budget Over (Under) |
|---|-------------------|-------------------|-------------------|---------------------------------|
| | Original | Final | Actual | |
| Revenues | | | | |
| Property Taxes | \$ 624,410 | \$ 624,410 | \$ 547,139 | \$ (77,271) |
| Income Taxes | 6,127,323 | 6,127,323 | 6,563,792 | 436,469 |
| Charges for Services | 765,128 | 765,128 | 766,868 | 1,740 |
| Licenses and Permits | 26,570 | 26,570 | 21,867 | (4,703) |
| Fines and Forfeitures | 631,400 | 631,400 | 714,890 | 83,490 |
| Intergovernmental | 1,002,364 | 1,001,556 | 854,510 | (147,046) |
| Interest | 26,200 | 26,200 | 11,073 | (15,127) |
| Rent | 10,200 | 10,200 | 10,200 | 0 |
| Contributions and Donations | 5,075 | 5,075 | 390 | (4,685) |
| Other | 47,400 | 47,400 | 52,154 | 4,754 |
| <i>Total Revenues</i> | <u>9,266,070</u> | <u>9,265,262</u> | <u>9,542,883</u> | <u>277,621</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 3,517,652 | 3,483,454 | 3,171,703 | 311,751 |
| Security of Persons and Property | 5,972,459 | 6,038,939 | 5,750,616 | 288,323 |
| Public Health | 314,550 | 314,639 | 293,307 | 21,332 |
| Community Development | 161,057 | 166,736 | 160,238 | 6,498 |
| Capital Outlay | 141,464 | 140,856 | 140,021 | 835 |
| <i>Total Expenditures</i> | <u>10,107,182</u> | <u>10,144,624</u> | <u>9,515,885</u> | <u>628,739</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(841,112)</u> | <u>(879,362)</u> | <u>26,998</u> | <u>906,360</u> |
| Other Financing (Uses) | | | | |
| Transfers Out | (335,166) | (390,701) | (365,640) | 25,061 |
| <i>Net Change in Fund Balance</i> | (1,176,278) | (1,270,063) | (338,642) | 931,421 |
| <i>Fund Balance Beginning of Year</i> | 1,276,832 | 1,276,832 | 1,276,832 | 0 |
| Prior Year Encumbrances Appropriated | 7,568 | 7,568 | 7,568 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$ 108,122</u> | <u>\$ 14,337</u> | <u>\$ 945,758</u> | <u>\$ 931,421</u> |

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2012

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---------------------------------------|-------------------|-------------------|-------------------|--|
| | Original | Final | | |
| Revenues | | | | |
| Income Taxes | \$ 598,510 | \$ 598,510 | \$ 641,144 | \$ 42,634 |
| Fines and Forfeitures | 7,400 | 7,400 | 4,920 | (2,480) |
| Intergovernmental | 912,000 | 912,000 | 884,807 | (27,193) |
| Interest | 7 | 7 | 6,242 | 6,235 |
| Other | 30,000 | 30,000 | 19,730 | (10,270) |
| <i>Total Revenues</i> | <u>1,547,917</u> | <u>1,547,917</u> | <u>1,556,843</u> | <u>8,926</u> |
| Expenditures | | | | |
| Current: | | | | |
| Transportation | 2,039,685 | 2,063,010 | 1,495,328 | 567,682 |
| Capital Outlay | 186,052 | 162,727 | 66,357 | 96,370 |
| <i>Total Expenditures</i> | <u>2,225,737</u> | <u>2,225,737</u> | <u>1,561,685</u> | <u>664,052</u> |
| <i>Net Change in Fund Balance</i> | (677,820) | (677,820) | (4,842) | 672,978 |
| <i>Fund Balance Beginning of Year</i> | 800,242 | 800,242 | 800,242 | 0 |
| Prior Year Encumbrances Appropriated | 162,919 | 162,919 | 162,919 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$ 285,341</u> | <u>\$ 285,341</u> | <u>\$ 958,319</u> | <u>\$ 672,978</u> |

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2012

| | Enterprise Funds | | | | Total |
|---|----------------------|----------------------|---------------------|---------------------------------|----------------------|
| | Water | Sewer | Sanitation | Nonmajor Enterprise Funds | |
| Assets | | | | | |
| <i>Current Assets:</i> | | | | | |
| Equity in Pooled Cash and Investments | \$ 1,158,048 | \$ 2,565,624 | \$ 1,190,715 | \$ 705,433 | \$ 5,619,820 |
| Cash and Cash Equivalents in Segregated Accounts | 0 | 0 | 0 | 1,144 | 1,144 |
| Accounts Receivable | 393,291 | 490,460 | 16,590 | 3,087 | 903,428 |
| Prepaid Items | 21,748 | 25,015 | 6,520 | 0 | 53,283 |
| Materials and Supplies Inventory | 90,747 | 0 | 0 | 93,962 | 184,709 |
| <i>Total Current Assets</i> | <u>1,663,834</u> | <u>3,081,099</u> | <u>1,213,825</u> | <u>803,626</u> | <u>6,762,384</u> |
| <i>Non-Current Assets:</i> | | | | | |
| Deferred Charges | 78,144 | 168,934 | 0 | 0 | 247,078 |
| Non-Depreciable Capital Assets | 2,746,908 | 80,008 | 73,274 | 1,195,277 | 4,095,467 |
| Depreciable Capital Assets, Net | 11,463,065 | 19,099,769 | 181,195 | 2,282,737 | 33,026,766 |
| <i>Total Non-Current Assets</i> | <u>14,288,117</u> | <u>19,348,711</u> | <u>254,469</u> | <u>3,478,014</u> | <u>37,369,311</u> |
| <i>Total Assets</i> | <u>15,951,951</u> | <u>22,429,810</u> | <u>1,468,294</u> | <u>4,281,640</u> | <u>44,131,695</u> |
| Liabilities | | | | | |
| <i>Current Liabilities:</i> | | | | | |
| Accounts Payable | 22,844 | 3,708 | 10,000 | 0 | 36,552 |
| Accrued Wages | 45,248 | 35,577 | 18,805 | 11,830 | 111,460 |
| Contracts Payable | 933 | 933 | 0 | 933 | 2,799 |
| Retainage Payable | 0 | 0 | 0 | 6,550 | 6,550 |
| Intergovernmental Payable | 46,291 | 34,119 | 19,296 | 11,284 | 110,990 |
| Matured Compensated Absences Payable | 0 | 14,831 | 12,043 | 0 | 26,874 |
| Accrued Interest Payable | 17,479 | 25,753 | 0 | 0 | 43,232 |
| Compensated Absences Payable | 2,122 | 6,350 | 4,050 | 599 | 13,121 |
| General Obligation Bonds Payable | 372,000 | 402,000 | 0 | 0 | 774,000 |
| <i>Total Current Liabilities</i> | <u>506,917</u> | <u>523,271</u> | <u>64,194</u> | <u>31,196</u> | <u>1,125,578</u> |
| <i>Long-Term Liabilities:</i> | | | | | |
| Compensated Absences Payable - Net of Current Portion | 53,374 | 48,686 | 28,371 | 17,640 | 148,071 |
| General Obligation Bonds Payable - Net of Current Portion | 4,466,241 | 7,341,672 | 0 | 0 | 11,807,913 |
| <i>Total Long-Term Liabilities</i> | <u>4,519,615</u> | <u>7,390,358</u> | <u>28,371</u> | <u>17,640</u> | <u>11,955,984</u> |
| <i>Total Liabilities</i> | <u>5,026,532</u> | <u>7,913,629</u> | <u>92,565</u> | <u>48,836</u> | <u>13,081,562</u> |
| Net Position | | | | | |
| Net Investment in Capital Assets | 9,449,876 | 11,605,039 | 254,469 | 3,478,014 | 24,787,398 |
| Unrestricted | 1,475,543 | 2,911,142 | 1,121,260 | 754,790 | 6,262,735 |
| <i>Total Net Position</i> | <u>\$ 10,925,419</u> | <u>\$ 14,516,181</u> | <u>\$ 1,375,729</u> | <u>\$ 4,232,804</u> | <u>\$ 31,050,133</u> |

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2012

| | Enterprise Funds | | | | Totals |
|---|----------------------|----------------------|---------------------|---------------------------------|----------------------|
| | Water | Sewer | Sanitation | Nonmajor Enterprise Funds | |
| Operating Revenues | | | | | |
| Charges for Services | \$ 3,298,482 | \$ 3,751,473 | \$ 1,844,651 | \$ 1,015,271 | \$ 9,909,877 |
| Other | 0 | 0 | 1,758 | 0 | 1,758 |
| <i>Total Operating Revenues</i> | <u>3,298,482</u> | <u>3,751,473</u> | <u>1,846,409</u> | <u>1,015,271</u> | <u>9,911,635</u> |
| Operating Expenses | | | | | |
| Personal Services | 1,373,087 | 1,386,891 | 965,292 | 510,451 | 4,235,721 |
| Contractual Services | 227,157 | 58,503 | 417,026 | 117,356 | 820,042 |
| Materials and Supplies | 737,462 | 380,548 | 144,767 | 223,341 | 1,486,118 |
| Utilities | 232,133 | 211,848 | 93,085 | 28,437 | 565,503 |
| Depreciation | 553,576 | 579,210 | 44,302 | 79,075 | 1,256,163 |
| Other | 734 | 424 | 1,642 | 20,177 | 22,977 |
| <i>Total Operating Expenses</i> | <u>3,124,149</u> | <u>2,617,424</u> | <u>1,666,114</u> | <u>978,837</u> | <u>8,386,524</u> |
| <i>Operating Income</i> | <u>174,333</u> | <u>1,134,049</u> | <u>180,295</u> | <u>36,434</u> | <u>1,525,111</u> |
| Non-Operating Revenues (Expenses) | | | | | |
| Interest | (223,577) | (322,520) | 0 | 0 | (546,097) |
| Intergovernmental | 71,742 | 225,815 | 0 | 0 | 297,557 |
| Loss on Sale of Capital Assets | (24,646) | 0 | 0 | 0 | (24,646) |
| <i>Total Non-Operating Revenues (Expenses)</i> | <u>(176,481)</u> | <u>(96,705)</u> | <u>0</u> | <u>0</u> | <u>(273,186)</u> |
| <i>Income (Loss) Before Capital Contributions and Transfers</i> | <u>(2,148)</u> | <u>1,037,344</u> | <u>180,295</u> | <u>36,434</u> | <u>1,251,925</u> |
| Capital Contributions | 0 | 12,542 | 0 | 0 | 12,542 |
| Transfers In | 17,065 | 0 | 0 | 153,565 | 170,630 |
| Transfers Out | 0 | (17,065) | 0 | 0 | (17,065) |
| <i>Change in Net Position</i> | <u>14,917</u> | <u>1,032,821</u> | <u>180,295</u> | <u>189,999</u> | <u>1,418,032</u> |
| <i>Net Position Beginning of Year</i> | <u>10,910,502</u> | <u>13,483,360</u> | <u>1,195,434</u> | <u>4,042,805</u> | <u>29,632,101</u> |
| <i>Net Position End of Year</i> | <u>\$ 10,925,419</u> | <u>\$ 14,516,181</u> | <u>\$ 1,375,729</u> | <u>\$ 4,232,804</u> | <u>\$ 31,050,133</u> |

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

| | Enterprise Funds | | | | Totals |
|--|---------------------|---------------------|---------------------|---------------------------------|---------------------|
| | Water | Sewer | Sanitation | Nonmajor Enterprise Funds | |
| Cash Flows from Operating Activities | | | | | |
| Cash Received from Customers | \$ 3,362,692 | \$ 3,783,634 | \$ 1,866,973 | \$ 1,018,969 | \$ 10,032,268 |
| Cash Payments to Suppliers for Goods and Services | (694,126) | (380,499) | (144,767) | (204,566) | (1,423,958) |
| Cash Payments to Employees for Services and Benefits | (1,393,614) | (1,374,910) | (945,550) | (502,497) | (4,216,571) |
| Cash Payments for Contractual Services | (461,028) | (271,278) | (508,532) | (145,793) | (1,386,631) |
| Other Cash Payments | (734) | (424) | (1,642) | (20,177) | (22,977) |
| <i>Net Cash Provided by Operating Activities</i> | <u>813,190</u> | <u>1,756,523</u> | <u>266,482</u> | <u>145,936</u> | <u>2,982,131</u> |
| Cash Flows from Noncapital Financing Activities | | | | | |
| Transfers In | 0 | 0 | 0 | 153,565 | 153,565 |
| Cash Flows from Capital and Related Financing Activities | | | | | |
| Intergovernmental Revenue | 71,742 | 257,332 | 0 | 0 | 329,074 |
| Acquisition of Capital Assets | (154,558) | (428,948) | (73,206) | (435,474) | (1,092,186) |
| Principal Payments on Debt | (363,000) | (396,000) | 0 | 0 | (759,000) |
| Interest Payments on Debt | (222,535) | (320,833) | 0 | 0 | (543,368) |
| <i>Net Cash (Used for) Capital and Related Financing Activities</i> | <u>(668,351)</u> | <u>(888,449)</u> | <u>(73,206)</u> | <u>(435,474)</u> | <u>(2,065,480)</u> |
| <i>Net Increase (Decrease) in Cash and Investments</i> | 144,839 | 868,074 | 193,276 | (135,973) | 1,070,216 |
| <i>Cash and Investments Beginning of Year</i> | <u>1,013,209</u> | <u>1,697,550</u> | <u>997,439</u> | <u>842,550</u> | <u>4,550,748</u> |
| <i>Cash and Investments End of Year</i> | <u>\$ 1,158,048</u> | <u>\$ 2,565,624</u> | <u>\$ 1,190,715</u> | <u>\$ 706,577</u> | <u>\$ 5,620,964</u> |
| Reconciliation of Operating Income to Net Cash Provided by Operating Activities | | | | | |
| Operating Income | \$ 174,333 | \$ 1,134,049 | \$ 180,295 | \$ 36,434 | \$ 1,525,111 |
| Adjustments: | | | | | |
| Depreciation | 553,576 | 579,210 | 44,302 | 79,075 | 1,256,163 |
| (Increase) Decrease in Assets: | | | | | |
| Accounts Receivable | 64,210 | 32,161 | 10,564 | 3,698 | 110,633 |
| Prepaid Items | (1,738) | (927) | 1,579 | 0 | (1,086) |
| Materials and Supplies Inventory | 28,728 | 0 | 0 | 18,775 | 47,503 |
| Increase (Decrease) in Liabilities: | | | | | |
| Accounts Payable | 14,608 | 49 | 10,000 | 0 | 24,657 |
| Accrued Wages | (14,994) | 2,529 | 2,203 | 3,517 | (6,745) |
| Accrued Vacation Leave Payable | (3,447) | (3,588) | 0 | 0 | (7,035) |
| Compensated Absences Payable | 753 | (11,766) | 698 | 2,478 | (7,837) |
| Matured Compensated Absences Payable | (15,950) | 14,831 | 12,043 | 0 | 10,924 |
| Intergovernmental Payable | 13,111 | 9,975 | 4,798 | 1,959 | 29,843 |
| <i>Net Cash Provided by Operating Activities</i> | <u>\$ 813,190</u> | <u>\$ 1,756,523</u> | <u>\$ 266,482</u> | <u>\$ 145,936</u> | <u>\$ 2,982,131</u> |

Noncash Capital Financing Activities:

During 2012, capital assets were transferred from the sewer enterprise fund to the water enterprise fund in the amount of \$17,065 (cost was \$51,111 and accumulated depreciation was \$34,131).

Governmental activities transferred capital assets to the sewer enterprise fund in the amount of \$12,542 (cost was \$52,500 and accumulated depreciation was \$39,958).

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2012

| | Private Purpose Trust | Agency Funds |
|--|--------------------------|--------------|
| Assets | | |
| Equity in Pooled Cash and Investments | \$ 6,107 | \$ 30,861 |
| Cash and Cash Equivalents in Segregated Accounts | 0 | 60,021 |
| <i>Total Assets</i> | 6,107 | \$ 90,882 |
| Liabilities | | |
| Undistributed Monies | 0 | \$ 90,882 |
| Net Position | | |
| Held in Trust for Private Purposes | 6,107 | |
| <i>Total Net Position</i> | \$ 6,107 | |

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended December 31, 2012

| | Private Purpose Trust |
|--|--------------------------|
| Additions | |
| Interest | \$ 2 |
| Deductions | |
| Payments in Accordance with Trust Agreements | 500 |
| <i>Change in Net Position</i> | (498) |
| <i>Net Position Beginning of Year</i> | 6,605 |
| <i>Net Position End of Year</i> | \$ 6,107 |

See accompanying notes are an integral part of the financial statements.

City of Ashland
Ashland County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 1: REPORTING ENTITY

The City of Ashland (the “City”) is a municipal corporation, established under the laws of the State of Ohio. The City operates under a Council-Mayor form of government. The Mayor, five Council members, Finance Director, and Law Director are elected.

In evaluating how to define the City for financial reporting purposes, management has considered all agencies, departments, and organizations making up the City (the primary government) and its potential component units consistent with Government Accounting Standards Board Statements No. 14, “*The Financial Reporting Entity*” and No. 39, “*Determining Whether Certain Organizations are Component Units – An Amendment of GASB Statement No. 14.*”

The City provides various services including police and fire protection, emergency medical, public transportation, water, sewer and sanitation services, golf course, parks and recreation, planning, zoning, street maintenance and repair, and general administrative services. The operation of each of these activities is directly controlled by the Council through the budgetary process. None of these services are provided by a legally separate organization; therefore, these operations are included in the primary government.

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 organization. Component units may also include organizations for which the City approves the budget, the levying of taxes or the issuance of debt. The City does not have any component units.

The City is involved with the Ashland Community Improvement Corporation and the Ashland Area Council for Economic Development, which are defined as jointly governed organizations. Additional information concerning the jointly governed organizations is presented in Note 20.

NOTE 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 reporting principles. The most significant of the City's accounting policies are described below.

City of Ashland
Ashland County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2012

A. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position 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 position 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 effect of interfund services provided and used between activities are not eliminated on the statement of activities. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

The statement of net position 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 limitations. 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. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. 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:

City of Ashland
Ashland County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2012

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 general laws of Ohio.

Street Maintenance and Repair Fund – The street maintenance and repair special revenue fund is used to account for the costs associated with maintaining the streets and public roads. The street maintenance and repair fund receives revenue from income taxes, interest, grants and other miscellaneous sources.

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

Proprietary Fund Type Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The following is the City's proprietary fund type:

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 major enterprise funds.

Water Fund – The water fund accounts for the provision of water service to the residents and commercial users located within the City.

Sewer Fund – The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Sanitation Fund – The sanitation fund accounts for revenues generated from charges for sanitation services and the costs associated with providing those services.

The other enterprise funds of the City account for the operations of the storm water management, golf course and swimming pool.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City 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's trust fund is a private-purpose trust fund established to account for the funds used for the purpose of presenting free concerts at the Myers Memorial Bandshell. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for court collections that are distributed to various other City funds.

City of Ashland
Ashland County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2012

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

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 fund types 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 fund net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary fund activities. Trust funds also use the flow of economic resources focus. Agency funds do not report a measurement focus.

D. 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 the 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 sixty days of the fiscal year-end.

City of Ashland
Ashland County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2012

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 fiscal year for which the taxes are levied. (See Note 7.) Revenue from grants, entitlements, and donations is recognized in the fiscal 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 fiscal 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 the 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 fiscal year-end: income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines and forfeitures, interest, grants and entitlements, and rentals.

Unearned/Deferred Revenue Unearned/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 December 31, 2012, but which were levied to finance fiscal year 2013 operations, have been recorded as unearned/deferred revenue. 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.

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.

E. Cash and Investments

To improve cash management, all cash received by the City is pooled. Monies for all funds, including proprietary funds, 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."

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating certificates of deposit and repurchase agreements, which are reported at cost.

During 2012, investments were limited to certificates of deposit and interest in STAROhio (the State Treasury Asset Reserve of Ohio).

City of Ashland
Ashland County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2012

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 on December 31, 2012.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2012 amounted to \$11,010, which includes \$7,176 assigned from other City funds.

Investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the City are presented on the financial statements as "equity in pooled cash and investments". Investments with an original maturity of more than three months that are not made from the pool are reported as "investments." See Note 6, Deposits and Investments.

F. Prepaid Items

Prepayments made to vendors for services that will benefit periods beyond December 31, 2012 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

G. Materials and Supplies Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed when used. Inventories consist of expendable supplies.

H. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position 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 position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000 for its capital assets. 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. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

City of Ashland
Ashland County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2012

All reported capital assets, except for land and construction in progress, are depreciated. 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:

| Description | Governmental Activities Estimated Lives | Business-Type Activities Estimated Lives |
|----------------------------|---|--|
| Buildings and Improvements | 15 - 70 Years | 15 - 70 Years |
| Equipment | 3 - 20 Years | 3 - 20 Years |
| Infrastructure | 10 - 75 Years | 10 - 80 Years |
| Vehicles | 3 - 20 Years | 3 - 20 Years |

The City's infrastructure consists of streets, bridges, lighting systems, sewer systems, and water systems.

I. 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 liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at fiscal year end taking into consideration any limits specified in the City's termination policy. The City records a liability for all accumulated unused vacation time when earned for all employees. The City records a liability for accumulated unused sick leave for all employees ages thirty-eight or older with eight or more years of accumulated service.

The entire compensated absence liability is reported on the government-wide financial statements.

In governmental funds, the liability for unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

On the governmental fund statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the funds from which the employee will be paid.

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J. 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 and compensated absences 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 fiscal year. Bonds and long-term loans are recognized as a liability on the government fund financial statements when due.

K. Net Position

Net position represent the difference between assets and liabilities. Net invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions, enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. At December 31, 2012, none of the City's net position balances were restricted by enabling legislation.

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

L. Fund Balance

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

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

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

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

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

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

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

M. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer and sanitation services, as well as charges related to the City's storm water management, golf course, and swimming pool. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

N. 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 generally not presented on the financial statements.

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O. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the current year.

P. Estimates

The preparation of 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.

Q. Budgetary Data

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 object level (personal services and other) within each department in the general fund and at the object level (personal services and other) for all other funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

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 amended certificate of estimated resources in effect at the time the final appropriations were enacted by Council.

The appropriations 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.

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NOTE 3: IMPLEMENTATION OF NEW ACCOUNTING POLICIES

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

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

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

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

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the City's financial statements.

NOTE 4: ACCOUNTABILITY

Contrary to ORC 5705.41(D), the City did not certify all commitments as required by Ohio law.

The following fund had a deficit balance as of December 31, 2012:

| | <u>Deficit Fund Balance</u> |
|---|---------------------------------|
| Non-Major Fund: | |
| Capital Projects- Morgan/Hillcrest Traffic Signal | \$ 25,580 |

The deficit in this fund resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in this fund and will provide operating transfers when cash is required, not when accruals occur.

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NOTE 5: BUDGETARY BASIS OF ACCOUNTING

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

The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund and the street maintenance and repair fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditure/expenses (budget) rather than as assigned, committed or restricted fund balance (GAAP).
4. Some funds are included in the general fund, (GAAP basis), but have separate legally adopted budgets (budget basis).

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

| Net Change in Fund Balance | | |
|-----------------------------------|---------------------|--|
| | General Fund | Street Maintenance and Repair Fund |
| GAAP Basis | \$ (656,967) | \$ (16,419) |
| Revenue Accruals | 152,826 | 13,406 |
| Expenditure Accruals | 46,007 | 38,479 |
| Encumbrances | (1,198) | (40,308) |
| Funds Budgeted Elsewhere** | 120,690 | 0 |
| Budget Basis | <u>\$ (338,642)</u> | <u>\$ (4,842)</u> |

** As part of Governmental Accounting Standards Board Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*,” certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes city maintenance fund, city income tax fund and section 125 fund.

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NOTE 6: DEPOSITS AND INVESTMENTS

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

Active monies are public deposits necessary to meet the demands on the treasury. Such monies must be maintained either as cash by the City, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies to be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above, provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and any other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio).

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7. Certain bankers acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the purchase date in any amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and
8. Under limited circumstances, corporate debt interests noted in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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 certificate, upon receipt of confirmation of transfer from the custodian.

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

Deposits with Financial Institutions

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

At year-end, the carrying amount of the City's deposits was \$9,760,735. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2012, \$6,371,997 of the City's bank balance of \$10,183,179 was exposed to custodial credit risk as discussed above, while \$3,811,182 was covered by Federal Deposit Insurance Corporation.

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

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

Investments

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

| Investment Type | Fair Value | 6 Months or Less |
|-----------------|-------------------|---------------------|
| STAROhio | <u>\$ 474,449</u> | <u>\$ 474,449</u> |

Interest Rate Risk The City's investment policy limits investment maturities to less than five years.

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

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in Ohio law that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Credit Risk Standard & Poor's has assigned STAROhio a AAA rating. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service.

The City has no investment policy that would further limit its investment choices.

Concentration of Credit Risk The following table includes the percentage to total of each investment type held by the City at December 31, 2012:

| Investment Type | Fair Value | Percent of Total |
|-----------------|-------------------|---------------------|
| STAROhio | <u>\$ 474,449</u> | <u>100.00%</u> |

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NOTE 7: PROPERTY TAXES

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

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

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

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

The full tax rate for all City operations for the year ended December 31, 2012 was \$3.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2012 property tax receipts were based are as follows:

| <u>Category</u> | <u>Assessed Value</u> |
|-----------------------------|-----------------------|
| Real Property | \$ 211,790,810 |
| Public Utilities - Real | 92,639,290 |
| Public Utilities - Personal | <u>9,315,660</u> |
| Total Assessed Value | <u>\$ 313,745,760</u> |

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

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

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

NOTE 8: RECEIVABLES

Receivables at December 31, 2012 consisted of taxes, accounts (billed and unbilled user charged services), interfund and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are deemed collectible in full.

NOTE 9: INCOME TAX

The City levies a municipal income tax of 1.5 percent on gross salaries, wages and other personal service compensation earned by residents of the City and on the earnings of nonresidents working within the City. This tax also applies to the net income of businesses operating within the City. Residents of the City are granted a credit up to 1.0 percent for taxes paid to other municipalities.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

Income tax revenues are distributed among the General Fund, Street Maintenance and Repair Special Revenue Fund and the Park and Recreation Special Revenue Fund. The distribution was determined by Ordinance 7-11.

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Notes To The Basic Financial Statements
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NOTE 10: CAPITAL ASSETS

A summary of changes in capital assets during 2012 follows:

| | Balance 1/1/2012 | Additions | Transfers | Deletions | Balance 12/31/2012 |
|--|----------------------|----------------------|--------------------|---------------------|-----------------------|
| Governmental Activities: | | | | | |
| <i>Capital Assets Not Being Depreciated:</i> | | | | | |
| Land | \$ 6,982,327 | \$ 36,336 | \$ 0 | \$ (8,612) | \$ 7,010,051 |
| Construction in Progress | 244,891 | 63,852 | 0 | (255,521) | 53,222 |
| <i>Total Capital Assets, Not Being Depreciated</i> | <u>7,227,218</u> | <u>100,188</u> | <u>0</u> | <u>(264,133)</u> | <u>7,063,273</u> |
| <i>Capital Assets, Being Depreciated:</i> | | | | | |
| Buildings and Improvements | 9,307,649 | 104,325 | 0 | (27,054) | 9,384,920 |
| Equipment | 3,147,938 | 160,833 | (36,007) | (100,187) | 3,172,577 |
| Vehicles | 5,288,695 | 140,734 | 14,452 | (95,176) | 5,348,705 |
| Streets | 23,963,522 | 0 | 0 | 0 | 23,963,522 |
| Bridges | 2,526,671 | 0 | 0 | 0 | 2,526,671 |
| Street lighting | 1,156,168 | 255,521 | 0 | 0 | 1,411,689 |
| <i>Total Capital Assets, Being Depreciated</i> | <u>45,390,643</u> | <u>661,413</u> | <u>(21,555)</u> | <u>(222,417)</u> | <u>45,808,084</u> |
| <i>Less Accumulated Depreciation:</i> | | | | | |
| Buildings and Improvements | (4,331,628) | (193,077) | 0 | 27,054 | (4,497,651) |
| Equipment | (2,125,602) | (198,166) | 16,119 | 95,569 | (2,212,080) |
| Vehicles | (3,337,928) | (325,777) | (7,106) | 95,176 | (3,575,635) |
| Streets | (20,262,759) | (460,463) | 0 | 0 | (20,723,222) |
| Bridges | (1,795,668) | (80,860) | 0 | 0 | (1,876,528) |
| Street Lighting | (500,230) | (57,406) | 0 | 0 | (557,636) |
| <i>Total Accumulated Depreciation</i> | <u>(32,353,815)</u> | <u>(1,315,749) *</u> | <u>9,013</u> | <u>217,799</u> | <u>(33,442,752)</u> |
| <i>Total Capital Assets Being Depreciated, Net</i> | <u>13,036,828</u> | <u>(654,336)</u> | <u>(12,542)</u> | <u>(4,618)</u> | <u>12,365,332</u> |
| <i>Total Governmental Activity Capital Assets, Net</i> | <u>\$ 20,264,046</u> | <u>\$ (554,148)</u> | <u>\$ (12,542)</u> | <u>\$ (268,751)</u> | <u>\$ 19,428,605</u> |

*Depreciation expense was charge to governmental functions as follows:

| | |
|----------------------------------|---------------------|
| General Government | \$ 197,139 |
| Leisure Time Services | 124,992 |
| Community Development | 1,262 |
| Security of Persons and Property | 259,246 |
| Transportation | <u>733,110</u> |
| Total | <u>\$ 1,315,749</u> |

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| | Balance 1/1/2012 | Additions | Transfers | Deletions | Balance 12/31/2012 |
|--|----------------------|--------------------|------------------|---------------------|-----------------------|
| Business-Type Activities: | | | | | |
| <i>Capital Assets Not Being Depreciated:</i> | | | | | |
| Land | \$ 3,538,626 | \$ 196,066 | \$ 0 | \$ 0 | \$ 3,734,692 |
| Construction in Progress | 167,624 | 721,463 | 0 | (528,312) | 360,775 |
| <i>Total Capital Assets, Not Being Depreciated</i> | <u>3,706,250</u> | <u>917,529</u> | <u>0</u> | <u>(528,312)</u> | <u>4,095,467</u> |
| <i>Capital Assets, Being Depreciated:</i> | | | | | |
| Buildings and Improvements | 13,578,629 | 16,746 | 0 | 0 | 13,595,375 |
| Equipment | 3,539,142 | 0 | 21,555 | 0 | 3,560,697 |
| Vehicles | 1,759,900 | 30,332 | 0 | (27,396) | 1,762,836 |
| Infrastructure | 38,868,079 | 615,093 | 0 | (22,739) | 39,460,433 |
| <i>Total Capital Assets, Being Depreciated</i> | <u>57,745,750</u> | <u>662,171</u> | <u>21,555</u> | <u>(50,135)</u> | <u>58,379,341</u> |
| <i>Less Accumulated Depreciation:</i> | | | | | |
| Buildings and Improvements | (5,524,717) | (276,764) | 0 | 0 | (5,801,481) |
| Equipment | (1,678,392) | (201,165) | (9,013) | 0 | (1,888,570) |
| Vehicles | (1,154,516) | (97,504) | 0 | 25,489 | (1,226,531) |
| Infrastructure | (15,755,263) | (680,730) | 0 | 0 | (16,435,993) |
| <i>Total Accumulated Depreciation</i> | <u>(24,112,888)</u> | <u>(1,256,163)</u> | <u>(9,013)</u> | <u>25,489</u> | <u>(25,352,575)</u> |
| <i>Total Capital Assets Being Depreciated, Net</i> | <u>33,632,862</u> | <u>(593,992)</u> | <u>12,542</u> | <u>(24,646)</u> | <u>33,026,766</u> |
| <i>Total Business-Type Capital Assets, Net</i> | <u>\$ 37,339,112</u> | <u>\$ 323,537</u> | <u>\$ 12,542</u> | <u>\$ (552,958)</u> | <u>\$ 37,122,233</u> |

NOTE 11: RISK MANAGEMENT

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. The City contracts with private carriers for property and fleet insurance, liability insurance and inland marine coverage. Coverage provided is as follows:

| <u>Company</u> | <u>Type of Coverage</u> | <u>Period</u> |
|---|------------------------------|-----------------|
| Westfield Insurance/The Buren Insurance Group, Inc. | Property | 8/30/12-8/30/13 |
| St. Paul Travelers/Boales Insurance | Commercial General Liability | 8/30/12-8/30/13 |
| | Law Enforcement Liability | 8/30/12-8/30/13 |
| | Automobile Liability | 8/30/12-8/30/13 |
| | Umbrella Policy | 8/30/12-8/30/13 |
| | Basic Errors and Omissions | 8/30/12-8/30/13 |
| Public Entities Pool of Ohio | Commercial General Liability | 2/28/12-2/28/13 |

Settlement claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from last year.

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The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

NOTE 12: OTHER EMPLOYEE BENEFITS

A. Compensated Absences

City employees generally earn vacation ranging from two to five weeks per year based on length of service. Accumulated vacation leave cannot be carried over from one year to another without express written authorization of the appointing authority. Sick leave is generally earned at the rate of 4.6 hours for every 80 hours worked and employees may accumulate on a continuing basis. Sick leave is fully vested when earned. 25 percent of unused sick leave, up to the following maximums for employees who complete ten years of service plus any accumulated vacation leave, is paid at retirement or death. Sick leave accumulates up to a maximum of 688 hours for members of the Northern Ohio Patrolmen's Benevolent Association, 894 hours for members of The International Association of Fire Fighters Local 1386, AFL-CIO, 688 hours for all non-union City employees and 520 hours for AFSCME employees. As of December 31, 2012, the total liability for unpaid compensated absences was \$847,424.

B. Additional Insurance

The City provides life insurance to all employees. The policy is in the amount of \$20,000.

The City contracts with Medical Mutual Insurance Group to provide health insurance to employees. The City and the employees share the cost of the total monthly premiums of \$483.85 single health care, \$1,006.50 employee and spouse health care, \$798.93 employee and child health care and \$1,321.58 family health care. Premiums and co-payments are paid from the same funds that pay the employee's salaries.

NOTE 13: DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

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OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 1-800-222-7377.

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

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

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

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2012, 2011, and 2010, were \$569,328, \$584,690 and \$410,059, respectively. For 2012, 100 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010. Contributions to the member-directed plan for 2012 were \$25,763 made by the City and \$18,403 made by the plan members.

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

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

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Funding Policy - Plan members are required to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24.0 percent for firefighters. The City's contributions to OP&F for police and firefighters were \$204,445 and \$317,481 for the year ended December 31, 2012, \$211,037 and \$335,242 for the year ended December 31, 2011, and \$198,050 and \$316,647 for the year ended December 31, 2010, respectively. 100 percent for police and 100 percent for firefighters has been contributed for 2012. The full amount has been contributed for 2011 and 2010.

NOTE 14: POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

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

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan, which includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and Combined Plans. Members of the Member-Directed plan do not qualify for ancillary benefits, including post-employment health care coverage.

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

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

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

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

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

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

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2012, 2011, and 2010 were \$227,731, \$233,876 and \$410,059, respectively; 100 percent has been contributed for 2012 and 100 percent for 2011 and 2010.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

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

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

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

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

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OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required by Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

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

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$108,236 and \$124,232, \$111,725 and \$131,182, and \$104,850 and \$123,906 for the years ended December 31, 2012, 2011 and 2010, respectively. The full amount has been contributed for 2011 and 2010. 100 percent has been contributed for police and for firefighters for 2012.

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NOTE 15: LONG-TERM OBLIGATIONS

| Debt Issue | Interest Rate | Original Issue Amount | Date of Maturity |
|--|------------------|--------------------------|------------------|
| Governmental Activities | | | |
| 2005 ODOT Loan - US Route 250 | 3.00% | \$ 462,010 | 11/28/2015 |
| 2003 Justice Center Bond | Various | 2,923,000 | 12/1/2023 |
| 2010 Fire Pumper Tanker Bonds | 2.00 - 3.00% | 280,000 | 12/1/2014 |
| 2010 Fire Equipment and Facility Improvement Bonds | 2.00 - 3.00% | 340,000 | 12/1/2014 |
| 2010 Squad Bonds | 2.00 - 3.00% | 185,000 | 12/1/2014 |
| Business-Type Activities | | | |
| General Obligation Bonds: | | | |
| 2003 North Trunk Sewer Bond | Various | 1,019,000 | 12/1/2023 |
| 2003 Sewer System Bond | Various | 1,426,000 | 12/1/2023 |
| 2003 Jamison Creek Bond | Various | 1,019,000 | 12/1/2023 |
| 2003 Water System Bond | Various | 1,834,000 | 12/1/2023 |
| 2003 Water Treatment Bond | Various | 3,360,000 | 12/1/2023 |
| 2003 Reservoir Bond | Various | 1,324,000 | 12/1/2023 |
| 2010 Various Sewer Projects Bonds | 2.00 - 3.00% | 485,000 | 12/1/2015 |
| 2010 EQ Basin Bonds | 2.00 - 5.00% | 5,380,000 | 12/1/2035 |
| 2010 New Water Projects Bonds | 2.00 - 4.25% | 770,000 | 12/1/2020 |

Changes in the long-term obligations of the City during 2012 were as follows:

| | Principal Balance 1/1/2012 | Additions | (Reductions) | Principal Balance 12/31/2012 | Due in One Year |
|---|----------------------------------|------------------|---------------------|------------------------------------|-----------------------|
| Governmental Activities: | | | | | |
| 2003 General Obligation Bonds | \$ 1,997,000 | \$ 0 | \$ (131,000) | \$ 1,866,000 | \$ 136,000 |
| 2010 General Obligation Bonds | 600,000 | 0 | (200,000) | 400,000 | 200,000 |
| ODOT Loan | 267,702 | 0 | (63,966) | 203,736 | 65,900 |
| Compensated Absences | 684,400 | 14,835 | (13,003) | 686,232 | 27,065 |
| <i>Total Governmental Activities</i> | <u>\$ 3,549,102</u> | <u>\$ 14,835</u> | <u>\$ (407,969)</u> | <u>\$ 3,155,968</u> | <u>\$ 428,965</u> |
| Business-Type Activities: | | | | | |
| 2003 General Obligation Bonds | \$ 6,818,000 | \$ 0 | \$ (449,000) | \$ 6,369,000 | \$ 464,000 |
| 2010 General Obligation Bonds | 6,365,000 | 0 | (310,000) | 6,055,000 | 310,000 |
| Premium on 2010 General Obligation Bonds | 171,935 | 0 | (14,022) | 157,913 | 0 |
| Compensated Absences | 169,029 | 27,799 | (35,636) | 161,192 | 13,121 |
| <i>Total Business-Type Activities</i> | <u>\$13,523,964</u> | <u>\$ 27,799</u> | <u>\$ (808,658)</u> | <u>\$ 12,743,105</u> | <u>\$ 787,121</u> |

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The general obligation bonds in the business-type activities will be paid from user charges of the water and sewer funds. The general obligation bonds and the ODOT loan in the governmental activities will be repaid with property tax revenues. The compensated absences will be paid from the general operating revenues of the fund from which the employees' salaries are paid.

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment.

A summary of annual requirements to pay principal and interest on debt outstanding at December 31, 2012 is as follows:

| | Business-Type Activities | | | |
|-----------|-------------------------------|---------------------|-------------------------------|---------------------|
| | 2003 General Obligation Bonds | | 2010 General Obligation Bonds | |
| | Principal | Interest | Principal | Interest |
| 2013 | \$ 464,000 | \$ 285,330 | \$ 310,000 | \$ 233,452 |
| 2014 | 484,000 | 267,930 | 325,000 | 224,152 |
| 2015 | 503,000 | 248,570 | 330,000 | 214,403 |
| 2016 | 517,000 | 228,450 | 235,000 | 204,502 |
| 2017 | 545,000 | 203,892 | 245,000 | 195,104 |
| 2018-2022 | 3,136,000 | 607,532 | 1,200,000 | 822,980 |
| 2023-2027 | 720,000 | 32,404 | 1,120,000 | 622,454 |
| 2028-2032 | 0 | 0 | 1,345,000 | 397,154 |
| 2033-2035 | 0 | 0 | 945,000 | 93,900 |
| Totals | <u>\$ 6,369,000</u> | <u>\$ 1,874,108</u> | <u>\$ 6,055,000</u> | <u>\$ 3,008,101</u> |

| | Governmental Activities | | | | | |
|-----------|-------------------------------|-------------------|-------------------|------------------|-------------------------------|------------------|
| | 2003 General Obligation Bonds | | ODOT Loan | | 2010 General Obligation Bonds | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2013 | \$ 136,000 | \$ 83,608 | \$ 65,900 | \$ 9,240 | \$ 200,000 | \$ 12,000 |
| 2014 | 141,000 | 78,508 | 67,893 | 7,357 | 200,000 | 6,000 |
| 2015 | 147,000 | 72,867 | 69,943 | 5,418 | 0 | 0 |
| 2016 | 153,000 | 66,988 | 0 | 0 | 0 | 0 |
| 2017 | 160,000 | 59,720 | 0 | 0 | 0 | 0 |
| 2018-2022 | 919,000 | 177,816 | 0 | 0 | 0 | 0 |
| 2023 | 210,000 | 9,450 | 0 | 0 | 0 | 0 |
| Totals | <u>\$ 1,866,000</u> | <u>\$ 548,957</u> | <u>\$ 203,736</u> | <u>\$ 22,015</u> | <u>\$ 400,000</u> | <u>\$ 18,000</u> |

| | Business Type Activities | | Governmental Activities | |
|-----------|--------------------------|---------------------|-------------------------|-------------------|
| | Total | | Total | |
| | Principal | Interest | Principal | Interest |
| 2013 | \$ 774,000 | \$ 518,782 | \$ 401,900 | \$ 104,848 |
| 2014 | 809,000 | 492,082 | 408,893 | 91,865 |
| 2015 | 833,000 | 462,973 | 216,943 | 78,285 |
| 2016 | 752,000 | 432,952 | 153,000 | 66,988 |
| 2017 | 790,000 | 398,996 | 160,000 | 59,720 |
| 2018-2022 | 4,336,000 | 1,430,512 | 919,000 | 177,816 |
| 2023-2027 | 1,840,000 | 654,858 | 210,000 | 9,450 |
| 2028-2032 | 1,345,000 | 397,154 | 0 | 0 |
| 2033-2035 | 945,000 | 93,900 | 0 | 0 |
| Totals | <u>\$ 12,424,000</u> | <u>\$ 4,882,209</u> | <u>\$ 2,469,736</u> | <u>\$ 588,972</u> |

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2003 Various Purpose Improvement Bonds

The \$12,905,000 bond issue consists of serial and term bonds. The serial bonds were issued with a varying interest rate of 1.15-4.5 percent. The term bonds that mature in the year 2018, with an interest rate of 4.75 percent are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2016, and on each December 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to the date of redemption according to the following schedule:

| <u>Date</u> | <u>Principal Amount to be Redeemed</u> |
|-------------|--|
| 2016 | \$670,000 |
| 2017 | 705,000 |

The term bonds due December 1, 2020 with an interest rate of 4.75 percent are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2019 in the amount of \$775,000 (and the balance of \$810,000 is to be paid at stated maturity on December 1, 2020), at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date.

The term bonds due December 1, 2022 with an interest rate of 4.75 percent are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2021 in the amount of \$850,000 (and the balance of \$885,000 is to be paid at stated maturity on December 1, 2022), at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date.

The bonds maturing on or after December 1, 2014 are subject to prior redemption, by and at the sole option of the City, either in whole or in part (as selected by the City and in integral multiples of \$5,000), on any date on or after December 1, 2013, at 100 percent of par, plus interest accrued to the redemption date.

2010 Various Purpose Improvement Bonds

The \$7,470,000 bond issue consists of serial and term bonds. The serial bonds were issued with a varying interest rate of 2.00-4.30 percent. The term bonds that mature on December 1, 2022, with an interest rate of 3.25 percent are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2021 in the amount of \$195,000 (and the balance of \$200,000 is to be paid at stated maturity on December 1, 2022), at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to redemption date.

The term bonds that mature on December 1, 2024, with an interest rate of 3.45 percent are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2023 in the amount of \$210,000 (and the balance of \$215,000 is to be paid at stated maturity on December 1, 2024), at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to redemption date.

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The term bonds that mature on December 1, 2026, with an interest rate of 3.55 percent are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2025 in the amount of \$225,000 (and the balance of \$230,000 is to be paid at stated maturity on December 1, 2026), at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to redemption date.

The term bonds that mature on December 1, 2028, with an interest rate of 3.75 percent are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2027 in the amount of \$240,000 (and the balance of \$250,000 is to be paid at stated maturity on December 1, 2028), at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to redemption date.

The term bonds that mature on December 1, 2030, with an interest rate of 4.00 percent are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2029 in the amount of \$255,000 (and the balance of \$270,000 is to be paid at stated maturity on December 1, 2030), at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to redemption date.

The term bonds that mature on December 1, 2032, with an interest rate of 4.25 percent are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2031 in the amount of \$280,000 (and the balance of \$290,000 is to be paid at stated maturity on December 1, 2032), at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to redemption date.

The term bonds that mature on December 1, 2035, with an interest rate of 5.00 percent are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2034 in the amount of \$315,000 (and the balance of \$330,000 is to be paid at stated maturity on December 1, 2035), at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to redemption date.

Term bonds redeemed by other than mandatory redemption, or purchased for cancellation, may be credited against the applicable mandatory redemption requirement for the corresponding term bonds.

The bonds maturing on or after December 1, 2021 are subject to prior redemption, by and at the sole option of the City, in whole or in part as selected by the City (in whole multiples of \$5,000), on any date on or after December 1, 2020, at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date.

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NOTE 16: INTERFUND TRANSFERS

Following is a summary of transfers in and out for all funds for 2012:

| <u>Fund</u> | <u>Transfers In</u> | <u>Transfers Out</u> |
|------------------------------------|---------------------|----------------------|
| General | \$ 0 | \$ 350,943 |
| Non-Major Governmental Funds: | | |
| Park and Recreation | 57,085 | 0 |
| Ashland Public Transportation | 114,293 | 0 |
| Fire Rescue Equipment | 26,000 | 0 |
| Total Non-Major Governmental Funds | <u>197,378</u> | <u>0</u> |
| Major Enterprise Funds: | | |
| Water | 17,065 | 0 |
| Sewer | 0 | 17,065 |
| Non-Major Enterprise Funds: | | |
| Brookside Swimming Pool | 4,500 | 0 |
| Brookside Golf Course | 149,065 | 0 |
| Total Non-Major Enterprise Funds: | <u>153,565</u> | <u>0</u> |
| Total All Funds: | <u>\$ 368,008</u> | <u>\$ 368,008</u> |

The transfers from the General Fund to the various other funds were to provide additional resources for current operations. During 2012, capital assets were transferred from the sewer fund to the water enterprise fund in the amount of \$17,065.

NOTE 17: INTERFUND BALANCES

At December 31, 2012, the City had the following interfund balances:

| | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|------------------------------|---------------------------------|------------------------------|
| Nonmajor Governmetnal Funds: | | |
| Capital Improvement | \$ 96,266 | \$ 0 |
| Morgan/Hillcrest Signal Fund | | 96,266 |
| Totals | <u>\$ 96,266</u> | <u>\$ 96,266</u> |

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by December 31, 2012. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

Interfund balances between governmental funds are eliminated on the government-wide financial statements; therefore, no internal balances at December 31, 2012 are reported on the statement of net position.

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NOTE 18: CONTRACTUAL COMMITMENTS

A. Contractual Commitments

As of December 31, 2012, the City had contractual commitments for the following projects:

| | <u>Contractual Commitment</u> | <u>Expended</u> | <u>Balance 12/31/2012</u> |
|---|-----------------------------------|-----------------|-------------------------------|
| <i>Governmental-Type Activities</i> | | | |
| Morgan/Hillcrest Traffic Signal Replacement | \$ 139,740 | \$ 0 | \$ 139,740 |
| <i>Business-Type Activities</i> | | | |
| GIS System - Stormwater Improvement | \$ 634,504 | \$(347,326) | \$ 287,178 |

B. Other Commitments

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

| <u>Fund</u> | <u>Amount</u> |
|------------------------------------|-------------------|
| General Fund | \$ 1,198 |
| Street Maintenance and Repair Fund | 40,308 |
| Other Governmental Funds | <u>122,255</u> |
| Total | <u>\$ 163,761</u> |

NOTE 19: CONTINGENCIES

A. Grants

The City received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the City at December 31, 2012.

B. Litigation

The City is a party to several legal proceedings. City management is of the opinion that ultimate disposition of these proceedings will not have a material effect, if any, on the financial condition of the City.

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NOTE 20: JOINTLY GOVERNED ORGANIZATIONS

A. Ashland Community Improvement Corporation

The City participates in the Ashland Community Improvement Corporation (CIC), a 501(c)(3) not-for-profit-corporation established under Ohio Revised Code Section 1724.10. The CIC administers the CDBG revolving loan program in conjunction with the City's revolving loan fund.

The CIC board consists of thirty members, two-fifths of whom are required by the Ohio Revised Code to be from the participating governments. Ashland City has one representative on the CIC board. Financial information can be obtained from the Ashland Community Improvement Corporation, 47 West Main Street, Ashland, Ohio 44805.

B. Ashland Area Council for Economic Development

The Ashland Area Council for Economic Development (Council) is a jointly governed organization between the City and Ashland County. The Council was organized to undertake joint programs for economic development in the Ashland County area. The Council's board consists of a council member from the City of Ashland, a representative appointed by City Council, a member of the Board of County Commissioners, and a representative appointed by the Board of Commissioners. Each term is for three years. In 2012, the City contributed \$50,000 to the Council. Financial information can be obtained from the Ashland Area Council for Economic Development, 206 Claremont Avenue, Ashland, Ohio 44805.

NOTE 21: FUND BALANCE

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

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

City of Ashland
Ashland County, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2012

| | General | Street Maintenance and Repair | Other Governmental Funds | Total |
|----------------------------------|---------------------|-------------------------------------|--------------------------------|---------------------|
| Nonspendable for: | | | | |
| Prepays | \$ 81,683 | \$ 12,567 | \$ 14,778 | \$ 109,028 |
| Inventory | 0 | 205,021 | 0 | 205,021 |
| Total Nonspendable | 81,683 | 217,588 | 14,778 | 314,049 |
| Restricted for: | | | | |
| Roads and Bridges | 0 | 1,132,964 | 86,061 | 1,219,025 |
| Public Transportation | 0 | 0 | 113,868 | 113,868 |
| Municipal Court Programs | 0 | 0 | 674,462 | 674,462 |
| Police and Fire | 0 | 0 | 16,774 | 16,774 |
| Community Development | 0 | 0 | 217,500 | 217,500 |
| Debt Service | 0 | 0 | 199,846 | 199,846 |
| Capital Projects | 0 | 0 | 857,735 | 857,735 |
| Other Purposes | 0 | 0 | 49,259 | 49,259 |
| Total Restricted | 0 | 1,132,964 | 2,215,505 | 3,348,469 |
| Committed for: | | | | |
| City Maintenance | 4,758 | 0 | 0 | 4,758 |
| Fire/Rescue Equipment | 0 | 0 | 185,279 | 185,279 |
| Police Donations | 0 | 0 | 1,244 | 1,244 |
| Mayor's Underprivileged Children | 0 | 0 | 2,620 | 2,620 |
| Industrial Park Fund | 0 | 0 | 140,248 | 140,248 |
| Emergency Grounds Maintenance | 0 | 0 | 29,139 | 29,139 |
| Nature Preserve | 0 | 0 | 2,159 | 2,159 |
| Park and Recreation | 0 | 0 | 140,025 | 140,025 |
| Total Committed | 4,758 | 0 | 500,714 | 505,472 |
| Assigned for: | | | | |
| Encumbrances: | | 0 | | |
| General Government | 1,198 | 0 | 0 | 1,198 |
| Subsequent Year Appropriations | 1,358,888 | 0 | 0 | 1,358,888 |
| Total Assigned | 1,360,086 | 0 | 0 | 1,360,086 |
| Unassigned | (10,857) | 0 | (25,580) | (36,437) |
| Total Fund Balance | <u>\$ 1,435,670</u> | <u>\$ 1,350,552</u> | <u>\$ 2,705,417</u> | <u>\$ 5,491,639</u> |

Combining Statements for Nonmajor Governmental Funds

CITY OF ASHLAND, OHIO

Fund Descriptions – Nonmajor Funds

Nonmajor Special Revenue Funds

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

State Highway - To account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of State highways within the City.

Permissive Tax - To account for the additional motor vehicle registration fees designated for maintenance and repair of streets within the City that is collected by the County.

City Permissive - To account for the deposit, control and expenditure of additional vehicle License Tax.

Bandshell Improvements - To account for the deposit, control and expenditure of donated monies to be used for bandshell improvement.

Park & Recreation - To account for revenue from all sources to maintain and operate all areas of the park & recreation department.

Nature Preserve - To account for the deposit, control and expenditures of monies to be used for the maintenance and development of the nature preserve.

Fire/Rescue Training - To account for grants and donations and expenditures for EMS grant expenditures.

Fire/Rescue Equipment - To account for note proceeds and other revenues and expenditures for equipment purchases, and principal and interest on equipment purchases.

Community Development Block Grant - To account for grant revenue and expenditures for specific sewer, water treatment and landscaping projects.

Ohio Regional Development Housing - To account for the deposit control and expenditure of monies for the Ohio Regional Development Housing Program through habit for humanity, down payments and rehab assistance.

Firemens Pension - To account for accumulated property taxes levied for the payment of current employer contributions for Fire disability and pension benefits and the accrued liability.

Policemens Pension - To account for accumulated property taxes levied for the payment of current employer contributions for Police disability and pension benefits and the accrued liability.

CITY OF ASHLAND, OHIO

Fund Descriptions – Nonmajor Funds (continued)

Drug Law Enforcement - To account for revenue from fines and expenditures as stated in ORC 2925.03.

Enforcement & Education - To account for the collection of revenue from fines and the expenditure as set forth in ORC 4511.99.

Ashland Public Transportation - To account for Federal, State and Elderly grants and fare box revenue and for the expenditure of the total transit operation.

Municipal Court Computer - To account for the deposit of revenue from fines and the expenditures for computers for the Municipal Court.

Indigent Drivers - To account for the deposit and control of revenue from fines and the expenditures of ACCADA and alcohol treatment.

Municipal Probation - To account for the deposit and control of revenue from fines and the expenditures for the operation of the Probation Department.

Police Donations - To account for the deposit and control of revenue from donations and the expenditures for the purchase of equipment.

Home Arrest - To account for the deposit and control of revenue from fines and the expenditures for Monitoring services.

Community Corrections - To account for the deposit and control of revenue from a CCA Grant and the expenditure for probation operations pursuant to ORC 2951.021.

Municipal Court Special Program - To account for the deposit, control and expenditure of monies to be used for special projects as determined by the Municipal Court, including but not limited to , those purposes set forth in ORC 1901.26.

CCA Monitoring - To account for the deposit, control and expenditure of monies from fees to be used for personal services and other expenditures.

Revolving Loan - To account for the deposit, control and expenditure of monies from repayments and interest to be used for miscellaneous expenditures related to revolving loans.

Mayor's Underprivileged Children - To account for the deposit, control and expenditure of monies from program income and interest to be used for miscellaneous expenditures related to this fund.

CITY OF ASHLAND, OHIO

Fund Descriptions – Nonmajor Funds (continued)

Indigent Driver's Interlock - To account for the deposit, control of revenue and expenditure of monies for the purpose pursuant to ORC 4510.13.

Continuing Education - To account for funds received for paying the cost of continuing professional training programs.

Industrial Park– To account for the deposit, control and expenditure of monies to be used for said purpose.

Emergency Grounds Maintenance – To account for funds received for paying the costs of caring for vacant homes by the city and nuisance claims for negligent homeowners.

Nonmajor Debt Service Funds

General Obligation Bond Retirement - To account for resources used for the payment of principal and interest and fiscal charges related to general obligation debt.

Note Retirement - To account for resources used for the payment of principal and interest and fiscal charges related to note debt.

Nonmajor Capital Projects Funds

Capital Improvement - To account for the deposit, control and expenditure of monies from assessments and interest income to pay for various capital improvement projects.

Morgan/Hillcrest Traffic Signal - To account for funds received for paying the costs of a new traffic signal.

Claremont Avenue Pavement Rehabilitation - To account for funds received for paying the costs of the paving of Claremont Avenue.

City of Ashland
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|---|--------------------------------------|--|--|
| Assets | | | | |
| Equity in Pooled Cash and Investments | \$ 1,506,443 | \$ 199,846 | \$ 856,687 | \$ 2,562,976 |
| Taxes Receivable | 516,976 | 240,876 | 0 | 757,852 |
| Accounts Receivable | 33,690 | 0 | 0 | 33,690 |
| Interfund Receivable | 0 | 0 | 96,266 | 96,266 |
| Intergovernmental Receivable | 600,627 | 18,018 | 0 | 618,645 |
| Prepaid Items | 14,778 | 0 | 0 | 14,778 |
| <i>Total Assets</i> | <u>\$ 2,672,514</u> | <u>\$ 458,740</u> | <u>\$ 952,953</u> | <u>\$ 4,084,207</u> |
| Liabilities | | | | |
| Accounts Payable | \$ 83,164 | \$ 0 | \$ 0 | \$ 83,164 |
| Accrued Wages | 23,422 | 0 | 0 | 23,422 |
| Contracts Payable | 0 | 0 | 24,532 | 24,532 |
| Intergovernmental Payable | 22,708 | 0 | 0 | 22,708 |
| Matured Compensated Absences | 960 | 0 | 0 | 960 |
| Interfund Payable | 0 | 0 | 96,266 | 96,266 |
| Deferred Revenue | 868,844 | 258,894 | 0 | 1,127,738 |
| <i>Total Liabilities</i> | <u>999,098</u> | <u>258,894</u> | <u>120,798</u> | <u>1,378,790</u> |
| Fund Balances | | | | |
| Nonspendable | 14,778 | 0 | 0 | 14,778 |
| Restricted | 1,157,924 | 199,846 | 857,735 | 2,215,505 |
| Committed | 500,714 | 0 | 0 | 500,714 |
| Unassigned | 0 | 0 | (25,580) | (25,580) |
| <i>Total Fund Balances</i> | <u>1,673,416</u> | <u>199,846</u> | <u>832,155</u> | <u>2,705,417</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 2,672,514</u> | <u>\$ 458,740</u> | <u>\$ 952,953</u> | <u>\$ 4,084,207</u> |

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2012

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|--------------------------------------|--|--|
| Revenues | | | | |
| Property Taxes | \$ 315,804 | \$ 236,634 | \$ 0 | \$ 552,438 |
| Income Taxes | 732,341 | 0 | 0 | 732,341 |
| Charges for Services | 458,577 | 0 | 0 | 458,577 |
| Fines and Forfeitures | 475,819 | 0 | 0 | 475,819 |
| Intergovernmental | 1,280,055 | 30,952 | 173,507 | 1,484,514 |
| Interest | 520 | 0 | 3,315 | 3,835 |
| Rent | 63,710 | 0 | 0 | 63,710 |
| Contributions and Donations | 35,927 | 0 | 0 | 35,927 |
| Other | 58,896 | 0 | 3,433 | 62,329 |
| <i>Total Revenues</i> | <u>3,421,649</u> | <u>267,586</u> | <u>180,255</u> | <u>3,869,490</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 723,407 | 150 | 7,621 | 731,178 |
| Security of Persons and Property | 769,338 | 0 | 0 | 769,338 |
| Public Health | 1,800 | 0 | 0 | 1,800 |
| Leisure Time Services | 997,974 | 0 | 0 | 997,974 |
| Community Development | 418,510 | 0 | 0 | 418,510 |
| Transportation | 196,373 | 0 | 0 | 196,373 |
| Capital Outlay | 142,612 | 0 | 327,657 | 470,269 |
| Debt Service: | | | | |
| Principal Retirement | 263,966 | 131,000 | 0 | 394,966 |
| Interest and Fiscal Charges | 23,555 | 88,392 | 0 | 111,947 |
| <i>Total Expenditures</i> | <u>3,537,535</u> | <u>219,542</u> | <u>335,278</u> | <u>4,092,355</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(115,886)</u> | <u>48,044</u> | <u>(155,023)</u> | <u>(222,865)</u> |
| Other Financing Sources | | | | |
| Transfers In | 197,378 | 0 | 0 | 197,378 |
| <i>Net Change in Fund Balances</i> | 81,492 | 48,044 | (155,023) | (25,487) |
| <i>Fund Balances Beginning of Year</i> | <u>1,591,924</u> | <u>151,802</u> | <u>987,178</u> | <u>2,730,904</u> |
| <i>Fund Balances End of Year</i> | <u>\$ 1,673,416</u> | <u>\$ 199,846</u> | <u>\$ 832,155</u> | <u>\$ 2,705,417</u> |

City of Ashland
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012

| | <u>State Highway</u> | <u>Permissive Tax</u> | <u>City Permissive</u> | <u>Bandshell Improvements</u> | <u>Park & Recreation</u> |
|--|--------------------------|---------------------------|----------------------------|-----------------------------------|----------------------------------|
| Assets | | | | | |
| Equity in Pooled Cash and Investments | \$ 30,877 | \$ 20 | \$ 30,877 | \$ 49,259 | \$ 76,865 |
| Taxes Receivable | 0 | 0 | 0 | 0 | 336,136 |
| Accounts Receivable | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental Receivable | 28,959 | 0 | 42,823 | 0 | 9,674 |
| Prepaid Items | 0 | 0 | 0 | 0 | 12,618 |
| <i>Total Assets</i> | <u>\$ 59,836</u> | <u>\$ 20</u> | <u>\$ 73,700</u> | <u>\$ 49,259</u> | <u>\$ 435,293</u> |
| Liabilities | | | | | |
| Accounts Payable | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Accrued Wages | 0 | 0 | 0 | 0 | 16,127 |
| Intergovernmental Payable | 0 | 0 | 0 | 0 | 15,473 |
| Matured Compensated Absences | 0 | 0 | 0 | 0 | 0 |
| Deferred Revenue | 18,586 | 0 | 28,909 | 0 | 251,050 |
| <i>Total Liabilities</i> | <u>18,586</u> | <u>0</u> | <u>28,909</u> | <u>0</u> | <u>282,650</u> |
| Fund Balances | | | | | |
| Nonspendable | 0 | 0 | 0 | 0 | 12,618 |
| Restricted | 41,250 | 20 | 44,791 | 49,259 | 0 |
| Committed | 0 | 0 | 0 | 0 | 140,025 |
| <i>Total Fund Balances</i> | <u>41,250</u> | <u>20</u> | <u>44,791</u> | <u>49,259</u> | <u>152,643</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 59,836</u> | <u>\$ 20</u> | <u>\$ 73,700</u> | <u>\$ 49,259</u> | <u>\$ 435,293</u> |

(Continued)

| <u>Nature Preserve</u> | <u>Fire/Rescue Training</u> | <u>Fire/Rescue Equipment</u> | <u>Community Development Block Grant</u> | <u>Ohio Regional Development Housing</u> | <u>Firemens Pension</u> | <u>Policemens Pension</u> |
|----------------------------|---------------------------------|----------------------------------|--|--|-----------------------------|-------------------------------|
| \$ 2,159 | \$ 4,238 | \$ 188,246 | \$ 60,211 | \$ 121,447 | \$ 6,178 | \$ 6,358 |
| 0 | 0 | 0 | 0 | 0 | 90,420 | 90,420 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 79,000 | 229,873 | 6,551 | 6,551 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>\$ 2,159</u> | <u>\$ 4,238</u> | <u>\$ 188,246</u> | <u>\$ 139,211</u> | <u>\$ 351,320</u> | <u>\$ 103,149</u> | <u>\$ 103,329</u> |
| \$ 0 | \$ 0 | \$ 2,967 | \$ 0 | \$ 37,383 | \$ 0 | \$ 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 79,000 | 165,152 | 96,971 | 96,971 |
| 0 | 0 | 2,967 | 79,000 | 202,535 | 96,971 | 96,971 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 4,238 | 0 | 60,211 | 148,785 | 6,178 | 6,358 |
| 2,159 | 0 | 185,279 | 0 | 0 | 0 | 0 |
| <u>2,159</u> | <u>4,238</u> | <u>185,279</u> | <u>60,211</u> | <u>148,785</u> | <u>6,178</u> | <u>6,358</u> |
| <u>\$ 2,159</u> | <u>\$ 4,238</u> | <u>\$ 188,246</u> | <u>\$ 139,211</u> | <u>\$ 351,320</u> | <u>\$ 103,149</u> | <u>\$ 103,329</u> |

(Continued)

City of Ashland
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2012

| | <u>Drug Law Enforcement</u> | <u>Enforcement & Education</u> | <u>Ashland Public Transportation</u> | <u>Municipal Court Computer</u> | <u>Indigent Drivers</u> |
|--|---------------------------------|--|--|---|-----------------------------|
| Assets | | | | | |
| Equity in Pooled Cash and Investments | \$ 30,912 | \$ 14,860 | \$ 106,135 | \$ 198,164 | \$ 27,717 |
| Taxes Receivable | 0 | 0 | 0 | 0 | 0 |
| Accounts Receivable | 0 | 0 | 1,598 | 6,960 | 0 |
| Intergovernmental Receivable | 0 | 0 | 141,922 | 0 | 0 |
| Prepaid Items | 0 | 0 | 0 | 0 | 0 |
| <i>Total Assets</i> | <u>\$ 30,912</u> | <u>\$ 14,860</u> | <u>\$ 249,655</u> | <u>\$ 205,124</u> | <u>\$ 27,717</u> |
| Liabilities | | | | | |
| Accounts Payable | \$ 3,000 | \$ 0 | \$ 34,961 | \$ 0 | \$ 2,638 |
| Accrued Wages | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental Payable | 0 | 0 | 627 | 0 | 0 |
| Matured Compensated Absences | 0 | 0 | 0 | 0 | 0 |
| Deferred Revenue | 0 | 0 | 100,199 | 0 | 0 |
| <i>Total Liabilities</i> | <u>3,000</u> | <u>0</u> | <u>135,787</u> | <u>0</u> | <u>2,638</u> |
| Fund Balances | | | | | |
| Nonspendable | 0 | 0 | 0 | 0 | 0 |
| Restricted | 27,912 | 14,860 | 113,868 | 205,124 | 25,079 |
| Committed | 0 | 0 | 0 | 0 | 0 |
| <i>Total Fund Balances</i> | <u>27,912</u> | <u>14,860</u> | <u>113,868</u> | <u>205,124</u> | <u>25,079</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 30,912</u> | <u>\$ 14,860</u> | <u>\$ 249,655</u> | <u>\$ 205,124</u> | <u>\$ 27,717</u> |

(Continued)

| <u>Municipal Probation</u> | <u>Police Donations</u> | <u>Home Arrest</u> | <u>Community Corrections</u> | <u>Municipal Court Special Program</u> | <u>CCA Monitoring</u> | <u>Revolving Loan</u> |
|----------------------------|-------------------------|--------------------|------------------------------|--|-----------------------|-----------------------|
| \$ 133,316 | \$ 1,244 | \$ 1,728 | \$ 8,788 | \$ 143,591 | \$ 4,623 | \$ 9,719 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15,349 | 0 | 0 | 0 | 3,496 | 0 | 0 |
| 0 | 0 | 0 | 55,274 | 0 | 0 | 0 |
| 1,578 | 0 | 0 | 582 | 0 | 0 | 0 |
| <u>\$ 150,243</u> | <u>\$ 1,244</u> | <u>\$ 1,728</u> | <u>\$ 64,644</u> | <u>\$ 147,087</u> | <u>\$ 4,623</u> | <u>\$ 9,719</u> |
| \$ 0 | \$ 0 | \$ 0 | \$ 1,000 | \$ 0 | \$ 0 | \$ 1,215 |
| 4,748 | 0 | 0 | 2,463 | 0 | 84 | 0 |
| 3,740 | 0 | 0 | 2,225 | 605 | 38 | 0 |
| 960 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 27,637 | 0 | 0 | 0 |
| <u>9,448</u> | <u>0</u> | <u>0</u> | <u>33,325</u> | <u>605</u> | <u>122</u> | <u>1,215</u> |
| 1,578 | 0 | 0 | 582 | 0 | 0 | 0 |
| 139,217 | 0 | 1,728 | 30,737 | 146,482 | 4,501 | 8,504 |
| 0 | 1,244 | 0 | 0 | 0 | 0 | 0 |
| <u>140,795</u> | <u>1,244</u> | <u>1,728</u> | <u>31,319</u> | <u>146,482</u> | <u>4,501</u> | <u>8,504</u> |
| <u>\$ 150,243</u> | <u>\$ 1,244</u> | <u>\$ 1,728</u> | <u>\$ 64,644</u> | <u>\$ 147,087</u> | <u>\$ 4,623</u> | <u>\$ 9,719</u> |

(Continued)

City of Ashland
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2012

| | Mayor's Underprivileged Children | Indigent Driver's Interlock | Continuing Education | Industrial Park | Emergency Grounds Maintenance | Totals |
|--|--|-----------------------------------|-------------------------|--------------------|-------------------------------------|---------------------|
| Assets | | | | | | |
| Equity in Pooled Cash and Investments | \$ 2,620 | \$ 74,929 | \$ 1,975 | \$ 140,248 | \$ 29,139 | \$ 1,506,443 |
| Taxes Receivable | 0 | 0 | 0 | 0 | 0 | 516,976 |
| Accounts Receivable | 0 | 1,918 | 0 | 0 | 4,369 | 33,690 |
| Intergovernmental Receivable | 0 | 0 | 0 | 0 | 0 | 600,627 |
| Prepaid Items | 0 | 0 | 0 | 0 | 0 | 14,778 |
| <i>Total Assets</i> | <u>\$ 2,620</u> | <u>\$ 76,847</u> | <u>\$ 1,975</u> | <u>\$ 140,248</u> | <u>\$ 33,508</u> | <u>\$ 2,672,514</u> |
| Liabilities | | | | | | |
| Accounts Payable | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 83,164 |
| Accrued Wages | 0 | 0 | 0 | 0 | 0 | 23,422 |
| Intergovernmental Payable | 0 | 0 | 0 | 0 | 0 | 22,708 |
| Matured Compensated Absences | 0 | 0 | 0 | 0 | 0 | 960 |
| Deferred Revenue | 0 | 0 | 0 | 0 | 4,369 | 868,844 |
| <i>Total Liabilities</i> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>4,369</u> | <u>999,098</u> |
| Fund Balances | | | | | | |
| Nonspendable | 0 | 0 | 0 | 0 | 0 | 14,778 |
| Restricted | 0 | 76,847 | 1,975 | 0 | 0 | 1,157,924 |
| Committed | 2,620 | 0 | 0 | 140,248 | 29,139 | 500,714 |
| <i>Total Fund Balances</i> | <u>2,620</u> | <u>76,847</u> | <u>1,975</u> | <u>140,248</u> | <u>29,139</u> | <u>1,673,416</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 2,620</u> | <u>\$ 76,847</u> | <u>\$ 1,975</u> | <u>\$ 140,248</u> | <u>\$ 33,508</u> | <u>\$ 2,672,514</u> |

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City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012

| | State Highway | Permissive Tax | City Permissive | Bandshell Improvements | Park & Recreation |
|--|------------------|-------------------|--------------------|---------------------------|----------------------|
| Revenues | | | | | |
| Property Taxes | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 136,784 |
| Income Taxes | 0 | 0 | 0 | 0 | 732,341 |
| Charges for Services | 0 | 0 | 0 | 0 | 61,582 |
| Fines and Forfeitures | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental | 70,770 | 100,000 | 94,246 | 0 | 21,696 |
| Rent | 0 | 0 | 0 | 0 | 0 |
| Contributions and Donations | 0 | 0 | 0 | 21,475 | 1,200 |
| Interest | 506 | 0 | 0 | 0 | 0 |
| Other | 20,000 | 0 | 0 | 0 | 26,095 |
| <i>Total Revenues</i> | <u>91,276</u> | <u>100,000</u> | <u>94,246</u> | <u>21,475</u> | <u>979,698</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| General Government: | 0 | 0 | 0 | 0 | 0 |
| Security of Persons and Property | 0 | 0 | 0 | 0 | 0 |
| Public Health | 0 | 0 | 0 | 0 | 0 |
| Leisure Time Services | 0 | 0 | 0 | 15,326 | 974,387 |
| Community Development | 0 | 0 | 0 | 0 | 0 |
| Transportation | 0 | 82,388 | 113,985 | 0 | 0 |
| Capital Outlay | 25,040 | 17,592 | 0 | 0 | 9,316 |
| Debt Service: | | | | | |
| Principal Retirement | 63,966 | 0 | 0 | 0 | 0 |
| Interest and Fiscal Charges | 7,555 | 0 | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>96,561</u> | <u>99,980</u> | <u>113,985</u> | <u>15,326</u> | <u>983,703</u> |
| <i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i> | <u>(5,285)</u> | <u>20</u> | <u>(19,739)</u> | <u>6,149</u> | <u>(4,005)</u> |
| Other Financing Sources | | | | | |
| Transfers In | 0 | 0 | 0 | 0 | 57,085 |
| <i>Net Change in Fund Balances</i> | <u>(5,285)</u> | <u>20</u> | <u>(19,739)</u> | <u>6,149</u> | <u>53,080</u> |
| <i>Fund Balances (Deficit) Beginning of Year</i> | <u>46,535</u> | <u>0</u> | <u>64,530</u> | <u>43,110</u> | <u>99,563</u> |
| <i>Fund Balances End of Year</i> | <u>\$ 41,250</u> | <u>\$ 20</u> | <u>\$ 44,791</u> | <u>\$ 49,259</u> | <u>\$ 152,643</u> |

(Continued)

| Nature Preserve | Fire/Rescue Training | Fire/Rescue Equipment | Community Development Block Grant | Ohio Regional Development Housing | Firemens Pension | Policemens Pension |
|--------------------|-------------------------|--------------------------|---|---|---------------------|-----------------------|
| \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 89,510 | \$ 89,510 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 286,555 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 131,959 | 341,797 | 11,839 | 11,839 |
| 8,700 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 12,878 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 1,396 | 0 | 180 |
| <u>8,700</u> | <u>12,878</u> | <u>286,555</u> | <u>131,959</u> | <u>343,193</u> | <u>101,349</u> | <u>101,529</u> |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 11,468 | 2,967 | 0 | 0 | 95,171 | 95,171 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8,261 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 86,858 | 283,947 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 66,614 | 0 | 0 | 0 | 0 |
| 0 | 0 | 200,000 | 0 | 0 | 0 | 0 |
| 0 | 0 | 16,000 | 0 | 0 | 0 | 0 |
| <u>8,261</u> | <u>11,468</u> | <u>285,581</u> | <u>86,858</u> | <u>283,947</u> | <u>95,171</u> | <u>95,171</u> |
| <u>439</u> | <u>1,410</u> | <u>974</u> | <u>45,101</u> | <u>59,246</u> | <u>6,178</u> | <u>6,358</u> |
| <u>0</u> | <u>0</u> | <u>26,000</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 439 | 1,410 | 26,974 | 45,101 | 59,246 | 6,178 | 6,358 |
| 1,720 | 2,828 | 158,305 | 15,110 | 89,539 | 0 | 0 |
| <u>\$ 2,159</u> | <u>\$ 4,238</u> | <u>\$ 185,279</u> | <u>\$ 60,211</u> | <u>\$ 148,785</u> | <u>\$ 6,178</u> | <u>\$ 6,358</u> |

(Continued)

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Year Ended December 31, 2012

| | Drug Law Enforcement | Enforcement & Education | Ashland Public Transportation | Municipal Court Computer | Indigent Drivers |
|--|-------------------------|----------------------------|----------------------------------|--------------------------------|---------------------|
| Revenues | | | | | |
| Property Taxes | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Income Taxes | 0 | 0 | 0 | 0 | 0 |
| Charges for Services | 0 | 0 | 106,182 | 0 | 0 |
| Fines and Forfeitures | 469 | 6,162 | 0 | 132,868 | 13,695 |
| Intergovernmental | 0 | 0 | 340,225 | 0 | 0 |
| Rent | 0 | 0 | 0 | 0 | 0 |
| Contributions and Donations | 0 | 0 | 0 | 0 | 0 |
| Interest | 0 | 0 | 0 | 0 | 0 |
| Other | 6,030 | 0 | 0 | 0 | 0 |
| <i>Total Revenues</i> | <u>6,499</u> | <u>6,162</u> | <u>446,407</u> | <u>132,868</u> | <u>13,695</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| General Government: | 0 | 0 | 603,724 | 0 | 0 |
| Security of Persons and Property | 5,674 | 0 | 0 | 121,533 | 41,204 |
| Public Health | 0 | 0 | 0 | 0 | 0 |
| Leisure Time Services | 0 | 0 | 0 | 0 | 0 |
| Community Development | 0 | 0 | 0 | 0 | 0 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay | 0 | 0 | 0 | 24,050 | 0 |
| Debt Service: | | | | | |
| Principal Retirement | 0 | 0 | 0 | 0 | 0 |
| Interest and Fiscal Charges | 0 | 0 | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>5,674</u> | <u>0</u> | <u>603,724</u> | <u>145,583</u> | <u>41,204</u> |
| <i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i> | <u>825</u> | <u>6,162</u> | <u>(157,317)</u> | <u>(12,715)</u> | <u>(27,509)</u> |
| Other Financing Sources | | | | | |
| Transfers In | 0 | 0 | 114,293 | 0 | 0 |
| <i>Net Change in Fund Balances</i> | 825 | 6,162 | (43,024) | (12,715) | (27,509) |
| <i>Fund Balances (Deficit) Beginning of Year</i> | <u>27,087</u> | <u>8,698</u> | <u>156,892</u> | <u>217,839</u> | <u>52,588</u> |
| <i>Fund Balances End of Year</i> | <u>\$ 27,912</u> | <u>\$ 14,860</u> | <u>\$ 113,868</u> | <u>\$ 205,124</u> | <u>\$ 25,079</u> |

(Continued)

| Municipal Probation | Police Donations | Home Arrest | Community Corrections | Municipal Court Special Program | CCA Monitoring | Revolving Loan |
|---------------------|------------------|-----------------|-----------------------|---------------------------------|-----------------|-----------------|
| \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 229,768 | 0 | 0 | 0 | 58,136 | 8,307 | 0 |
| 0 | 0 | 0 | 140,684 | 0 | 0 | 15,000 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 14 |
| 0 | 0 | 0 | 0 | 0 | 3,120 | 0 |
| <u>229,768</u> | <u>0</u> | <u>0</u> | <u>140,684</u> | <u>58,136</u> | <u>11,427</u> | <u>15,014</u> |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 200,359 | 150 | 0 | 108,017 | 76,794 | 10,830 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 47,705 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>200,359</u> | <u>150</u> | <u>0</u> | <u>108,017</u> | <u>76,794</u> | <u>10,830</u> | <u>47,705</u> |
| <u>29,409</u> | <u>(150)</u> | <u>0</u> | <u>32,667</u> | <u>(18,658)</u> | <u>597</u> | <u>(32,691)</u> |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>29,409</u> | <u>(150)</u> | <u>0</u> | <u>32,667</u> | <u>(18,658)</u> | <u>597</u> | <u>(32,691)</u> |
| <u>111,386</u> | <u>1,394</u> | <u>1,728</u> | <u>(1,348)</u> | <u>165,140</u> | <u>3,904</u> | <u>41,195</u> |
| <u>\$ 140,795</u> | <u>\$ 1,244</u> | <u>\$ 1,728</u> | <u>\$ 31,319</u> | <u>\$ 146,482</u> | <u>\$ 4,501</u> | <u>\$ 8,504</u> |

(Continued)

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Year Ended December 31, 2012

| | Mayor's Underprivileged Children | Indigent Driver's Interlock | Continuing Education | Industrial Park | Emergency Grounds Maintenance | Totals |
|--|--|-----------------------------------|-------------------------|--------------------|-------------------------------------|---------------------|
| Revenues | | | | | | |
| Property Taxes | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 315,804 |
| Income Taxes | 0 | 0 | 0 | 0 | 0 | 732,341 |
| Charges for Services | 0 | 0 | 0 | 0 | 4,258 | 458,577 |
| Fines and Forfeitures | 0 | 26,414 | 0 | 0 | 0 | 475,819 |
| Intergovernmental | 0 | 0 | 0 | 0 | 0 | 1,280,055 |
| Rent | 0 | 0 | 0 | 55,010 | 0 | 63,710 |
| Contributions and Donations | 374 | 0 | 0 | 0 | 0 | 35,927 |
| Interest | 0 | 0 | 0 | 0 | 0 | 520 |
| Other | 0 | 0 | 0 | 742 | 1,333 | 58,896 |
| <i>Total Revenues</i> | <u>374</u> | <u>26,414</u> | <u>0</u> | <u>55,752</u> | <u>5,591</u> | <u>3,421,649</u> |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General Government: | 0 | 0 | 0 | 119,683 | 0 | 723,407 |
| Security of Persons and Property | 0 | 0 | 0 | 0 | 0 | 769,338 |
| Public Health | 0 | 0 | 0 | 0 | 1,800 | 1,800 |
| Leisure Time Services | 0 | 0 | 0 | 0 | 0 | 997,974 |
| Community Development | 0 | 0 | 0 | 0 | 0 | 418,510 |
| Transportation | 0 | 0 | 0 | 0 | 0 | 196,373 |
| Capital Outlay | 0 | 0 | 0 | 0 | 0 | 142,612 |
| Debt Service: | | | | | | |
| Principal Retirement | 0 | 0 | 0 | 0 | 0 | 263,966 |
| Interest and Fiscal Charges | 0 | 0 | 0 | 0 | 0 | 23,555 |
| <i>Total Expenditures</i> | <u>0</u> | <u>0</u> | <u>0</u> | <u>119,683</u> | <u>1,800</u> | <u>3,537,535</u> |
| <i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i> | <u>374</u> | <u>26,414</u> | <u>0</u> | <u>(63,931)</u> | <u>3,791</u> | <u>(115,886)</u> |
| Other Financing Sources | | | | | | |
| Transfers In | 0 | 0 | 0 | 0 | 0 | 197,378 |
| <i>Net Change in Fund Balances</i> | 374 | 26,414 | 0 | (63,931) | 3,791 | 81,492 |
| <i>Fund Balances (Deficit) Beginning of Year</i> | <u>2,246</u> | <u>50,433</u> | <u>1,975</u> | <u>204,179</u> | <u>25,348</u> | <u>1,591,924</u> |
| <i>Fund Balances End of Year</i> | <u>\$ 2,620</u> | <u>\$ 76,847</u> | <u>\$ 1,975</u> | <u>\$ 140,248</u> | <u>\$ 29,139</u> | <u>\$ 1,673,416</u> |

City of Ashland
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2012

| | <u>General Obligation Bond Retirement</u> |
|--|---|
| Assets | |
| Equity in Pooled Cash and Investments | \$ 199,846 |
| Taxes Receivable | 240,876 |
| Intergovernmental Receivable | <u>18,018</u> |
| <i>Total Assets</i> | <u><u>\$ 458,740</u></u> |
| | |
| Liabilities | |
| Deferred Revenue | <u>\$ 258,894</u> |
| | |
| Fund Balances | |
| Restricted | <u>199,846</u> |
| <i>Total Liabilities and Fund Balances</i> | <u><u>\$ 458,740</u></u> |

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2012

| | General Obligation Bond Retirement | Note Retirement | Total |
|--|--|--------------------|-------------------|
| Revenues | | | |
| Property Taxes | \$ 236,634 | \$ 0 | \$ 236,634 |
| Intergovernmental | 30,952 | 0 | 30,952 |
| <i>Total Revenues</i> | <u>267,586</u> | <u>0</u> | <u>267,586</u> |
| Expenditures | | | |
| Current: | | | |
| General Government | 0 | 150 | 150 |
| Debt Service: | | | |
| Principal Retirement | 131,000 | 0 | 131,000 |
| Interest and Fiscal Charges | 88,392 | 0 | 88,392 |
| <i>Total Expenditures</i> | <u>219,392</u> | <u>150</u> | <u>219,542</u> |
| <i>Net Change in Fund Balances</i> | 48,194 | (150) | 48,044 |
| <i>Fund Balances Beginning of Year</i> | <u>151,652</u> | <u>150</u> | <u>151,802</u> |
| <i>Fund Balances End of Year</i> | <u>\$ 199,846</u> | <u>\$ 0</u> | <u>\$ 199,846</u> |

City of Ashland
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012

| | Capital Improvement | Morgan/ Hillcrest Traffic Signal | Total |
|--|------------------------|--|-------------------|
| Assets | | | |
| Equity in Pooled Cash and Investments | \$ 761,469 | \$ 95,218 | \$ 856,687 |
| Interfund Receivable | 96,266 | 0 | 96,266 |
| <i>Total Assets</i> | <u>\$ 857,735</u> | <u>\$ 95,218</u> | <u>\$ 952,953</u> |
| Liabilities | | | |
| Contracts Payable | \$ 0 | \$ 24,532 | \$ 24,532 |
| Interfund Payable | 0 | 96,266 | 96,266 |
| <i>Total Liabilities</i> | <u>0</u> | <u>120,798</u> | <u>120,798</u> |
| Fund Balances | | | |
| Restricted | 857,735 | 0 | 857,735 |
| Unassigned | 0 | (25,580) | (25,580) |
| <i>Total Fund Balances</i> | <u>857,735</u> | <u>(25,580)</u> | <u>832,155</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 857,735</u> | <u>\$ 95,218</u> | <u>\$ 952,953</u> |

City of Ashland
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012

| | Capital Improvement | Morgan/ Hillcrest Traffic Signal | Claremont Avenue Pavement Rehabilitation | Total |
|--|------------------------|--|--|-------------------|
| Revenues | | | | |
| Intergovernmental | \$ 0 | \$ 11,328 | \$ 162,179 | \$ 173,507 |
| Interest | 3,315 | 0 | 0 | 3,315 |
| Other | 3,433 | 0 | 0 | 3,433 |
| <i>Total Revenues</i> | <u>6,748</u> | <u>11,328</u> | <u>162,179</u> | <u>180,255</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 7,621 | 0 | 0 | 7,621 |
| Capital Outlay | 128,570 | 36,908 | 162,179 | 327,657 |
| <i>Total Expenditures</i> | <u>136,191</u> | <u>36,908</u> | <u>162,179</u> | <u>335,278</u> |
| <i>Net Change in Fund Balances</i> | (129,443) | (25,580) | 0 | (155,023) |
| <i>Fund Balance Beginning of Year</i> | <u>987,178</u> | <u>0</u> | <u>0</u> | <u>987,178</u> |
| <i>Fund Balances (Deficit) End of Year</i> | <u>\$ 857,735</u> | <u>\$ (25,580)</u> | <u>\$ 0</u> | <u>\$ 832,155</u> |

**Individual Fund Schedules of
Revenues, Expenditures and Changes
in Fund Balance – Budget (Non-GAAP
Basis) and Actual Governmental
Funds – Major and Nonmajor**

CITY OF ASHLAND, OHIO

Major General Fund

The general fund is the operating fund of the City and is used to account 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 general laws of Ohio.

Funds being reported as part of the General Fund

The following funds are legally budgeted as separate special revenue funds but are being reported as part of the general fund for GAAP reporting purposes.

City Income Tax Administration – To account for receipts from the assessment of a 1.50% income tax, which are used to cover the cost of operating the collection department and issuing refunds to taxpayers for overpayments.

City Maintenance – To account for the deposit, control and expenditures of money to be used for the operation of a city maintenance division.

Section 125 – To account for the deposit, control and expenditures of money to be used for section 125 (cafeteria plan).

Major Street Maintenance and Repair

The street maintenance and repair fund is used to account for that portion of the income tax, grants, charges for services and fines designated for maintenance and repairs of streets within the City.

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|-----------------------------|------------------|------------------|-------------------------------|
| Revenues | | | |
| Property Taxes | \$ 624,410 | \$ 547,139 | \$ (77,271) |
| Income Taxes | 6,127,323 | 6,563,792 | 436,469 |
| Charges for Services | 765,128 | 766,868 | 1,740 |
| Licenses and Permits | 26,570 | 21,867 | (4,703) |
| Fines and Forfeitures | 631,400 | 714,890 | 83,490 |
| Intergovernmental | 1,001,556 | 854,510 | (147,046) |
| Interest | 26,200 | 11,073 | (15,127) |
| Rent | 10,200 | 10,200 | 0 |
| Contributions and Donations | 5,075 | 390 | (4,685) |
| Other | 47,400 | 52,154 | 4,754 |
| <i>Total Revenues</i> | <u>9,265,262</u> | <u>9,542,883</u> | <u>277,621</u> |
| Expenditures | | | |
| Current: | | | |
| General Government | | | |
| Mayor | | | |
| Personal Services | 144,126 | 132,060 | 12,066 |
| Other | 21,142 | 15,997 | 5,145 |
| Total Mayor | <u>165,268</u> | <u>148,057</u> | <u>17,211</u> |
| Director of Finance | | | |
| Personal Services | 279,615 | 274,134 | 5,481 |
| Other | 166,474 | 137,051 | 29,423 |
| Total Director of Finance | <u>446,089</u> | <u>411,185</u> | <u>34,904</u> |
| Director of Law | | | |
| Personal Services | 277,066 | 214,123 | 62,943 |
| Other | 50,805 | 42,608 | 8,197 |
| Total Director of Law | <u>327,871</u> | <u>256,731</u> | <u>71,140</u> |

(Continued)

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|--------------------------------------|-----------------|-----------|-------------------------------|
| Department of Human Services | | | |
| Personal Services | 141,168 | 137,391 | 3,777 |
| Other | 26,309 | 24,107 | 2,202 |
| Total Department of Human Services | 167,477 | 161,498 | 5,979 |
| Council | | | |
| Personal Services | 68,654 | 66,014 | 2,640 |
| Other | 10,450 | 5,565 | 4,885 |
| Total Council | 79,104 | 71,579 | 7,525 |
| Municipal Court Clerk | | | |
| Personal Services | 1,138,832 | 1,089,283 | 49,549 |
| Other | 150,811 | 137,047 | 13,764 |
| Total Municipal Court Clerk | 1,289,643 | 1,226,330 | 63,313 |
| Technical Services Department | | | |
| Personal Services | 103,182 | 98,790 | 4,392 |
| Other | 35,777 | 35,188 | 589 |
| Total Technical Services Department | 138,959 | 133,978 | 4,981 |
| Municipal Building Maintenance | | | |
| Personal Services | 52,893 | 51,630 | 1,263 |
| Other | 57,712 | 54,787 | 2,925 |
| Total Municipal Building Maintenance | 110,605 | 106,417 | 4,188 |
| Justice Center Maintenance | | | |
| Personal Services | 79,689 | 67,821 | 11,868 |
| Other | 113,050 | 92,475 | 20,575 |
| Total Justice Center Maintenance | 192,739 | 160,296 | 32,443 |

(Continued)

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|--|-----------------|-----------|-------------------------------|
| Engineer | | | |
| Personal Services | 192,999 | 185,680 | 7,319 |
| Other | 29,217 | 26,628 | 2,589 |
| Total Engineer | 222,216 | 212,308 | 9,908 |
| General Miscellaneous | | | |
| Other | 343,483 | 283,324 | 60,159 |
| Total General Government | 3,483,454 | 3,171,703 | 311,751 |
| Security of Persons and Property | | | |
| Police Department | | | |
| Personal Services | 2,536,531 | 2,506,408 | 30,123 |
| Other | 271,971 | 265,800 | 6,171 |
| Total Police Department | 2,808,502 | 2,772,208 | 36,294 |
| Fire Department | | | |
| Personal Services | 2,835,875 | 2,603,074 | 232,801 |
| Other | 255,474 | 245,100 | 10,374 |
| Total Fire Department | 3,091,349 | 2,848,174 | 243,175 |
| Street Lighting | | | |
| Other | 139,088 | 130,234 | 8,854 |
| Total Security of Persons and Property | 6,038,939 | 5,750,616 | 288,323 |

(Continued)

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|--|-----------------|------------|-------------------------------|
| Public Health | | | |
| Health Department | | | |
| Personal Services | 215,705 | 199,984 | 15,721 |
| Other | 98,934 | 93,323 | 5,611 |
| Total Health Department | 314,639 | 293,307 | 21,332 |
| Community Development | | | |
| Building and Zoning | | | |
| Personal Services | 107,752 | 105,358 | 2,394 |
| Other | 5,184 | 4,475 | 709 |
| Total Building and Zoning | 112,936 | 109,833 | 3,103 |
| Planning Commission | | | |
| Other | 800 | 405 | 395 |
| Economic Development | | | |
| Personal Services | 20,887 | 18,146 | 2,741 |
| Other | 32,113 | 31,854 | 259 |
| Total Economic Development | 53,000 | 50,000 | 3,000 |
| Total Community Development | 166,736 | 160,238 | 6,498 |
| Capital Outlay | | | |
| Capital Outlay | 140,856 | 140,021 | 835 |
| <i>Total Expenditures</i> | 10,144,624 | 9,515,885 | 628,739 |
| <i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i> | (879,362) | 26,998 | 906,360 |
| Other Financing Uses | | | |
| Transfers Out | (390,701) | (365,640) | 25,061 |
| <i>Net Change in Fund Balance</i> | (1,270,063) | (338,642) | 931,421 |
| <i>Fund Balance Beginning of Year</i> | 1,276,832 | 1,276,832 | 0 |
| Prior Year Encumbrances Appropriated | 7,568 | 7,568 | 0 |
| <i>Fund Balance End of Year</i> | \$ 14,337 | \$ 945,758 | \$ 931,421 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
City Income Tax Administration Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|--------------------|--------------------|-------------------------------|
| Revenues | | | |
| Income Tax | \$ 452,695 | \$ 352,751 | \$ (99,944) |
| Other | 0 | 64 | 64 |
| <i>Total Revenues</i> | <u>452,695</u> | <u>352,815</u> | <u>(99,880)</u> |
| Expenditures | | | |
| Current: | | | |
| General Government | | | |
| City Income Tax | | | |
| Personal Services | 241,897 | 223,523 | 18,374 |
| Other | 338,743 | 257,237 | 81,506 |
| <i>Total Expenditures</i> | <u>580,640</u> | <u>480,760</u> | <u>99,880</u> |
| <i>Net Change in Fund Balance</i> | (127,945) | (127,945) | 0 |
| <i>Fund Balance Beginning of Year</i> | <u>127,945</u> | <u>127,945</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
City Maintenance Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---|-----------------|-----------|-------------------------------|
| Revenues | | | |
| Charges for Services | \$ 60,000 | \$ 74,461 | \$ 14,461 |
| Expenditures | | | |
| Current: | | | |
| General Government | | | |
| City Maintenance | | | |
| Personal Services | 77,026 | 72,543 | 4,483 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (17,026) | 1,918 | 18,944 |
| Other Financing Sources | | | |
| Transfers In | 13,931 | 3,660 | (10,271) |
| <i>Net Change in Fund Balance</i> | (3,095) | 5,578 | 8,673 |
| <i>Fund Balance Beginning of Year</i> | 3,095 | 3,095 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 8,673 | \$ 8,673 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Section 125 Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---|-----------------|------------|-------------------------------|
| Revenues | | | |
| Charges for Services | \$ 193,923 | \$ 189,468 | \$ (4,455) |
| Expenditures | | | |
| Current: | | | |
| General Government | | | |
| Other | 197,979 | 193,524 | 4,455 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (4,056) | (4,056) | 0 |
| Other Financing Sources | | | |
| Transfers In | 1,037 | 1,037 | 0 |
| <i>Net Change in Fund Balance</i> | (3,019) | (3,019) | 0 |
| <i>Fund Balance Beginning of Year</i> | 3,019 | 3,019 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 0 | \$ 0 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2012

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> |
|---------------------------------------|-------------------------|-------------------|---------------------------------------|
| Revenues | | | |
| Income Taxes | \$ 598,510 | \$ 641,144 | \$ 42,634 |
| Fines and Forfeitures | 7,400 | 4,920 | (2,480) |
| Intergovernmental | 912,000 | 884,807 | (27,193) |
| Interest | 7 | 6,242 | 6,235 |
| Other | 30,000 | 19,730 | (10,270) |
| <i>Total Revenues</i> | <u>1,547,917</u> | <u>1,556,843</u> | <u>8,926</u> |
| Expenditures | | | |
| Current: | | | |
| Transportation | | | |
| Street Maintenance and Repair | | | |
| Personal Services | 541,437 | 498,843 | 42,594 |
| Other | 1,521,573 | 996,485 | 525,088 |
| Total Transportation | <u>2,063,010</u> | <u>1,495,328</u> | <u>567,682</u> |
| Capital Outlay | | | |
| Street Maintenance and Repair | | | |
| Other | 162,727 | 66,357 | 96,370 |
| <i>Total Expenditures</i> | <u>2,225,737</u> | <u>1,561,685</u> | <u>664,052</u> |
| <i>Net Change in Fund Balance</i> | (677,820) | (4,842) | 672,978 |
| <i>Fund Balance Beginning of Year</i> | 800,242 | 800,242 | 0 |
| Prior Year Encumbrances Appropriated | <u>162,919</u> | <u>162,919</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 285,341</u> | <u>\$ 958,319</u> | <u>\$ 672,978</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|------------------|------------------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 73,000 | \$ 71,740 | \$ (1,260) |
| Interest | 0 | 506 | 506 |
| Other | 20,000 | 20,000 | 0 |
| <i>Total Revenues</i> | <u>93,000</u> | <u>92,246</u> | <u>(754)</u> |
| Expenditures | | | |
| Capital Outlay | | | |
| Other | 30,000 | 25,040 | 4,960 |
| Debt Service: | | | |
| Principal Retirements | 70,000 | 63,966 | 6,034 |
| Interest and Fiscal Charges | 16,000 | 7,555 | 8,445 |
| Total Debt Service | <u>86,000</u> | <u>71,521</u> | <u>14,479</u> |
| <i>Total Expenditures</i> | <u>116,000</u> | <u>96,561</u> | <u>19,439</u> |
| <i>Net Change in Fund Balance</i> | (23,000) | (4,315) | 18,685 |
| <i>Fund Balance Beginning of Year</i> | <u>35,192</u> | <u>35,192</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 12,192</u> | <u>\$ 30,877</u> | <u>\$ 18,685</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Permissive Tax Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|---------------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 100,000 | \$ 100,000 | \$ 0 |
| Expenditures | | | |
| Current: | | | |
| Transportation | | | |
| Personal Services | 82,388 | 82,388 | 0 |
| Capital Outlay | | | |
| Other | 17,612 | 17,592 | 20 |
| <i>Total Expenditures</i> | <u>100,000</u> | <u>99,980</u> | <u>20</u> |
| <i>Net Change in Fund Balance</i> | 0 | 20 | 20 |
| <i>Fund Balance Beginning of Year</i> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 0</u> | <u>\$ 20</u> | <u>\$ 20</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
City Permissive Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|-----------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 90,000 | \$ 94,697 | \$ 4,697 |
| Expenditures | | | |
| Current: | | | |
| Transportation | | | |
| Personal Services | 140,165 | 113,985 | 26,180 |
| <i>Net Change in Fund Balance</i> | (50,165) | (19,288) | 30,877 |
| <i>Fund Balance Beginning of Year</i> | 50,165 | 50,165 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 30,877 | \$ 30,877 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Bandshell Improvements Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|-----------|-------------------------------|
| Revenues | | | |
| Contributions and Donations | \$ 20,000 | \$ 21,475 | \$ 1,475 |
| Expenditures | | | |
| Current: | | | |
| Leisure Time Services | | | |
| Other | 63,110 | 15,326 | 47,784 |
| <i>Net Change in Fund Balance</i> | (43,110) | 6,149 | 49,259 |
| <i>Fund Balance Beginning of Year</i> | 43,110 | 43,110 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 49,259 | \$ 49,259 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Park and Recreation Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|--|------------------|------------------|-------------------------------|
| Revenues | | | |
| Property Taxes | \$ 150,000 | \$ 136,784 | \$ (13,216) |
| Income Taxes | 681,472 | 730,015 | 48,543 |
| Charges for Services | 66,400 | 61,582 | (4,818) |
| Intergovernmental | 20,370 | 21,696 | 1,326 |
| Contributions and Donations | 1,200 | 1,200 | 0 |
| Other | 2,900 | 26,095 | 23,195 |
| <i>Total Revenues</i> | <u>922,342</u> | <u>977,372</u> | <u>55,030</u> |
| Expenditures | | | |
| Current: | | | |
| Leisure Time Services | | | |
| Park Levy | | | |
| Personal Services | 139,319 | 129,664 | 9,655 |
| Park and Recreation | | | |
| Personal Services | 386,939 | 356,811 | 30,128 |
| Other | 346,270 | 333,481 | 12,789 |
| Total Park and Recreation | <u>733,209</u> | <u>690,292</u> | <u>42,917</u> |
| Arborist | | | |
| Personal Services | 120,837 | 106,627 | 14,210 |
| Other | 40,480 | 40,114 | 366 |
| Total Arborist | <u>161,317</u> | <u>146,741</u> | <u>14,576</u> |
| Total Leisure Time Services | <u>1,033,845</u> | <u>966,697</u> | <u>67,148</u> |
| Capital Outlay | | | |
| Capital Outlay | 9,316 | 9,316 | 0 |
| <i>Total Expenditures</i> | <u>1,043,161</u> | <u>976,013</u> | <u>67,148</u> |
| <i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i> | (120,819) | 1,359 | 122,178 |
| Other Financing Sources | | | |
| Transfers In | 114,170 | 57,085 | (57,085) |
| <i>Net Change in Fund Balance</i> | (6,649) | 58,444 | 65,093 |
| <i>Fund Balance Beginning of Year</i> | <u>18,421</u> | <u>18,421</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 11,772</u> | <u>\$ 76,865</u> | <u>\$ 65,093</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Nature Preserve Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|-----------------|-------------------------------|
| Revenues | | | |
| Rent | \$ 8,700 | \$ 8,700 | \$ 0 |
| Other | 10 | 0 | (10) |
| <i>Total Revenues</i> | <u>8,710</u> | <u>8,700</u> | <u>(10)</u> |
| Expenditures | | | |
| Current: | | | |
| Leisure Time Services | | | |
| Other | 10,430 | 8,261 | 2,169 |
| <i>Net Change in Fund Balance</i> | (1,720) | 439 | (2,159) |
| <i>Fund Balance Beginning of Year</i> | <u>1,720</u> | <u>1,720</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 0</u> | <u>\$ 2,159</u> | <u>\$ (2,159)</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire/Rescue Training Fund
For the Year Ended December 31, 2012

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> |
|---------------------------------------|-------------------------|-----------------|---------------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 7,500 | \$ 0 | \$ (7,500) |
| Contributions and Donations | <u>6,000</u> | <u>12,878</u> | <u>6,878</u> |
| <i>Total Revenues</i> | <u>13,500</u> | <u>12,878</u> | <u>(622)</u> |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Other | <u>16,328</u> | <u>11,468</u> | <u>4,860</u> |
| <i>Net Change in Fund Balance</i> | (2,828) | 1,410 | 4,238 |
| <i>Fund Balance Beginning of Year</i> | <u>2,828</u> | <u>2,828</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 0</u> | <u>\$ 4,238</u> | <u>\$ 4,238</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire/Rescue Equipment Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|--|-----------------|------------|-------------------------------|
| Revenues | | | |
| Charges for Services | \$ 286,555 | \$ 286,555 | \$ 0 |
| Expenditures | | | |
| Capital Outlay | | | |
| Other | 260,802 | 257,498 | 3,304 |
| Debt Service | | | |
| Principal Retirement | 200,000 | 200,000 | 0 |
| Interest and Fiscal Charges | 16,000 | 16,000 | 0 |
| Total Debt Service | 216,000 | 216,000 | 0 |
| <i>Total Expenditures</i> | 476,802 | 473,498 | 3,304 |
| <i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i> | (190,247) | (186,943) | 3,304 |
| Other Financing Sources (Uses) | | | |
| Transfers In | 26,000 | 26,000 | 0 |
| <i>Net Change in Fund Balance</i> | (164,247) | (160,943) | 3,304 |
| <i>Fund Balance Beginning of Year</i> | 158,305 | 158,305 | 0 |
| Prior Year Encumbrances Appropriated | 5,942 | 5,942 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 3,304 | \$ 3,304 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|------------------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 90,000 | \$ 146,959 | \$ 56,959 |
| Expenditures | | | |
| Current: | | | |
| Community Development | | | |
| Personal Services | 132 | 132 | 0 |
| Other | 89,978 | 86,726 | 3,252 |
| Total Community Development | 90,110 | 86,858 | 3,252 |
| <i>Net Change in Fund Balance</i> | (110) | 60,101 | 60,211 |
| <i>Fund Balance Beginning of Year</i> | 110 | 110 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$ 0</u> | <u>\$ 60,211</u> | <u>\$ 60,211</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Regional Development Housing Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|-------------------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 500,000 | \$ 309,076 | \$ (190,924) |
| Other | 3,650 | 4,052 | 402 |
| <i>Total Revenues</i> | <u>503,650</u> | <u>313,128</u> | <u>(190,522)</u> |
| Expenditures | | | |
| Current: | | | |
| Community Development | | | |
| Other | 558,533 | 246,564 | 311,969 |
| <i>Net Change in Fund Balance</i> | (54,883) | 66,564 | 121,447 |
| <i>Fund Balance Beginning of Year</i> | <u>54,883</u> | <u>54,883</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 0</u> | <u>\$ 121,447</u> | <u>\$ 121,447</u> |

City of Ashland
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Firemens Pension Fund
For the Year Ended December 31, 2012*

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|--------------------|------------------------|-------------------------------|
| Revenues | | | |
| Property Taxes | \$ 93,136 | \$ 89,510 | \$ (3,626) |
| Intergovernmental | 14,212 | 11,839 | (2,373) |
| <i>Total Revenues</i> | <u>107,348</u> | <u>101,349</u> | <u>(5,999)</u> |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Personal Services | <u>107,348</u> | <u>95,171</u> | <u>12,177</u> |
| <i>Net Change in Fund Balance</i> | 0 | 6,178 | 6,178 |
| <i>Fund Balance Beginning of Year</i> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$ 0</u></u> | <u><u>\$ 6,178</u></u> | <u><u>\$ 6,178</u></u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Policemens Pension Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|--------------------|------------------------|-------------------------------|
| Revenues | | | |
| Property Taxes | \$ 93,136 | \$ 89,510 | \$ (3,626) |
| Intergovernmental | 14,212 | 11,839 | (2,373) |
| Other | 0 | 180 | 180 |
| <i>Total Revenues</i> | <u>107,348</u> | <u>101,529</u> | <u>(5,819)</u> |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Personal Services | <u>107,348</u> | <u>95,171</u> | <u>12,177</u> |
| <i>Net Change in Fund Balance</i> | 0 | 6,358 | 6,358 |
| <i>Fund Balance Beginning of Year</i> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$ 0</u></u> | <u><u>\$ 6,358</u></u> | <u><u>\$ 6,358</u></u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|------------------|-------------------------------|
| Revenues | | | |
| Fines and Forfeitures | \$ 4,000 | \$ 469 | \$ (3,531) |
| Other | 0 | 6,030 | 6,030 |
| <i>Total Revenues</i> | <u>4,000</u> | <u>6,499</u> | <u>2,499</u> |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Other | 31,087 | 2,674 | 28,413 |
| <i>Net Change in Fund Balance</i> | (27,087) | 3,825 | 30,912 |
| <i>Fund Balance Beginning of Year</i> | <u>27,087</u> | <u>27,087</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 0</u> | <u>\$ 30,912</u> | <u>\$ 30,912</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|-----------|-------------------------------|
| Revenues | | | |
| Fines and Forfeitures | \$ 3,000 | \$ 6,162 | \$ 3,162 |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Other | 11,698 | 0 | 11,698 |
| <i>Net Change in Fund Balance</i> | (8,698) | 6,162 | 14,860 |
| <i>Fund Balance Beginning of Year</i> | 8,698 | 8,698 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 14,860 | \$ 14,860 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ashland Public Transportation Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|--|-------------------|-------------------|-------------------------------|
| Revenues | | | |
| Charges for Services | \$ 90,000 | \$ 105,879 | \$ 15,879 |
| Intergovernmental | 432,990 | 298,502 | (134,488) |
| <i>Total Revenues</i> | <u>522,990</u> | <u>404,381</u> | <u>(118,609)</u> |
| Expenditures | | | |
| Current: | | | |
| General Government | | | |
| Public Transit | | | |
| Personal Services | 32,606 | 32,606 | 0 |
| Other | 671,581 | 551,026 | 120,555 |
| <i>Total Public Transit</i> | <u>704,187</u> | <u>583,632</u> | <u>120,555</u> |
| Coordination | | | |
| Personal Services | 26,792 | 21,256 | 5,536 |
| <i>Total Expenditures</i> | <u>730,979</u> | <u>604,888</u> | <u>126,091</u> |
| <i>Deficiency of Revenues Under Expenditures</i> | <u>(207,989)</u> | <u>(200,507)</u> | <u>7,482</u> |
| Other Financing Sources | | | |
| Transfers In | 118,678 | 114,293 | (4,385) |
| <i>Net Change in Fund Balance</i> | (89,311) | (86,214) | 3,097 |
| <i>Fund Balance Beginning of Year</i> | <u>192,349</u> | <u>192,349</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 103,038</u> | <u>\$ 106,135</u> | <u>\$ 3,097</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Computer Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|------------|-------------------------------|
| Revenues | | | |
| Fines and Forfeitures | \$ 115,000 | \$ 135,522 | \$ 20,522 |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Other | 302,328 | 124,686 | 177,642 |
| Capital Outlay | | | |
| Other | 24,050 | 24,050 | 0 |
| <i>Total Expenditures</i> | 326,378 | 148,736 | 177,642 |
| <i>Net Change in Fund Balance</i> | (211,378) | (13,214) | 198,164 |
| <i>Fund Balance Beginning of Year</i> | 211,378 | 211,378 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 198,164 | \$ 198,164 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|-----------|-------------------------------|
| Revenues | | | |
| Fines and Forfeitures | \$ 7,800 | \$ 13,695 | \$ 5,895 |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Other | 60,388 | 38,566 | 21,822 |
| <i>Net Change in Fund Balance</i> | (52,588) | (24,871) | 27,717 |
| <i>Fund Balance Beginning of Year</i> | 52,588 | 52,588 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 27,717 | \$ 27,717 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Probation Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|--|-----------------|------------|-------------------------------|
| Revenues | | | |
| Fines and Forfeitures | \$ 188,000 | \$ 225,839 | \$ 37,839 |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Personal Services | 247,751 | 185,495 | 62,256 |
| Other | 47,079 | 13,858 | 33,221 |
| <i>Total Expenditures</i> | 294,830 | 199,353 | 95,477 |
| <i>Net Change in Fund Balance</i> | (106,830) | 26,486 | 133,316 |
| <i>Fund Balance at Beginning of Year</i> | 106,830 | 106,830 | 0 |
| <i>Fund Balance at End of Year</i> | \$ 0 | \$ 133,316 | \$ 133,316 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Donations Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|----------|-------------------------------|
| Revenues | | | |
| Contributions and Donations | \$ 1,700 | \$ 0 | \$ (1,700) |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Other | 3,094 | 150 | 2,944 |
| <i>Net Change in Fund Balance</i> | (1,394) | (150) | 1,244 |
| <i>Fund Balance Beginning of Year</i> | 1,394 | 1,394 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 1,244 | \$ 1,244 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Home Arrest Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|----------|-------------------------------|
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Other | \$ 1,728 | \$ 0 | \$ 1,728 |
| <i>Net Change in Fund Balance</i> | (1,728) | 0 | 1,728 |
| <i>Fund Balance Beginning of Year</i> | 1,728 | 1,728 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 1,728 | \$ 1,728 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Corrections Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|------------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 112,100 | \$ 113,047 | \$ 947 |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Community Corrections | | | |
| Personal Services | 75,140 | 73,152 | 1,988 |
| Other | 42,290 | 36,437 | 5,853 |
| <i>Total Expenditures</i> | 117,430 | 109,589 | 7,841 |
| <i>Net Change in Fund Balance</i> | (5,330) | 3,458 | 8,788 |
| <i>Fund Balance Beginning of Year</i> | 5,330 | 5,330 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 8,788 | \$ 8,788 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Special Program Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|------------|-------------------------------|
| Revenues | | | |
| Fines and Forfeitures | \$ 51,001 | \$ 59,438 | \$ 8,437 |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Personal Services | 58,704 | 46,997 | 11,707 |
| Capital Outlay | 152,777 | 29,330 | 123,447 |
| <i>Total Expenditures</i> | 211,481 | 76,327 | 135,154 |
| <i>Net Change in Fund Balance</i> | (160,480) | (16,889) | 143,591 |
| <i>Fund Balance Beginning of Year</i> | 160,480 | 160,480 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 143,591 | \$ 143,591 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
CCA Monitoring Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|-----------------|-------------------------------|
| Revenues | | | |
| Fines and Forfeitures | \$ 5,316 | \$ 8,307 | \$ 2,991 |
| Other | 2,320 | 3,120 | 800 |
| <i>Total Revenues</i> | <u>7,636</u> | <u>11,427</u> | <u>3,791</u> |
| Expenditures | | | |
| Current | | | |
| Security of Persons and Property | | | |
| Personal Services | 3,573 | 2,757 | 816 |
| Other | 8,050 | 8,050 | 0 |
| <i>Total Expenditures</i> | <u>11,623</u> | <u>10,807</u> | <u>816</u> |
| <i>Net Change in Fund Balance</i> | (3,987) | 620 | 4,607 |
| <i>Fund Balance Beginning of Year</i> | <u>4,003</u> | <u>4,003</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 16</u> | <u>\$ 4,623</u> | <u>\$ 4,607</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Revolving Loan Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|---------------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 15,000 | \$ 15,000 | \$ 0 |
| Interest | 12 | 14 | 2 |
| <i>Total Revenues</i> | <u>15,012</u> | <u>15,014</u> | <u>2</u> |
| Expenditures | | | |
| Current: | | | |
| Community Development | | | |
| Other | 56,207 | 56,200 | 7 |
| <i>Net Change in Fund Balance</i> | (41,195) | (41,186) | 9 |
| <i>Fund Balance Beginning of Year</i> | <u>41,195</u> | <u>41,195</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 0</u> | <u>\$ 9</u> | <u>\$ 9</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Mayor's Underprivileged Children Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|----------|-------------------------------|
| Revenues | | | |
| Contributions and Donations | \$ 0 | \$ 374 | \$ 374 |
| Expenditures | | | |
| Current: | | | |
| General Government | | | |
| Other | 2,246 | 0 | 2,246 |
| <i>Net Change in Fund Balance</i> | (2,246) | 374 | 2,620 |
| <i>Fund Balance Beginning of Year</i> | 2,246 | 2,246 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 2,620 | \$ 2,620 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Driver's Interlock Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|-----------|-------------------------------|
| Revenues | | | |
| Fines and Forfeitures | \$ 23,000 | \$ 27,304 | \$ 4,304 |
| Expenditures | | | |
| Current: | | | |
| Security of Persons and Property | | | |
| Other | 70,625 | 0 | 70,625 |
| <i>Net Change in Fund Balance</i> | (47,625) | 27,304 | 74,929 |
| <i>Fund Balance Beginning of Year</i> | 47,625 | 47,625 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 74,929 | \$ 74,929 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Continuing Education Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|----------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 250 | \$ 0 | \$ (250) |
| Expenditures | | | |
| Current: | | | |
| Security of Person and Property | | | |
| Other | 2,225 | 0 | 2,225 |
| <i>Net Change in Fund Balance</i> | (1,975) | 0 | 1,975 |
| <i>Fund Balance Beginning of Year</i> | 1,975 | 1,975 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 1,975 | \$ 1,975 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Industrial Park Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|-------------------|-------------------------------|
| Revenues | | | |
| Rent | \$ 54,800 | \$ 55,010 | \$ 210 |
| Other | 0 | 742 | 742 |
| <i>Total Revenues</i> | <u>54,800</u> | <u>55,752</u> | <u>952</u> |
| Expenditures | | | |
| Current: | | | |
| General Government | | | |
| Personal Services | 4,896 | 4,896 | 0 |
| Other | 254,083 | 114,787 | 139,296 |
| <i>Total Expenditures</i> | <u>258,979</u> | <u>119,683</u> | <u>139,296</u> |
| <i>Net Change in Fund Balance</i> | (204,179) | (63,931) | 140,248 |
| <i>Fund Balance Beginning of Year</i> | <u>204,179</u> | <u>204,179</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 0</u> | <u>\$ 140,248</u> | <u>\$ 140,248</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Emergency Grounds Maintenance Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|------------------|-------------------------------|
| Revenues | | | |
| Charges for Services | \$ 3,110 | \$ 4,258 | \$ 1,148 |
| Other | 0 | 1,333 | 1,333 |
| <i>Total Revenues</i> | <u>3,110</u> | <u>5,591</u> | <u>2,481</u> |
| Expenditures | | | |
| Current: | | | |
| Public Health | | | |
| Other | 28,458 | 1,800 | 26,658 |
| <i>Net Change in Fund Balance</i> | (25,348) | 3,791 | 29,139 |
| <i>Fund Balance Beginning of Year</i> | <u>25,348</u> | <u>25,348</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 0</u> | <u>\$ 29,139</u> | <u>\$ 29,139</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-------------------|-------------------|-------------------------------|
| Revenues | | | |
| Property Taxes | \$ 248,364 | \$ 236,634 | \$ (11,730) |
| Intergovernmental | 20,300 | 30,952 | 10,652 |
| <i>Total Revenues</i> | <u>268,664</u> | <u>267,586</u> | <u>(1,078)</u> |
| Expenditures | | | |
| Debt Service | | | |
| Principal Retirements | 131,168 | 131,000 | 168 |
| Interest and Fiscal Charges | 88,193 | 88,392 | (199) |
| Issuance Costs | 200 | 0 | 200 |
| <i>Total Expenditures</i> | <u>219,561</u> | <u>219,392</u> | <u>169</u> |
| <i>Net Change in Fund Balance</i> | 49,103 | 48,194 | (909) |
| <i>Fund Balance Beginning of Year</i> | <u>151,652</u> | <u>151,652</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 200,755</u> | <u>\$ 199,846</u> | <u>\$ (909)</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Note Retirement Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|-------------|-------------------------------|
| Expenditures | | | |
| General Government | | | |
| Other | \$ 150 | \$ 150 | \$ 0 |
| <i>Net Change in Fund Balance</i> | (150) | (150) | 0 |
| <i>Fund Balance Beginning of Year</i> | 150 | 150 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|--|-------------------|-------------------|-------------------------------|
| Revenues | | | |
| Interest | \$ 0 | \$ 3,315 | \$ 3,315 |
| Other | 2,000 | 5,504 | 3,504 |
| <i>Total Revenues</i> | <u>2,000</u> | <u>8,819</u> | <u>6,819</u> |
| Expenditures | | | |
| Current: | | | |
| General Government | | | |
| Personal Services | 7,621 | 7,621 | 0 |
| Other | 70,000 | 0 | 70,000 |
| Total General Government | <u>77,621</u> | <u>7,621</u> | <u>70,000</u> |
| Capital Outlay | | | |
| Capital Outlay | 257,379 | 140,038 | 117,341 |
| <i>Total Expenditures</i> | <u>335,000</u> | <u>147,659</u> | <u>187,341</u> |
| <i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i> | <u>(333,000)</u> | <u>(138,840)</u> | <u>194,160</u> |
| Other Financing Sources (Uses) | | | |
| Advances In | 0 | 11,326 | 11,326 |
| Advances Out | (147,586) | (107,592) | 39,994 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(147,586)</u> | <u>(96,266)</u> | <u>51,320</u> |
| <i>Net Change in Fund Balance</i> | (480,586) | (235,106) | 245,480 |
| <i>Fund Balance Beginning of Year</i> | <u>996,575</u> | <u>996,575</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$ 515,989</u> | <u>\$ 761,469</u> | <u>\$ 245,480</u> |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Morgan/Hillcrest Traffic Signal Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---|-----------------|-----------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 180,040 | \$ 11,328 | \$ (168,712) |
| Expenditures | | | |
| Capital Outlay | 180,040 | 106,429 | 73,611 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 0 | (95,101) | (95,101) |
| Other Financing Sources (Uses) | | | |
| Advances In | 45,000 | 107,592 | 62,592 |
| Advances Out | (45,000) | (11,326) | 33,674 |
| <i>Total Other Financing (Uses)</i> | 0 | 96,266 | 96,266 |
| <i>Net Change in Fund Balance</i> | 0 | 1,165 | 1,165 |
| <i>Fund Balance Beginning of Year</i> | 0 | 0 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 1,165 | \$ 1,165 |

City of Ashland
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Claremont Avenue Pavement Rehabilitation Fund
For the Year Ended December 31, 2012

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|------------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 162,179 | \$ 162,179 | \$ 0 |
| Expenditures | | | |
| Capital Outlay | 162,179 | 162,179 | 0 |
| <i>Net Change in Fund Balance</i> | 0 | 0 | 0 |
| <i>Fund Balance Beginning of Year</i> | 0 | 0 | 0 |
| <i>Fund Balance End of Year</i> | \$ 0 | \$ 0 | \$ 0 |

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Combining Statements for Nonmajor Enterprise Funds

CITY OF ASHLAND, OHIO

Fund Descriptions – Nonmajor Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Stormwater Management Utility – To account for the deposit, control and expenses of moneys from sales and transfers to cover the operation of the managing stormwater.

Brookside Swimming Pool - To account for the deposit, control and expenses of moneys from sales and transfers to cover the operation of the swimming pool.

Brookside Golf Course - To account for the deposit, control and expenses of moneys from sales and transfers to cover the operation of the golf course.

City of Ashland
Combining Statement of Fund Net Position
Nonmajor Enterprise Funds
December 31, 2012

| | Stormwater Management Utility | Brookside Swimming Pool | Brookside Golf Course | Total |
|---|-------------------------------------|----------------------------|--------------------------|---------------------|
| Assets | | | | |
| <i>Current Assets</i> | | | | |
| Equity in Pooled Cash and Investments | \$ 650,370 | \$ 8,196 | \$ 46,867 | \$ 705,433 |
| Cash and Cash Equivalents in Segregated Accounts | 0 | 0 | 1,144 | 1,144 |
| Materials and Supplies Inventory | 0 | 0 | 93,962 | 93,962 |
| Accounts Receivable | 3,087 | 0 | 0 | 3,087 |
| <i>Total Current Assets</i> | <u>653,457</u> | <u>8,196</u> | <u>141,973</u> | <u>803,626</u> |
| <i>Noncurrent Assets</i> | | | | |
| Non-Depreciable Capital Assets | 358,226 | 37,120 | 799,931 | 1,195,277 |
| Depreciable Capital Assets, net | 1,945,908 | 84,409 | 252,420 | 2,282,737 |
| <i>Total Noncurrent Assets</i> | <u>2,304,134</u> | <u>121,529</u> | <u>1,052,351</u> | <u>3,478,014</u> |
| <i>Total Assets</i> | <u>2,957,591</u> | <u>129,725</u> | <u>1,194,324</u> | <u>4,281,640</u> |
| Liabilities | | | | |
| <i>Current Liabilities</i> | | | | |
| Contracts Payable | 933 | 0 | 0 | 933 |
| Accrued Wages | 5,086 | 0 | 6,744 | 11,830 |
| Intergovernmental Payable | 2,353 | 891 | 8,040 | 11,284 |
| Retainage Payable | 6,550 | 0 | 0 | 6,550 |
| Compensated Absences Payable | 0 | 0 | 599 | 599 |
| <i>Total Current Liabilities</i> | <u>14,922</u> | <u>891</u> | <u>15,383</u> | <u>31,196</u> |
| <i>Noncurrent Liabilities</i> | | | | |
| Compensated Absences Payable - net of current portion | 0 | 0 | 17,640 | 17,640 |
| <i>Total Liabilities</i> | <u>14,922</u> | <u>891</u> | <u>33,023</u> | <u>48,836</u> |
| Net Position | | | | |
| Net Investment in Capital Assets | 2,304,134 | 121,529 | 1,052,351 | 3,478,014 |
| Unrestricted | 638,535 | 7,305 | 108,950 | 754,790 |
| <i>Total Net Position</i> | <u>\$ 2,942,669</u> | <u>\$ 128,834</u> | <u>\$ 1,161,301</u> | <u>\$ 4,232,804</u> |

City of Ashland
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2012

| | Stormwater Management Utility | Brookside Swimming Pool | Brookside Golf Course | Total |
|--|-------------------------------------|----------------------------|--------------------------|---------------------|
| Operating Revenue | | | | |
| Charges for Services | \$ 517,609 | \$ 62,519 | \$ 435,143 | \$ 1,015,271 |
| Operating Expenses | | | | |
| Personal Services | 176,931 | 46,150 | 287,370 | 510,451 |
| Contractual Services | 57,898 | 0 | 59,458 | 117,356 |
| Materials and Supplies | 5,277 | 20,638 | 197,426 | 223,341 |
| Utilities | 0 | 6,696 | 21,741 | 28,437 |
| Depreciation | 32,791 | 2,979 | 43,305 | 79,075 |
| Other | 20,156 | 0 | 21 | 20,177 |
| <i>Total Operating Expenses</i> | <u>293,053</u> | <u>76,463</u> | <u>609,321</u> | <u>978,837</u> |
| <i>Income (Loss) Before Transfers</i> | 224,556 | (13,944) | (174,178) | 36,434 |
| Transfers In | <u>0</u> | <u>4,500</u> | <u>149,065</u> | <u>153,565</u> |
| <i>Change in Net Position</i> | 224,556 | (9,444) | (25,113) | 189,999 |
| <i>Net Position at Beginning of Year</i> | <u>2,718,113</u> | <u>138,278</u> | <u>1,186,414</u> | <u>4,042,805</u> |
| <i>Net Position at End of Year</i> | <u>\$ 2,942,669</u> | <u>\$ 128,834</u> | <u>\$ 1,161,301</u> | <u>\$ 4,232,804</u> |

City of Ashland
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2012

| | Stormwater Management Utility | Brookside Swimming Pool | Brookside Golf Course | Totals |
|--|-------------------------------------|----------------------------|--------------------------|-------------------|
| Cash Flows from Operating Activities | | | | |
| Cash Received from Customers | \$ 521,307 | \$ 62,519 | \$ 435,143 | \$ 1,018,969 |
| Cash Payments to Suppliers for Goods and Services | (5,277) | (20,638) | (178,651) | (204,566) |
| Cash Payments to Employees | (173,369) | (46,297) | (282,831) | (502,497) |
| Cash Payments for Contractual Services | (57,898) | (6,696) | (81,199) | (145,793) |
| Other Cash Payments | (20,156) | 0 | (21) | (20,177) |
| <i>Net Cash Provided By (Used for) Operating Activities</i> | <u>264,607</u> | <u>(11,112)</u> | <u>(107,559)</u> | <u>145,936</u> |
| Cash Flows from Noncapital Financing Activities | | | | |
| Transfers In | <u>0</u> | <u>4,500</u> | <u>149,065</u> | <u>153,565</u> |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Acquisition of Capital Assets | <u>(435,474)</u> | <u>0</u> | <u>0</u> | <u>(435,474)</u> |
| <i>Net Increase (Decrease) in Cash and Investments</i> | (170,867) | (6,612) | 41,506 | (135,973) |
| <i>Cash and Investments Beginning of Year</i> | <u>821,237</u> | <u>14,808</u> | <u>6,505</u> | <u>842,550</u> |
| <i>Cash and Investments End of Year</i> | <u>\$ 650,370</u> | <u>\$ 8,196</u> | <u>\$ 48,011</u> | <u>\$ 706,577</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities | | | | |
| <i>Operating Income (Loss)</i> | \$ 224,556 | \$ (13,944) | \$ (174,178) | \$ 36,434 |
| Adjustments: | | | | |
| Depreciation | 32,791 | 2,979 | 43,305 | 79,075 |
| (Increase) Decrease in Assets: | | | | |
| Accounts Receivable | 3,698 | 0 | 0 | 3,698 |
| Materials and Supplies Inventory | 0 | 0 | 18,775 | 18,775 |
| Increase (Decrease) in Liabilities: | | | | |
| Accrued Wages | 2,732 | 0 | 785 | 3,517 |
| Compensated Absences Payable | 0 | 0 | 2,478 | 2,478 |
| Intergovernmental Payable | 830 | (147) | 1,276 | 1,959 |
| <i>Net Cash Provided By (Used for) Operating Activities</i> | <u>\$ 264,607</u> | <u>\$ (11,112)</u> | <u>\$ (107,559)</u> | <u>\$ 145,936</u> |

Combining Statements for Fiduciary Funds

CITY OF ASHLAND, OHIO

Fund Descriptions - Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agency for individuals, private organizations, other governments, and/or funds. The following is the City's fiduciary fund type:

Agency Funds

Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations.

Municipal Court - To account for all municipal court receipts held prior to being disbursed to the various funds according to ordinance and state law.

Performance Bonds - To account for revenue received from performance bonds on contract bids and the return of performance bonds.

Brookside Golf Course Gift Certificates - To account for the deposit, control and expenditure of gift certificates offered by the golf course.

Employee Deductions - To account for the funds from the employee share of health insurance deducted from their paychecks. This is paid with the city portion when the health insurance bill comes due.

City of Ashland
Combining Statement of Fiduciary Assets and Liabilities
 Agency Funds
 December 31, 2012

| | Municipal Court | Performance Bonds | Brookside Golf Course Gift Certificates | Employee Deductions | Total |
|--|-------------------------|----------------------|---|-------------------------|-------------------------|
| Assets | | | | | |
| Equity in Pooled Cash and Investments | \$ 0 | \$ 300 | \$ 11,462 | \$ 19,099 | \$ 30,861 |
| Cash and Cash Equivalents in Segregated Accounts | <u>60,021</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>60,021</u> |
| <i>Total Assets</i> | <u><u>\$ 60,021</u></u> | <u><u>\$ 300</u></u> | <u><u>\$ 11,462</u></u> | <u><u>\$ 19,099</u></u> | <u><u>\$ 90,882</u></u> |
| Liabilities | | | | | |
| Undistributed Monies | <u><u>\$ 60,021</u></u> | <u><u>\$ 300</u></u> | <u><u>\$ 11,462</u></u> | <u><u>\$ 19,099</u></u> | <u><u>\$ 90,882</u></u> |

City of Ashland
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2012

| | Balance 12/31/2011 | Additions | Reductions | Balance 12/31/2012 |
|--|-----------------------|-------------------|-------------------|-----------------------|
| Municipal Court | | | | |
| Assets | | | | |
| Cash and Cash Equivalents in Segregated Accounts | \$ 55,936 | \$ 4,085 | \$ 0 | \$ 60,021 |
| Liabilities | | | | |
| Undistributed Monies | \$ 55,936 | \$ 4,085 | \$ 0 | \$ 60,021 |
| Performance Bonds | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Investments | \$ 300 | \$ 0 | \$ 0 | \$ 300 |
| Liabilities | | | | |
| Undistributed Monies | \$ 300 | \$ 0 | \$ 0 | \$ 300 |
| Brookside Golf Course Gift Certificates | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Investments | \$ 10,309 | \$ 7,797 | \$ 6,644 | \$ 11,462 |
| Liabilities | | | | |
| Undistributed Monies | \$ 10,309 | \$ 7,797 | \$ 6,644 | \$ 11,462 |
| Employee Deductions | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Investments | \$ 11,236 | \$ 382,601 | \$ 374,738 | \$ 19,099 |
| Liabilities | | | | |
| Undistributed Monies | \$ 11,236 | \$ 382,601 | \$ 374,738 | \$ 19,099 |
| All Agency Funds | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Investments | \$ 21,845 | \$ 390,398 | \$ 381,382 | \$ 30,861 |
| Cash and Cash Equivalents in Segregated Accounts | 55,936 | 4,085 | 0 | 60,021 |
| <i>Total Assets</i> | <u>\$ 77,781</u> | <u>\$ 394,483</u> | <u>\$ 381,382</u> | <u>\$ 90,882</u> |
| Liabilities | | | | |
| Undistributed Monies | 77,781 | 394,483 | 381,382 | 90,882 |
| <i>Total Liabilities</i> | <u>\$ 77,781</u> | <u>\$ 394,483</u> | <u>\$ 381,382</u> | <u>\$ 90,882</u> |

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City of Ashland, Ohio

Statistical Section





Statistical Section

This part of the City of Ashland, Ohio’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city’s overall financial health. These tables are presented in accordance with Governmental Accounting Standards Board (GASB) Statement 44, *Economic Condition Reporting: The Statistical Section*.

Contents

Tables

Revenue Capacity

S2-S8

These schedules contain information to help the reader assess the city’s most significant local revenue source, the property tax, and the municipal income tax.

Debt Capacity

S9-S12

These schedules present information to help the reader assess the affordability of the city’s current levels of outstanding debt and the city’s ability to issue additional debt in the future.

Demographic and Economic Information

S13-S14

These schedules offer demographic and economic indicators to help the reader understand the environment within which the city’s financial activities take place.

Financial Trends

S15-S21

These schedules contain trend information to help the reader understand how the city’s financial performance and well-being have changed over time.

Operating Information

S22-S25

These schedules contain service and infrastructure data to help the reader understand how the information in the city’s financial report relates to the services the city provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented GASB Statement 34 in 2003: schedules presenting government-wide information include information beginning in that year.

CITY OF ASHLAND, OHIO

Revenue Capacity

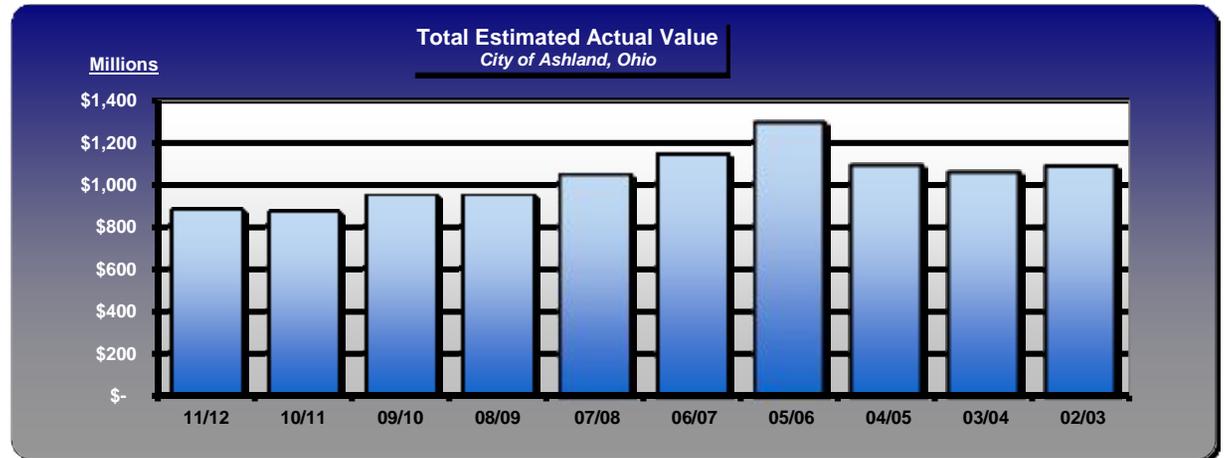
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

| Tax Year/Collection Year | Real Property Assessed Values | | | Tangible Personal Property Assessed Values | | | Total | | Ratio | Direct Tax Rate |
|--------------------------|-------------------------------|---------------------|------------------------|--|------------------|------------------------|-----------------|------------------------|--------|-----------------|
| | Residential/Agricultural | Other Real Property | Estimated Actual Value | Tangible Personal Property | Public Utilities | Estimated Actual Value | Assessed Values | Estimated Actual Value | | |
| 11/12 | \$ 211,790,810 | \$ 92,639,290 | \$ 869,800,286 | \$ 0 | \$ 9,315,660 | \$ 10,585,977 | \$ 313,745,760 | \$ 880,386,263 | 35.64% | 3.90 |
| 10/11 | 211,442,550 | 90,550,190 | 862,836,400 | 0 | 8,462,390 | 9,616,352 | 310,455,130 | 872,452,752 | 35.58% | 3.90 |
| 09/10 | 231,041,550 | 97,065,350 | 937,448,286 | 249,600 | 8,110,370 | 11,213,130 | 336,466,870 | 948,661,415 | 35.47% | 3.90 |
| 08/09 | 231,385,550 | 95,823,450 | 934,882,857 | 540,440 | 7,968,850 | 13,379,031 | 335,718,290 | 948,261,889 | 35.40% | 3.90 |
| 07/08 | 231,461,610 | 91,522,560 | 922,811,914 | 14,399,868 | 7,739,260 | 123,993,558 | 345,123,298 | 1,046,805,472 | 32.97% | 3.90 |
| 06/07 | 221,436,630 | 86,915,050 | 881,004,800 | 31,913,261 | 7,557,520 | 263,894,179 | 347,822,461 | 1,144,898,979 | 30.38% | 3.90 |
| 05/06 | 218,161,440 | 78,330,240 | 847,119,086 | 54,780,177 | 9,106,840 | 448,590,098 | 360,378,697 | 1,295,709,184 | 27.81% | 3.90 |
| 04/05 | 204,347,880 | 72,623,820 | 791,347,714 | 54,837,769 | 9,834,340 | 303,643,488 | 341,643,809 | 1,094,991,202 | 31.20% | 3.90 |
| 03/04 | 201,973,640 | 72,618,350 | 784,548,543 | 61,134,064 | 10,114,410 | 277,293,926 | 345,840,464 | 1,061,842,469 | 32.57% | 3.90 |
| 02/03 | 199,870,710 | 74,910,880 | 785,090,257 | 67,959,249 | 9,766,440 | 306,573,223 | 352,507,279 | 1,091,663,480 | 32.29% | 3.90 |

Real property is appraised every six years by the County Auditor with a triennial update. The assessed value of real property is 35 percent of estimated actual value. Personal property tax is assessed on all personal property used in business in Ohio. The assessed value of public utilities personal property is 88%. All other types of tangible personal property were assessed at 12.50% in 2006, 18.75% in 2005, and 23% in 2004.

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

Source: Ashland County, Ohio: County Auditor



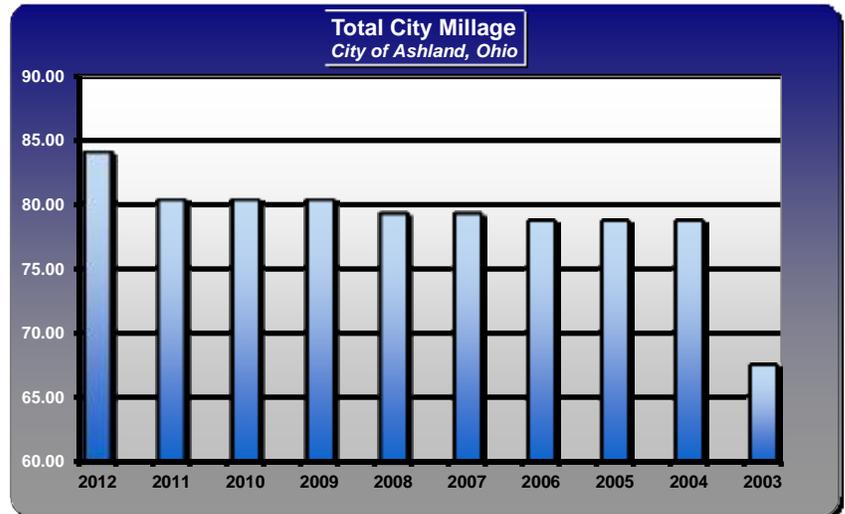
CITY OF ASHLAND, OHIO

Revenue Capacity

Direct and Overlapping Property Tax Rates
(Per \$1,000 of Assessed Valuation)
Last Ten Collection Years

| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Inside Millage | | | | | | | | | | |
| Operating | 2.00 | 2.00 | 2.30 | 2.00 | 2.10 | 2.43 | 2.43 | 2.43 | 2.43 | 2.68 |
| Debt | 0.80 | 0.80 | 0.50 | 0.80 | 0.70 | 0.37 | 0.37 | 0.37 | 0.37 | 0.12 |
| Fire Pension | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| Police Pension | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| Total Unvoted Millage | 3.40 |
| Outside Millage | | | | | | | | | | |
| Recreation | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Total Voted Millage | 0.50 |
| Total Millage | 3.90 |
| Overlapping Rates by Taxing District | | | | | | | | | | |
| Ashland County | 9.10 | 9.10 | 9.10 | 9.10 | 9.10 | 9.10 | 8.50 | 8.50 | 8.50 | 7.00 |
| Ashland School District | 65.95 | 62.25 | 62.25 | 62.25 | 62.25 | 62.25 | 62.25 | 62.25 | 62.25 | 52.35 |
| Ashland County Vocational School | 4.10 | 4.10 | 4.10 | 4.10 | 4.10 | 4.10 | 4.10 | 4.10 | 4.10 | 4.10 |
| Ashland Public Library | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.10 |
| City of Ashland | 3.90 | 3.90 | 3.90 | 3.90 | 3.90 | 3.90 | 3.90 | 3.90 | 3.90 | 3.90 |
| Total | 84.05 | 80.35 | 80.35 | 80.35 | 79.35 | 79.35 | 78.75 | 78.75 | 78.75 | 67.45 |

Source: Ashland County, Ohio: County Auditor



CITY OF ASHLAND, OHIO

Revenue Capacity

Principal Property Tax Payers
2012 and 2007

| January 1, 2011 | | | January 1, 2006 | | |
|---------------------------------|------------------------|--------------------------|---------------------------------|------------------------|--------------------------|
| Taxpayer | Real Property Assessed | Total Assessed Valuation | Taxpayer | Real Property Assessed | Total Assessed Valuation |
| Ohio Edison Company | \$ 5,609,280 | 2.65% | Ohio Edison Company | \$ 4,093,110 | 1.85% |
| Wal-Mart Real Estate | 2,990,720 | 1.41% | Wal-Mart Real Estate | 3,045,010 | 1.38% |
| WIL Reasearch Laboratories | 2,860,290 | 1.35% | Myers Pump Company | 2,433,070 | 1.10% |
| American Transmission | 2,333,920 | 1.10% | American Transmission | 3,045,010 | 1.38% |
| Samariton Regional Hospital | 2,270,340 | 1.07% | Samariton Regional Hospital | 2,327,640 | 1.05% |
| Myers Pump Company | 2,267,920 | 1.07% | Home Depot U.S.A., Inc. | 1,909,850 | 0.86% |
| Eagle view Realty LLC | 2,220,400 | 1.05% | Baker Properties | 1,603,090 | 0.72% |
| Enterprise Parkway Leasing | 1,896,060 | 0.90% | Brethern Care, Inc. | 1,445,140 | 0.65% |
| HD Development | 1,820,760 | 0.86% | Ashland 250 Apartments | 1,268,380 | 0.57% |
| Sonoma Properties LTD | 1,493,710 | 0.71% | Wurster Properties, Inc. | 1,245,290 | 0.56% |
| | \$ 25,763,400 | 12.17% | | \$ 22,415,590 | 10.12% |
| Total Assessed Valuation | | \$ 211,790,810 | Total Assessed Valuation | | \$ 221,436,630 |

Note: Property is assessed at 35 percent of fair market value. Real property taxes paid in 2012 are based on January 1, 2011 values. Data for nine years ago is not available, therefore, 2007 data was presented as it was the oldest information available.

Source: Ashland County, Ohio: County Auditor

CITY OF ASHLAND, OHIO

Revenue Capacity

Property Tax Levies and Collections

Last Ten Years

| Collection Year | Real and Public Utility | | | | Tangible Personal Property | | | | Total | | |
|-----------------|-------------------------|-----------------|-------------------|----------------------------|----------------------------|-----------------|-------------------|----------------------------|--------------|-----------------|-------------------|
| | Billed | Taxes Collected | Percent Collected | Delinquent Tax Collections | Billed | Taxes Collected | Percent Collected | Delinquent Tax Collections | Billed | Taxes Collected | Percent Collected |
| 2012 | \$ 1,250,233 | \$ 1,190,504 | 95% | \$ 59,729 | \$ 75,677 | \$ 32,658 | 43% | \$ 43,019 | \$ 1,325,910 | \$ 1,223,162 | 92.25% |
| 2011 | 1,322,799 | 1,243,416 | 94% | 79,383 | 107,097 | 60,745 | 57% | 46,352 | 1,429,896 | 1,304,161 | 91.21% |
| 2010 | 1,347,008 | 1,278,898 | 95% | 68,110 | 263,637 | 188,354 | 71% | 75,283 | 1,610,645 | 1,467,252 | 91.10% |
| 2009 | 1,235,677 | 1,163,614 | 94% | 72,063 | 232,359 | 189,211 | 81% | 43,148 | 1,468,036 | 1,352,825 | 92.15% |
| 2008 | 1,224,642 | 1,187,330 | 97% | 37,312 | 135,293 | 133,408 | 99% | 1,885 | 1,359,935 | 1,320,738 | 97.12% |
| 2007 | 1,122,409 | 1,092,877 | 97% | 29,532 | 264,854 | 197,855 | 75% | 66,999 | 1,387,263 | 1,320,284 | 95.17% |
| 2006 | 1,321,079 | 1,064,709 | 81% | 24,930 | 119,459 | 53,918 | 45% | 25,925 | 1,440,538 | 1,118,627 | 77.65% |
| 2005 | 1,065,423 | 1,065,423 | 100% | N/A | 213,643 | 191,938 | 90% | 21,705 | 1,279,066 | 1,257,361 | 98.30% |
| 2004 | 1,071,648 | 1,071,648 | 100% | N/A | 283,212 | 224,760 | 79% | 58,452 | 1,354,860 | 1,296,408 | 95.69% |
| 2003 | 871,034 | 871,034 | 100% | N/A | 303,130 | 244,658 | 81% | 58,472 | 1,174,164 | 1,115,692 | 95.02% |

Note: Special assessments are not included. The County information does not provide the applicable year when a delinquency is collected. Thus the "taxes collected" represent the total collections for the year instead of total collections of a particular tax year. As a result, "percent collected" can exceed 100% in any particular year.

Source: Ashland County, Ohio: County Auditor and County Treasurer

Note: Amounts include homestead and rollback.

CITY OF ASHLAND, OHIO

Revenue Capacity

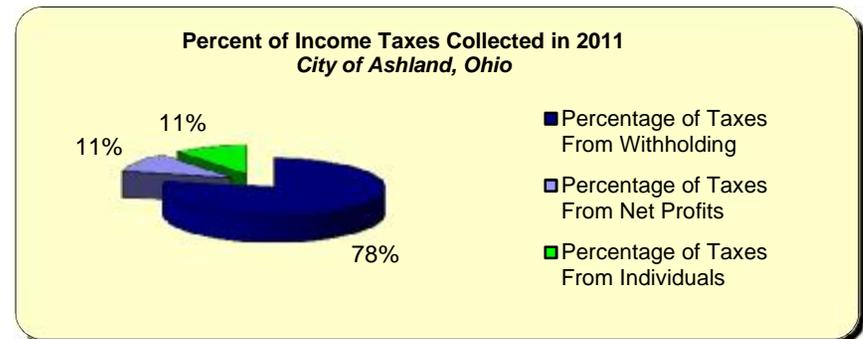
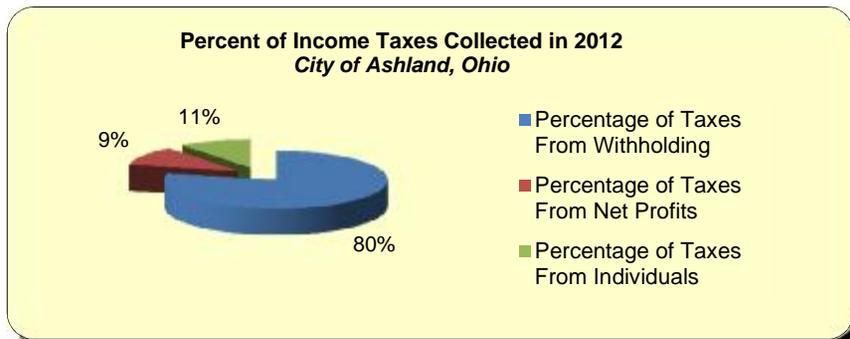
Income Tax Revenue Base and Collections

Last Ten Years

| Tax Year | Tax Rate | Total Tax Collected | Taxes From Withholding | Percentage of Taxes From Withholding | Taxes From Net Profits | Percentage of Taxes From Net Profits | Taxes From Individuals | Percentage of Taxes From Individuals |
|----------|----------|---------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|
| 2012 | 1.50% | \$ 8,287,703 | \$ 6,653,686 | 80.28% | \$ 725,896 | 8.76% | \$ 908,121 | 10.95% |
| 2011 | 1.50% | 8,149,985 | 6,392,565 | 78.44% | 895,581 | 10.99% | 862,139 | 10.57% |
| 2010 | 1.50% | 7,790,359 | 6,100,321 | 78.31% | 859,000 | 11.03% | 831,033 | 10.66% |
| 2009 | 1.50% | 7,839,674 | 6,104,518 | 77.87% | 840,097 | 10.72% | 895,059 | 11.42% |
| 2008 | 1.50% | 8,400,872 | 6,509,919 | 77.49% | 1,014,856 | 12.08% | 876,097 | 10.43% |
| 2007 | 1.50% | 8,554,563 | 6,434,318 | 75.22% | 1,226,463 | 14.34% | 893,782 | 10.45% |
| 2006 | 1.50% | 8,542,453 | 6,350,938 | 74.35% | 1,277,454 | 14.95% | 914,061 | 10.70% |
| 2005 | 1.50% | 7,890,443 | 5,993,886 | 75.96% | 979,308 | 12.41% | 917,249 | 11.62% |
| 2004 | 1.50% | 7,523,618 | 5,836,891 | 77.58% | 811,456 | 10.79% | 875,271 | 11.63% |
| 2003 | 1.50% | 7,760,498 | 5,967,838 | 76.90% | 1,027,124 | 13.24% | 765,536 | 9.86% |

% Represents percent of total tax collected

Source: Income Tax Department, City of Ashland, Ohio



CITY OF ASHLAND, OHIO

Revenue Capacity
Income Tax Statistics
Last Ten Years

| Income Averages for City of Ashland Tax Years 2003-2012 | | | | | |
|---|------------------------|------------------|-------------------|----------------|---------------------------|
| Tax Year | Income Range (Dollars) | Number of Filers | Percent of Filers | Taxable Income | Percent of Taxable Income |
| 2012 | \$ 0-24,999 | 2,833 | 50% | \$ 28,828,448 | 14% |
| 2012 | 25,000-49,999 | 1,416 | 25% | 50,919,845 | 25% |
| 2012 | 50,000-74,999 | 753 | 13% | 46,197,828 | 22% |
| 2012 | 75,000-99,999 | 316 | 6% | 27,588,551 | 13% |
| 2012 | Over 100,000 | 349 | 6% | 53,878,136 | 26% |
| <i>Total</i> | | 5,667 | | \$ 207,412,808 | |
| 2011 | \$ 0-24,999 | 2,891 | 50% | \$ 29,761,998 | 13% |
| 2011 | 25,000-49,999 | 1,413 | 25% | 51,281,096 | 23% |
| 2011 | 50,000-74,999 | 745 | 13% | 45,499,287 | 21% |
| 2011 | 75,000-99,999 | 345 | 6% | 29,571,974 | 13% |
| 2011 | Over 100,000 | 342 | 6% | 65,605,458 | 30% |
| <i>Total</i> | | 5,736 | | \$ 221,719,813 | |
| 2010 | \$ 0-24,999 | 5,177 | 58% | \$ 38,033,159 | 14% |
| 2010 | 25,000-49,999 | 1,863 | 21% | 67,485,742 | 26% |
| 2010 | 50,000-74,999 | 952 | 11% | 58,033,920 | 22% |
| 2010 | 75,000-99,999 | 404 | 4% | 34,869,996 | 13% |
| 2010 | Over 100,000 | 534 | 6% | 64,669,769 | 25% |
| <i>Total</i> | | 8,930 | | \$ 263,092,586 | |
| 2009 | \$ 0-24,999 | 3,033 | 51% | \$ 31,583,688 | 15% |
| 2009 | 25,000-49,999 | 1,516 | 26% | 54,889,979 | 26% |
| 2009 | 50,000-74,999 | 722 | 12% | 44,004,013 | 21% |
| 2009 | 75,000-99,999 | 309 | 5% | 26,633,712 | 13% |
| 2009 | Over 100,000 | 332 | 6% | 52,424,949 | 25% |
| <i>Total</i> | | 5,912 | | \$ 209,536,341 | |
| 2008 | \$ 0-24,999 | 3,684 | 51% | \$ 31,671,250 | 15% |
| 2008 | 25,000-49,999 | 1,843 | 26% | 54,521,265 | 26% |
| 2008 | 50,000-74,999 | 874 | 12% | 44,404,815 | 21% |
| 2008 | 75,000-99,999 | 379 | 5% | 26,572,982 | 13% |
| 2008 | Over 100,000 | 399 | 6% | 53,781,821 | 25% |
| <i>Total</i> | | 7,179 | | \$ 210,952,133 | |

(Continued)

CITY OF ASHLAND, OHIO

Revenue Capacity
Income Tax Statistics
Last Ten Years

| Income Averages for City of Ashland Tax Years 2003-2012 | | | | | |
|---|------------------------|------------------|-------------------|--------------------|---------------------------|
| Tax Year | Income Range (Dollars) | Number of Filers | Percent of Filers | Taxable Income | Percent of Taxable Income |
| 2007 | \$ 0-24,999 | 4,043 | 52% | \$ 41,693,849 | 15% |
| 2007 | 25,000-49,999 | 1,986 | 26% | 71,818,388 | 27% |
| 2007 | 50,000-74,999 | 969 | 12% | 58,940,634 | 22% |
| 2007 | 75,000-99,999 | 394 | 5% | 33,915,792 | 13% |
| 2007 | Over 100,000 | <u>389</u> | 5% | <u>60,649,201</u> | 23% |
| <i>Total</i> | | 7,781 | | \$ 267,017,864 | |
| 2006 | \$ 0-24,999 | 4,066 | 51% | \$ 42,049,256 | 15% |
| 2006 | 25,000-49,999 | 2,086 | 26% | 75,122,885 | 26% |
| 2006 | 50,000-74,999 | 1,009 | 13% | 61,230,495 | 22% |
| 2006 | 75,000-99,999 | 419 | 5% | 36,038,282 | 13% |
| 2006 | Over 100,000 | <u>393</u> | 5% | <u>67,242,395</u> | 24% |
| <i>Total</i> | | 7,973 | | \$ 281,683,313 | |
| 2005 | \$ 0-24,999 | 4,753 | 52% | \$ 47,443,989 | 13% |
| 2005 | 25,000-49,999 | 2,329 | 26% | 84,145,992 | 24% |
| 2005 | 50,000-74,999 | 1,065 | 12% | 64,536,443 | 19% |
| 2005 | 75,000-99,999 | 434 | 5% | 37,354,431 | 11% |
| 2005 | Over 100,000 | <u>463</u> | 5% | <u>114,305,030</u> | 33% |
| <i>Total</i> | | 9,044 | | \$ 347,785,885 | |
| 2004 | \$ 0-24,999 | 4,925 | 54% | \$ 49,863,695 | 15% |
| 2004 | 25,000-49,999 | 2,239 | 24% | 80,939,115 | 24% |
| 2004 | 50,000-74,999 | 1,088 | 12% | 65,925,585 | 19% |
| 2004 | 75,000-99,999 | 452 | 5% | 39,867,135 | 12% |
| 2004 | Over 100,000 | <u>445</u> | 5% | <u>101,559,949</u> | 30% |
| <i>Total</i> | | 9,149 | | \$ 338,155,479 | |
| 2003 | \$ 0-24,999 | 4,994 | 53% | \$ 49,818,232 | 15% |
| 2003 | 25,000-49,999 | 2,375 | 25% | 85,482,246 | 25% |
| 2003 | 50,000-74,999 | 1,073 | 12% | 65,099,706 | 19% |
| 2003 | 75,000-99,999 | 436 | 5% | 37,452,745 | 11% |
| 2003 | Over 100,000 | <u>446</u> | 5% | <u>102,355,545</u> | 30% |
| <i>Total</i> | | 9,324 | | \$ 340,208,474 | |

Source: Income Tax Department, City of Ashland, Ohio

City of Ashland, Ohio

Debt Capacity

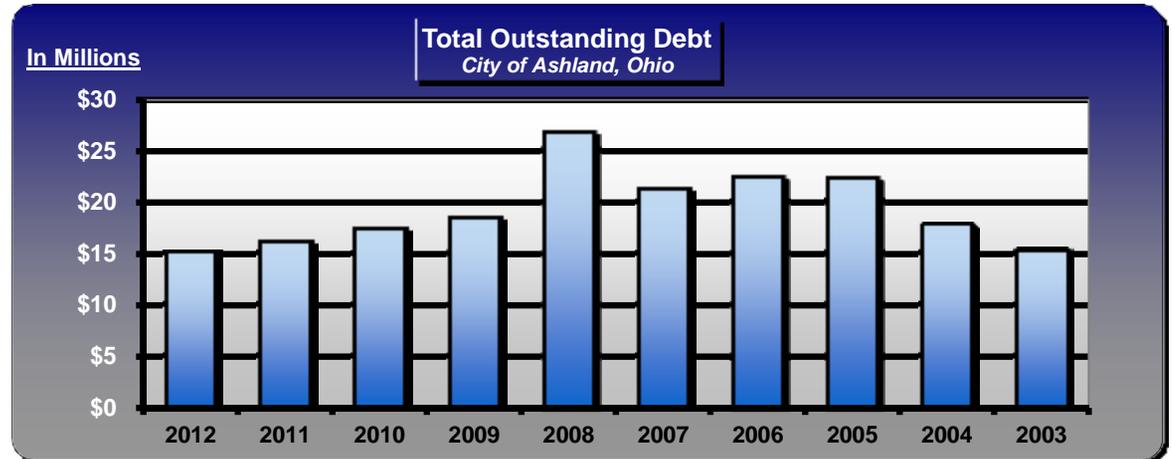
Ratios of Outstanding Debt to Total Personal Income and Debt Per Capita

Last Ten Years

| Year | Governmental Activities | | | | | Business-Type Activities | | | | Total Debt | Percentage of Personal Income | Per Capita |
|------|--------------------------|-----------|------------|-------------------------|-----------|--------------------------|-------------------------|-----------|-----------|---------------|-------------------------------|------------|
| | General Obligation Bonds | ODOD Loan | ODOT Loan | Bond Anticipation Notes | OPWC Loan | General Obligation Bonds | Bond Anticipation Notes | OWDA Loan | OPWC Loan | | | |
| 2012 | \$ 2,266,000 | \$ 0 | \$ 203,736 | \$ 0 | \$ 0 | \$ 12,581,913 | \$ 0 | \$ 0 | \$ 0 | \$ 15,051,649 | 3.75% | \$ 739 |
| 2011 | 2,597,000 | 0 | 267,702 | 0 | 0 | 13,354,935 | 0 | 0 | 0 | 16,219,637 | 4.04% | 797 |
| 2010 | 2,959,000 | 0 | 329,791 | 0 | 0 | 14,071,957 | 0 | 0 | 100,816 | 17,461,564 | 5.12% | 858 |
| 2009 | 2,247,000 | 0 | 390,060 | 555,000 | 0 | 7,673,000 | 7,145,000 | 476,793 | 107,244 | 18,594,097 | 5.22% | 875 |
| 2008 | 2,367,000 | 0 | 412,603 | 1,376,000 | 22,017 | 8,083,000 | 13,800,000 | 775,547 | 40,356 | 26,876,523 | 7.55% | 1,265 |
| 2007 | 2,484,000 | 0 | 475,974 | 997,000 | 31,027 | 8,481,000 | 7,850,000 | 1,059,906 | 5,163 | 21,384,070 | 6.00% | 1,006 |
| 2006 | 2,598,177 | 379,500 | 462,010 | 947,000 | 40,037 | 8,871,823 | 8,065,000 | 1,196,905 | 5,957 | 22,566,409 | 6.34% | 1,062 |
| 2005 | 2,657,072 | 379,500 | 462,010 | 1,176,932 | 49,046 | 9,072,930 | 7,005,000 | 1,588,176 | 6,751 | 22,397,417 | 6.29% | 1,054 |
| 2004 | 2,766,934 | 0 | 0 | 1,185,000 | 58,057 | 9,448,067 | 2,595,000 | 1,712,290 | 7,545 | 17,772,893 | 4.99% | 836 |
| 2003 | 2,870,000 | 0 | 0 | 629,000 | 0 | 9,800,000 | 135,000 | 1,951,511 | 0 | 15,385,511 | 4.32% | 724 |

Source: Ashland City Finance Dept

Note: Personal income and Population based on 2000 and 2010 Census (See S13)



City of Ashland, Ohio

Debt Capacity

Ratios of Net General Bonded Debt Outstanding

Last Ten Years

| Year | Population (1) | Estimated Actual Value of Taxable Property (2) | Gross Bonded Debt (3) | Less: Amounts Available in Debt Service Fund (4) | Net General Bonded Debt | Percentage of Estimated Actual Value of Taxable Property | Net General Bonded Debt Per Capita |
|------|----------------|--|-----------------------|--|-------------------------|--|------------------------------------|
| 2012 | 20,362 | \$ 880,386,263 | \$ 14,847,913 | \$ 199,846 | \$ 14,648,067 | 1.66% | \$ 719 |
| 2011 | 20,362 | 872,452,752 | 15,951,935 | 151,652 | 15,800,283 | 1.81% | 776 |
| 2010 | 20,362 | 948,661,415 | 17,030,957 | 190,480 | 16,840,477 | 1.78% | 827 |
| 2009 | 21,249 | 948,261,889 | 17,620,000 | 60,721 | 17,559,279 | 1.85% | 826 |
| 2008 | 21,249 | 1,046,805,472 | 25,626,000 | 0 | 25,626,000 | 2.45% | 1,206 |
| 2007 | 21,249 | 1,144,898,979 | 19,812,000 | 13,783 | 19,798,217 | 1.73% | 932 |
| 2006 | 21,249 | 1,295,709,184 | 20,482,000 | 102,746 | 20,379,254 | 1.57% | 959 |
| 2005 | 21,249 | 1,094,991,202 | 19,911,934 | 43,250 | 19,868,684 | 1.81% | 935 |
| 2004 | 21,249 | 1,061,842,469 | 15,995,001 | 0 | 15,995,001 | 1.51% | 753 |
| 2003 | 21,249 | 1,091,663,480 | 13,434,000 | 130,972 | 13,303,028 | 1.22% | 626 |

(1) U.S. Census Bureau

(2) Ashland County, Ohio: County Auditor

(3) General Obligation Bonds supported by property taxes.

(4) Amount available in the general obligation bond retirement fund.

CITY OF ASHLAND, OHIO

Debt Capacity

Direct and Overlapping Governmental Activities Debt

As of December 31, 2012

| Jurisdiction | Total Debt Outstanding | Percentage Applicable to City (1) | Amount Applicable to City of Ashland |
|---------------------------------|------------------------|-----------------------------------|--------------------------------------|
| Direct - City of Ashland | | | |
| General Obligation Bonds | \$2,266,000 | 100.00% | \$2,266,000 |
| ODOT Loan | 203,736 | 100.00% | 203,736 |
| | 2,469,736 | | 2,469,736 |
| City of Ashland | | | |
| | 2,469,736 | | 2,469,736 |
| Overlapping | | | |
| Ashland City School District | | | |
| General Obligation Bonds | 12,872,973 | 70.27% | 9,045,838 |
| Total Overlapping Debt | | | |
| | 12,872,973 | | 9,045,838 |
| Total | | | |
| | \$15,342,709 | | \$11,515,574 |

Source: Ashland County, Ohio: County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the city by its total valuation.

City of Ashland, Ohio

Debt Capacity

Legal Debt Margin Information

Last Ten Years

| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Bonded Debt Outstanding: | | | | | | | | | | |
| General Obligation Bonds | \$ 14,690,000 | \$ 15,780,000 | \$ 16,845,000 | \$ 9,920,000 | \$ 10,450,000 | \$ 10,965,000 | \$ 11,470,000 | \$ 11,730,002 | \$ 12,215,001 | \$ 12,670,000 |
| Bond Anticipation Notes | 0 | 0 | 0 | 7,700,000 | 15,176,000 | 8,847,000 | 9,012,000 | 8,181,932 | 3,780,000 | 764,000 |
| Total | \$ 14,690,000 | \$ 15,780,000 | \$ 16,845,000 | \$ 17,620,000 | \$ 25,626,000 | \$ 19,812,000 | \$ 20,482,000 | \$ 19,911,934 | \$ 15,995,001 | \$ 13,434,000 |
| Percentage of Estimated Actual Property Value | 1.67% | 1.81% | 1.78% | 1.86% | 1.55% | 1.73% | 1.58% | 1.82% | 1.51% | 1.23% |
| Assessed Property Value | \$ 313,745,760 | \$ 310,455,130 | \$ 336,466,870 | \$ 335,718,290 | \$ 345,194,668 | \$ 347,822,461 | \$ 360,378,697 | \$ 341,643,809 | \$ 345,840,464 | \$ 352,507,279 |
| Total Debt Per Capita | \$ 721 | \$ 797 | \$ 858 | \$ 875 | \$ 1,265 | \$ 1,006 | \$ 1,062 | \$ 1,054 | \$ 836 | \$ 724 |
| Less: | | | | | | | | | | |
| General Obligation Bonds- Business-Type Funds | \$ 12,424,000 | \$ 13,183,000 | \$ 13,886,000 | \$ 7,673,000 | \$ 8,083,000 | \$ 8,481,000 | \$ 8,871,823 | \$ 9,072,930 | \$ 9,448,067 | \$ 9,800,000 |
| Bond Anticipation Notes - Business-Type Funds | 0 | 0 | 0 | 7,145,000 | 13,800,000 | 7,850,000 | 8,065,000 | 7,005,000 | 2,595,000 | 135,000 |
| General Obligation Bond Retirement Fund Balance | 199,846 | 151,652 | 190,480 | 60,722 | 0 | 13,783 | 102,746 | 43,250 | 0 | 130,972 |
| Total Net Debt Applicable to Limit | \$ 2,066,154 | \$ 2,445,348 | \$ 2,768,520 | \$ 2,741,278 | \$ 3,743,000 | \$ 3,467,217 | \$ 3,442,431 | \$ 3,790,754 | \$ 3,951,934 | \$ 3,368,028 |
| Overall Legal Debt Limit | | | | | | | | | | |
| 10 1/2% of Assessed Valuation | \$ 32,943,305 | \$ 32,597,789 | \$ 35,329,021 | \$ 35,250,420 | \$ 36,245,440 | \$ 36,521,358 | \$ 37,839,763 | \$ 35,872,600 | \$ 36,313,249 | \$ 37,013,264 |
| Legal Debt Margin Within 10 1/2% Limitations | 30,877,151 | 30,152,441 | 32,560,501 | 32,509,142 | 32,502,440 | 33,054,141 | 34,397,332 | 32,081,846 | 32,361,315 | 33,645,236 |
| Legal Debt Margin as a Percentage of the Debt Limit | 93.73% | 92.50% | 92.16% | 92.22% | 89.67% | 90.51% | 90.90% | 89.43% | 89.12% | 90.90% |
| Unvoted Debt Limitation | | | | | | | | | | |
| 5 1/2% of Assessed Valuation | 17,256,017 | 17,075,032 | 18,505,678 | 18,464,506 | 18,985,707 | 19,130,235 | 19,820,828 | 18,790,409 | 19,021,226 | 19,387,900 |
| Total Net Debt Applicable to Limit | 2,066,154 | 2,445,348 | 2,768,520 | 2,741,278 | 3,743,000 | 3,467,217 | 3,442,431 | 3,790,754 | 3,951,934 | 3,368,028 |
| Net Debt Within 5 1/2% Limitations | \$ 15,189,863 | \$ 14,629,684 | \$ 15,737,158 | \$ 15,723,228 | \$ 15,242,707 | \$ 15,663,018 | \$ 16,378,397 | \$ 14,999,655 | \$ 15,069,292 | \$ 16,019,872 |
| Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation | 88.03% | 85.68% | 85.04% | 85.15% | 80.29% | 81.88% | 82.63% | 79.83% | 79.22% | 82.63% |

Note: Direct Debt Limitation is based on Section 133, The Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value. Total unvoted debt limit should not exceed 5.5% of net assessed property value.

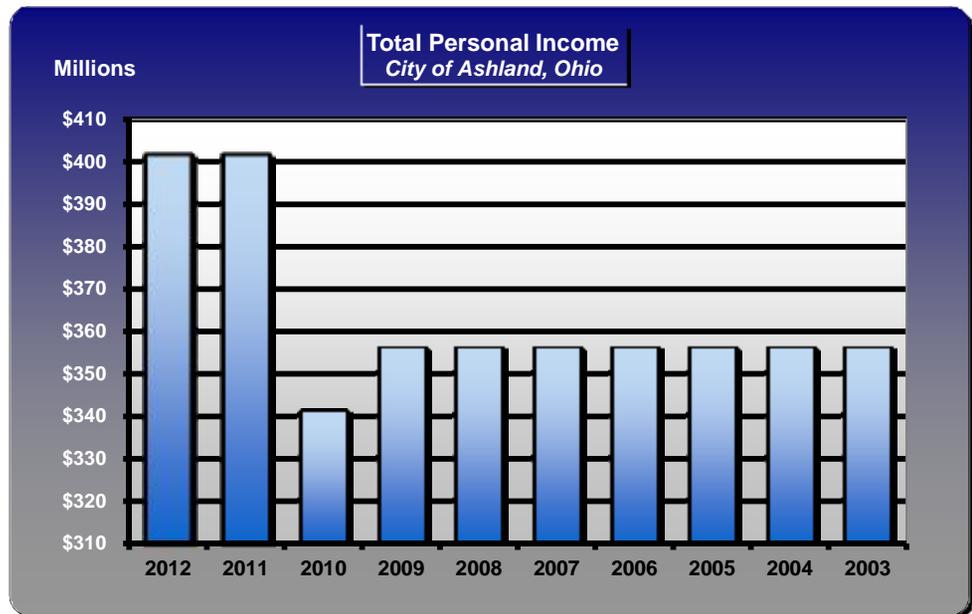
CITY OF ASHLAND, OHIO

Demographic and Economic Information

Demographic and Economic Statistics
Last Ten Years

| Year | Population (1) | Total Personal Income | Per Capita Personal Income (1) | Median Household Income (1) | Median Age (1) | Bachelor's Degree or Higher (%) (1) | School Enrollment (1) | Unemployment Rate (1) | Total Assessed Property Value (2) |
|------|----------------|-----------------------|--------------------------------|-----------------------------|----------------|-------------------------------------|-----------------------|-----------------------|-----------------------------------|
| 2012 | 20,362 c | \$ 401,640,450 | \$ 19,725 c | \$ 37,776 c | 36.1 c | 25.9 c | 6,064 c | 7.2 c | \$ 313,745,760 |
| 2011 | 20,362 c | 401,640,450 | 19,725 c | 37,776 c | 36.1 c | 25.9 c | 6,064 c | 7.2 c | 310,455,130 |
| 2010 | 20,362 b | 341,267,120 | 16,760 b | 34,250 b | 34.8 b | 19.6 b | 6,104 b | 5.6 b | 336,466,870 |
| 2009 | 21,249 a | 356,133,240 | 16,760 a | 34,250 a | 34.8 a | 19.6 a | 6,104 a | 5.6 a | 335,718,290 |
| 2008 | 21,249 a | 356,133,240 | 16,760 a | 34,250 a | 34.8 a | 19.6 a | 6,104 a | 5.6 a | 345,123,298 |
| 2007 | 21,249 a | 356,133,240 | 16,760 a | 34,250 a | 34.8 a | 19.6 a | 6,104 a | 5.6 a | 360,378,697 |
| 2006 | 21,249 a | 356,133,240 | 16,760 a | 34,250 a | 34.8 a | 19.6 a | 6,104 a | 5.6 a | 345,123,298 |
| 2005 | 21,249 a | 356,133,240 | 16,760 a | 34,250 a | 34.8 a | 19.6 a | 6,104 a | 5.6 a | 347,822,461 |
| 2004 | 21,249 a | 356,133,240 | 16,760 a | 34,250 a | 34.8 a | 19.6 a | 6,104 a | 5.6 a | 360,378,697 |
| 2003 | 21,249 a | 356,133,240 | 16,760 a | 34,250 a | 34.8 a | 19.6 a | 6,104 a | 5.6 a | 341,643,809 |

- (1) Source: U.S. Census Bureau
 (a) 2000 Federal Census Demographic Profile
 (b) Note - Demographic Info Not Available from 2010 Census Yet used most recent available
 (c) From 2010 Federal Census Demographic Profile
 (2) Ashland County, Ohio: County Auditor



CITY OF ASHLAND, OHIO

Demographic and Economic Information

Principal Employers

Current Year and Ten Years Ago

| 2012 | | |
|----------------------|--------------|-------------------------------------|
| Employer* | Employees | Percentage of Total City Employment |
| Ashland University | 2,395 | 10.81% |
| Samaritan Hospital | 732 | 3.30% |
| Wil Research Lab | 653 | 2.95% |
| Pentair Pump Group | 319 | 1.44% |
| Ashland City Schools | 632 | 2.85% |
| Ashland County | 519 | 2.34% |
| State of Ohio | 298 | 1.35% |
| City of Ashland | 326 | 1.47% |
| Packaging Corp | 165 | 0.74% |
| S-L Snacks | 221 | 1.00% |
| <i>Total</i> | <i>6,260</i> | <i>28.25%</i> |

Total City Employees **22,153**

| 2002 | | |
|---------------------------|--------------|-------------------------------------|
| Employer* | Employees | Percentage of Total City Employment |
| Pentair Pump Group | 838 | 3.17% |
| Ashland University | 2,688 | 10.16% |
| Abbott Lab | 626 | 2.37% |
| Samaritan Hospital | 697 | 2.63% |
| Ashland City School Distr | 810 | 3.06% |
| Ashland County | 564 | 2.13% |
| Caraustar Packaging Inc | 336 | 1.27% |
| City of Ashland | 400 | 1.51% |
| State of Ohio | 695 | 2.63% |
| Hedstorm Corp. | 340 | 1.28% |
| <i>Total</i> | <i>7,994</i> | <i>30.21%</i> |

Total City Employees **26,464**

Source: Income Tax Department, City of Ashland, Ohio

* Employers are listed by gross wages paid.

City of Ashland, Ohio

Financial Trends Information

Net Position by Component

Last Ten Years

(accrual basis of accounting)

| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Governmental Activities | | | | | | | | | | |
| Net Investment in Capital Assets | \$16,986,579 | \$17,429,633 | \$16,855,976 | \$17,480,892 | \$17,364,157 | \$17,464,839 | \$15,878,702 | \$15,396,151 | \$15,814,814 | \$ 15,571,712 |
| Restricted | 4,870,075 | 5,247,071 | 4,697,276 | 5,041,024 | 5,354,993 | 5,917,701 | 4,546,053 | 4,897,655 | 4,486,273 | 0 |
| Unrestricted | 2,201,835 | 2,667,214 | 2,865,621 | 2,541,609 | 1,405,084 | 2,943,854 | 2,718,074 | 2,541,807 | 1,397,126 | 5,523,538 |
| Total Governmental Activities Net Position | 24,058,489 | 25,343,918 | 24,418,873 | 25,063,525 | 24,124,234 | 26,326,394 | 23,142,829 | 22,835,613 | 21,698,213 | 21,095,250 |
| Business-Type Activities | | | | | | | | | | |
| Net Investment in Capital Assets | 24,787,398 | 24,249,832 | 23,585,113 | 22,448,977 | 19,848,064 | 19,156,906 | 17,836,938 | 14,082,876 | 11,785,629 | 9,521,011 |
| Restricted | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,470,066 |
| Unrestricted | 6,262,735 | 5,382,269 | 4,551,881 | 4,134,822 | 6,181,991 | 6,250,563 | 6,838,306 | 10,655,019 | 11,676,466 | 4,918,716 |
| Total Business-Type Activities Net Position | 31,050,133 | 29,632,101 | 28,136,994 | 26,583,799 | 26,030,055 | 25,407,469 | 24,675,244 | 24,737,895 | 23,462,095 | 22,909,793 |
| Primary Government | | | | | | | | | | |
| Net Investment in Capital Assets | 41,773,977 | 41,679,465 | 40,441,089 | 39,929,869 | 37,212,221 | 36,621,745 | 33,715,640 | 29,479,027 | 27,600,443 | 25,092,723 |
| Restricted | 4,870,075 | 5,247,071 | 4,697,276 | 5,041,024 | 5,354,993 | 5,917,701 | 4,546,053 | 4,897,655 | 4,486,273 | 8,470,066 |
| Unrestricted | 8,464,570 | 8,049,483 | 7,417,502 | 6,676,431 | 7,587,075 | 9,194,417 | 9,556,380 | 13,196,826 | 13,073,592 | 10,442,254 |
| Total Primary Government Net Position | \$55,108,622 | \$54,976,019 | \$52,555,867 | \$51,647,324 | \$50,154,289 | \$51,733,863 | \$47,818,073 | \$47,573,508 | \$45,160,308 | \$ 44,005,043 |

City of Ashland, Ohio

Financial Trends Information

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Program Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| General Government | \$ 889,651 | \$ 1,514,835 | \$ 1,487,776 | \$ 1,331,320 | \$ 1,324,950 | \$ 1,621,076 | \$ 686,995 | \$ 708,133 | \$ 601,356 | \$ 995,992 |
| Security of Persons and Property | 1,557,252 | 1,572,044 | 1,512,569 | 1,461,705 | 1,435,562 | 1,381,724 | 1,132,691 | 1,225,866 | 951,365 | 364,539 |
| Public Health | 238,699 | 216,045 | 241,702 | 399,078 | 67,220 | 62,497 | 282,529 | 189,816 | 44,901 | 253,305 |
| Leisure Time Services | 70,282 | 67,664 | 64,942 | 91,685 | 90,603 | 56,366 | 64,548 | 75,141 | 0 | 350,117 |
| Transportation | 249 | 305,695 | 319,728 | 364,678 | 222,551 | 315,859 | 7,132 | 4,830 | 55,555 | 39,226 |
| Community Development | 0 | 0 | 23,527 | 0 | 0 | 0 | 2,059 | 34,492 | 107,400 | 0 |
| Operating Grants, Contributions and Interest | 1,854,051 | 2,642,624 | 2,361,638 | 2,678,173 | 2,057,660 | 2,978,931 | 1,735,281 | 2,283,613 | 2,568,467 | 420,164 |
| Capital Grants, Contributions and Interest | 304,663 | 513,400 | 42,698 | 0 | 0 | 41,447 | 383,763 | 1,073,487 | 223,583 | 1,066,898 |
| Total Governmental Activities Program Revenues | 4,914,847 | 6,832,307 | 6,054,580 | 6,326,639 | 5,198,546 | 6,457,900 | 4,294,998 | 5,595,378 | 4,552,627 | 3,490,241 |
| Business-Type Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| Water | 3,298,482 | 3,571,678 | 3,540,445 | 3,616,111 | 3,520,505 | 3,520,855 | 3,490,314 | 2,842,528 | 2,186,344 | 2,057,443 |
| Sewer | 3,751,473 | 3,578,750 | 3,307,884 | 3,023,932 | 2,964,354 | 3,077,761 | 2,875,886 | 2,436,514 | 2,596,382 | 2,566,747 |
| Sanitation | 1,844,651 | 1,884,653 | 1,830,742 | 1,776,691 | 1,769,983 | 1,766,002 | 1,653,907 | 1,614,162 | 1,528,742 | 1,366,529 |
| Other | 1,015,271 | 959,143 | 1,026,093 | 1,047,545 | 530,781 | 507,956 | 605,911 | 613,555 | 564,895 | 523,672 |
| Operating Grants, Contributions and Interest | 0 | 0 | 0 | 2,128 | 371 | 258 | 233 | 1,098,702 | 419,646 | 0 |
| Capital Grants, Contributions and Interest | 297,557 | 295,005 | 453,322 | 317,918 | 708,451 | 702,950 | 0 | 0 | 0 | 0 |
| Total Business-Type Activities Program Revenues | 10,207,434 | 10,289,229 | 10,158,486 | 9,784,325 | 9,494,445 | 9,575,782 | 8,626,251 | 8,605,461 | 7,296,009 | 6,514,391 |
| Total Primary Government Program Revenues | 15,122,281 | 17,121,536 | 16,213,066 | 16,110,964 | 14,692,991 | 16,033,682 | 12,921,249 | 14,200,839 | 11,848,636 | 10,004,632 |
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | 4,873,750 | 5,341,766 | 5,618,313 | 4,901,152 | 5,605,535 | 4,968,816 | 4,263,566 | 4,317,791 | 4,113,766 | 4,579,262 |
| Security of Persons and Property | 6,961,052 | 6,836,097 | 6,965,365 | 7,171,283 | 7,237,405 | 6,784,358 | 6,724,134 | 6,094,828 | 6,639,085 | 6,456,979 |
| Public Health | 297,364 | 315,944 | 325,085 | 307,075 | 278,645 | 278,792 | 286,343 | 241,998 | 264,135 | 257,810 |
| Leisure Time Services | 1,131,083 | 1,181,955 | 1,323,969 | 1,197,605 | 1,181,681 | 1,155,718 | 1,080,716 | 1,112,301 | 1,121,287 | 1,320,476 |
| Transportation | 2,446,458 | 2,785,525 | 2,601,886 | 2,294,355 | 3,075,759 | 2,145,360 | 2,481,334 | 3,175,923 | 2,220,560 | 3,441,755 |
| Community Development | 574,802 | 455,576 | 465,674 | 363,379 | 607,586 | 280,071 | 729,787 | 814,799 | 460,434 | 328,626 |
| Interest and Fiscal Charges | 112,685 | 127,022 | 141,477 | 217,392 | 143,350 | 203,089 | 162,169 | 132,990 | 134,083 | 124,645 |
| Issuance Costs | 0 | 0 | 0 | 33,243 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Governmental Activities Expenses | 16,397,194 | 17,043,885 | 17,441,769 | 16,485,484 | 18,129,961 | 15,816,204 | 15,728,049 | 15,890,630 | 14,953,350 | 16,509,553 |
| Business-Type Activities: | | | | | | | | | | |
| Water | 3,372,372 | 3,470,157 | 3,546,848 | 3,750,067 | 3,564,277 | 3,220,773 | 2,876,249 | 2,883,882 | 3,635,238 | 3,094,620 |
| Sewer | 2,939,944 | 2,862,379 | 2,797,203 | 2,524,962 | 3,087,637 | 3,403,143 | 3,457,361 | 2,294,196 | 2,554,326 | 2,234,682 |
| Sanitation | 1,666,114 | 1,718,055 | 1,640,119 | 1,676,694 | 1,777,164 | 1,733,145 | 1,742,641 | 1,605,048 | 1,459,791 | 1,425,809 |
| Other | 978,837 | 887,047 | 816,880 | 1,353,645 | 831,373 | 669,767 | 654,844 | 591,940 | 745,266 | 712,394 |
| Total Business-Type Activities Expenses | 8,957,267 | 8,937,638 | 8,801,050 | 9,305,368 | 9,260,451 | 9,026,828 | 8,731,095 | 7,375,066 | 8,394,621 | 7,467,505 |
| Total Primary Government Expenses | 25,354,461 | 25,981,523 | 26,242,819 | 25,790,852 | 27,390,412 | 24,843,032 | 24,459,144 | 23,265,696 | 23,347,971 | 23,977,058 |

(Continued)

City of Ashland, Ohio

Financial Trends Information

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|---|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|------------------------|
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental Activities | (11,482,347) | (10,211,578) | (11,387,189) | (10,158,845) | (12,931,415) | (9,358,304) | (11,433,051) | (10,295,252) | (10,400,723) | (13,019,312) |
| Business-Type Activities | 1,250,167 | 1,351,591 | 1,357,436 | 478,957 | 233,994 | 548,954 | (104,844) | 1,230,395 | (1,098,612) | (953,114) |
| Total Primary Government Net Expense | \$ (10,232,180) | \$ (8,859,987) | \$ (10,029,753) | \$ (9,679,888) | \$ (12,697,421) | \$ (8,809,350) | \$ (11,537,895) | \$ (9,064,857) | \$ (11,499,335) | \$ (13,972,426) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Property Taxes | 1,076,792 | 1,139,664 | 1,081,107 | 1,164,661 | 1,298,913 | 1,243,168 | 1,418,737 | 1,199,079 | 1,131,037 | 1,136,336 |
| Income Taxes | 8,420,635 | 8,287,362 | 7,927,209 | 8,117,515 | 8,265,781 | 8,493,569 | 8,500,884 | 8,031,251 | 7,969,508 | 7,204,526 |
| Grants and Entitlements | 718,298 | 1,513,673 | 1,424,438 | 1,050,112 | 940,906 | 1,512,283 | 1,015,634 | 1,094,831 | 861,821 | 2,398,369 |
| Investment Earnings | 14,052 | 53,567 | 111,566 | 273,954 | 367,013 | 641,645 | 467,275 | 503,014 | 217,604 | 219,900 |
| Contributions and Donations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 801,261 |
| Miscellaneous | 133,248 | 284,674 | 369,791 | 560,446 | 238,118 | 282,585 | 379,930 | 604,477 | 27,564 | 47,619 |
| Transfers | (166,107) | (135,213) | (171,574) | (68,552) | (381,476) | (179,214) | 0 | 0 | (205,564) | 0 |
| Total Governmental Activities | 10,196,918 | 11,143,727 | 10,742,537 | 11,098,136 | 10,729,255 | 11,994,036 | 11,782,460 | 11,432,652 | 10,001,970 | 11,808,011 |
| Business-Type Activities: | | | | | | | | | | |
| Investment Earnings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 34,675 | 1,053 |
| Contributions and Donations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 246,093 |
| Miscellaneous | 1,758 | 8,303 | 24,185 | 6,235 | 7,116 | 4,057 | 0 | 0 | 2,450 | 10,423 |
| Transfers | 166,107 | 135,213 | 171,574 | 68,552 | 381,476 | 179,214 | 0 | 0 | 205,564 | 0 |
| Total Business-Type Activities | 167,865 | 143,516 | 195,759 | 74,787 | 388,592 | 183,271 | 0 | 0 | 242,689 | 257,569 |
| Total Primary Government | 10,364,783 | 11,287,243 | 10,938,296 | 11,172,923 | 11,117,847 | 12,177,307 | 11,782,460 | 11,432,652 | 10,244,659 | 12,065,580 |
| Change in Net Position | | | | | | | | | | |
| Governmental Activities | (1,285,429) | 932,149 | (644,652) | 939,291 | (2,202,160) | 2,635,732 | 349,409 | 1,137,400 | (398,753) | (1,211,301) |
| Business-Type Activities | 1,418,032 | 1,495,107 | 1,553,195 | 553,744 | 622,586 | 732,225 | (104,844) | 1,230,395 | (855,923) | (695,545) |
| Primary Government Change in Net Position | \$ 132,603 | \$ 2,427,256 | \$ 908,543 | \$ 1,493,035 | (\$1,579,574) | \$3,367,957 | \$244,565 | \$2,367,795 | (\$1,254,676) | (\$1,906,846) |

City of Ashland, Ohio

Financial Trends Information

Program Revenues by Function/Program

Last Ten Years

(accrual basis of accounting)

| Function/Program | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| Governmental Activities: | | | | | | | | | | |
| General Government | \$ 1,292,531 | \$ 1,989,892 | \$ 2,016,535 | \$ 1,741,248 | \$ 1,718,322 | \$ 2,100,217 | \$ 1,085,928 | \$ 855,143 | \$ 1,213,481 | \$ 995,992 |
| Security of Persons and Property | 1,700,731 | 1,756,354 | 1,778,552 | 1,644,348 | 1,670,050 | 1,560,439 | 1,307,901 | 1,423,492 | 1,261,035 | 545,133 |
| Public Health | 238,699 | 216,045 | 241,702 | 399,078 | 67,220 | 62,497 | 282,529 | 189,816 | 49,401 | 264,266 |
| Leisure Time Services | 114,681 | 621,367 | 250,486 | 537,183 | 137,803 | 110,129 | 128,967 | 119,688 | 55,885 | 350,117 |
| Community Development | 132,963 | 568,170 | 276,327 | 393,603 | 72,701 | 645,823 | 27,405 | 1,644,520 | 800,082 | 233,042 |
| Transportation | 1,435,242 | 1,680,479 | 1,490,978 | 1,611,179 | 1,532,450 | 1,978,795 | 1,462,268 | 1,362,719 | 1,172,743 | 1,101,691 |
| Total Governmental Activities | 4,914,847 | 6,832,307 | 6,054,580 | 6,326,639 | 5,198,546 | 6,457,900 | 4,294,998 | 5,595,378 | 4,552,627 | 3,490,241 |
| Business-Type Activities: | | | | | | | | | | |
| Water | 3,370,224 | 3,724,563 | 3,607,516 | 3,618,546 | 4,208,372 | 3,652,078 | 3,490,547 | 3,941,230 | 2,553,195 | 2,057,443 |
| Sewer | 3,977,288 | 3,657,377 | 3,694,135 | 3,341,164 | 2,984,938 | 3,649,488 | 2,875,886 | 2,436,514 | 2,649,177 | 2,566,747 |
| Sanitation | 1,844,651 | 1,884,653 | 1,830,742 | 1,776,691 | 1,769,983 | 1,766,002 | 1,653,907 | 1,614,162 | 1,528,742 | 1,366,529 |
| Other | 1,015,271 | 1,022,636 | 1,026,093 | 1,047,924 | 531,152 | 508,214 | 605,911 | 613,555 | 564,895 | 523,672 |
| Total Business-Type Activities | 10,207,434 | 10,289,229 | 10,158,486 | 9,784,325 | 9,494,445 | 9,575,782 | 8,626,251 | 8,605,461 | 7,296,009 | 6,514,391 |
| Total Primary Government | \$15,122,281 | \$17,121,536 | \$16,213,066 | \$16,110,964 | \$ 14,692,991 | \$16,033,682 | \$12,921,249 | \$ 14,200,839 | \$ 11,848,636 | \$ 10,004,632 |

City of Ashland, Ohio

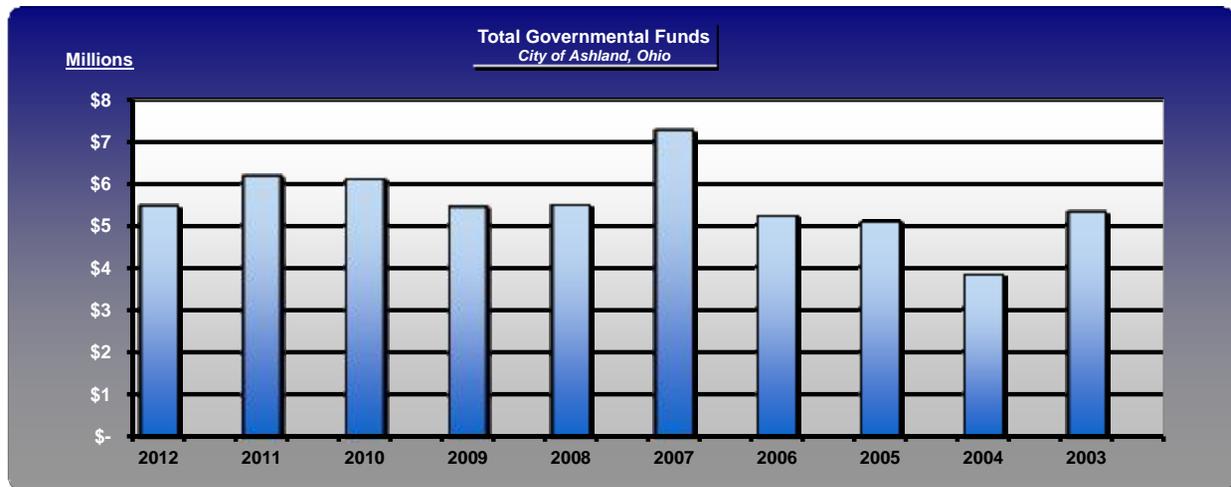
Financial Trends Information

Fund Balances, Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | | | | | | | |
| Nonspendable | \$ 81,683 | \$ 85,412 | N/A |
| Committed | 4,758 | 3,020 | N/A |
| Assigned | 1,360,086 | 129,698 | N/A |
| Unassigned | (10,857) | 1,874,507 | N/A |
| Reserved | N/A | N/A | \$ 10,419 | \$ 19,913 | \$ 36,406 | \$ 111,382 | \$ 3,292 | \$ 22,342 | \$ 26,564 | \$ 23,440 |
| Unreserved | N/A | N/A | 2,014,052 | 1,828,275 | 1,225,356 | 2,696,509 | 2,608,077 | 2,625,459 | 1,306,344 | 2,173,978 |
| Total General Fund | 1,435,670 | 2,092,637 | 2,024,471 | 1,848,188 | 1,261,762 | 2,807,891 | 2,611,369 | 2,647,801 | 1,332,908 | 2,197,418 |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | 232,366 | 249,725 | N/A |
| Restricted | 3,348,469 | 3,369,915 | N/A |
| Committed | 500,714 | 480,217 | N/A |
| Unassigned | (25,580) | (1,982) | N/A |
| Reserved | N/A | N/A | 399,249 | 207,892 | 258,666 | 231,726 | 469,464 | 260,159 | 393,122 | 282,618 |
| Unreserved, Reported in: | | | | | | | | | | |
| Special Revenue Funds | N/A | N/A | 2,531,803 | 2,252,686 | 2,809,493 | 3,355,117 | 1,494,180 | 1,597,840 | 1,977,329 | 2,014,927 |
| Debt Service Funds | N/A | N/A | 214,217 | 87,459 | 14,542 | 88,472 | 95,318 | 13,038 | (42,889) | 0 |
| Capital Projects Funds | N/A | N/A | 925,284 | 1,077,765 | 1,158,387 | 798,838 | 556,031 | 573,523 | 170,022 | 827,941 |
| Total All Other Governmental Funds | 4,055,969 | 4,097,875 | 4,070,553 | 3,625,802 | 4,241,088 | 4,474,153 | 2,614,993 | 2,444,560 | 2,497,584 | 3,125,486 |
| Total Governmental Funds | \$ 5,491,639 | \$ 6,190,512 | \$ 6,095,024 | \$ 5,473,990 | \$ 5,502,850 | \$ 7,282,044 | \$ 5,226,362 | \$ 5,092,361 | \$ 3,830,492 | \$ 5,322,904 |



City of Ashland, Ohio

Financial Trends Information

Changes in Fund Balances, Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
|--|--------------------|-------------------|-------------------|-------------------|----------------------|--------------------|
| Revenues | | | | | | |
| Property Taxes | \$ 1,099,577 | \$ 1,157,321 | \$ 1,052,925 | \$ 1,158,112 | \$ 1,285,673 | \$ 1,317,357 |
| Income Taxes | 8,312,982 | 8,166,672 | 7,927,130 | 7,840,484 | 8,231,759 | 8,578,034 |
| Charges for Services | 1,489,025 | 2,543,025 | 2,440,271 | 2,666,577 | 2,116,113 | 2,216,258 |
| Licenses and Permits | 21,867 | 28,051 | 27,785 | 53,418 | 34,102 | 40,911 |
| Fines and Forfeitures | 1,179,434 | 1,063,998 | 1,067,750 | 1,082,464 | 1,098,332 | 1,159,926 |
| Intergovernmental | 3,055,646 | 4,123,298 | 3,966,281 | 3,259,390 | 3,745,252 | 3,806,575 |
| Special Assessments | 0 | 0 | 23,527 | 0 | 0 | 0 |
| Rental Income | 73,910 | 72,191 | 63,380 | 52,643 | 367,013 | 641,645 |
| Interest | 21,087 | 53,951 | 111,602 | 274,215 | 51,934 | 0 |
| Contributions and Donations | 36,317 | 259,920 | 47,668 | 98,519 | 47,290 | 71,661 |
| Other | 139,277 | 195,116 | 289,756 | 503,340 | 228,172 | 157,148 |
| Total Revenues | 15,429,122 | 17,663,543 | 17,018,075 | 16,989,162 | 17,205,640 | 17,989,515 |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General Government | 4,673,945 | 5,119,520 | 5,455,386 | 5,044,994 | 5,372,569 | 5,054,855 |
| Security of Persons and Property | 6,676,321 | 6,510,302 | 6,707,997 | 7,026,459 | 6,980,721 | 6,658,923 |
| Public Health | 297,364 | 315,944 | 325,085 | 307,075 | 304,456 | 278,792 |
| Leisure Time Services | 997,974 | 1,056,252 | 1,213,926 | 1,058,094 | 1,051,707 | 1,037,444 |
| Community Development | 579,507 | 445,004 | 483,674 | 364,060 | 606,201 | 280,593 |
| Transportation | 1,736,326 | 1,957,277 | 1,833,595 | 1,480,092 | 2,169,051 | 2,236,464 |
| Capital Outlay | 506,080 | 1,561,427 | 861,743 | 1,065,698 | 1,012,083 | 910,820 |
| Debt Service: | | | | | | |
| Principal Retirements | 394,966 | 424,089 | 183,269 | 414,560 | 1,186,381 | 614,001 |
| Interest and Fiscal Charges | 111,947 | 126,813 | 117,998 | 213,663 | 169,428 | 166,864 |
| Issuance Costs | 0 | 0 | 20,026 | 33,243 | 0 | 0 |
| Total Expenditures | 15,974,430 | 17,516,628 | 17,202,699 | 17,007,938 | 18,852,597 | 17,238,756 |
| Excess of Revenues Over (Under) Expenditures | (545,308) | 146,915 | (184,624) | (18,776) | (1,646,957) | 750,759 |
| Other Financing Sources (Uses) | | | | | | |
| Bond and Note Proceeds | 0 | 0 | 835,000 | 0 | 250,000 | 997,000 |
| Proceeds from Loans | 0 | 0 | 0 | 0 | 0 | 13,964 |
| Premium on Debt Issued | 0 | 0 | 30,629 | 57,106 | 9,944 | 16,117 |
| Contributions and Donations | 0 | 0 | 0 | 0 | 0 | 0 |
| Proceeds from Sale of Capital Assets | 0 | 90,890 | 48,486 | 0 | 0 | 367,716 |
| Transfers In | 197,378 | 773,806 | 542,449 | 725,959 | 846,829 | 142,340 |
| Transfers Out | (350,943) | (909,019) | (650,906) | (793,149) | (1,239,010) | (232,214) |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Financing Sources (Uses) | (153,565) | (44,323) | 805,658 | (10,084) | (132,237) | 1,304,923 |
| Net Change in Fund Balances | (\$698,873) | \$102,592 | \$621,034 | (\$28,860) | (\$1,779,194) | \$2,055,682 |
| Debt Service as a Percentage of Noncapital Expenditures | 3.28% | 3.45% | 1.85% | 3.95% | 7.60% | 5.13% |

(Continued)

| | 2006 | 2005 | 2004 | 2003 |
|----|-------------------|--------------------|----------------------|--------------------|
| \$ | 1,309,090 | \$ 1,194,484 | \$ 1,131,298 | \$ 1,150,823 |
| | 8,510,633 | 7,978,111 | 7,492,176 | 7,190,039 |
| | 1,064,562 | 1,036,034 | 2,338,964 | 1,610,612 |
| | 23,127 | 83,351 | 99,910 | 68,660 |
| | 1,066,175 | 974,169 | 786,667 | 748,504 |
| | 3,593,929 | 4,188,542 | 2,934,298 | 3,460,834 |
| | 0 | 0 | 0 | 0 |
| | 467,275 | 503,014 | 217,604 | 219,900 |
| | 0 | 0 | 0 | 0 |
| | 91,617 | 84,192 | 71,027 | 0 |
| | 311,482 | 552,596 | 8,759 | 63,329 |
| | 16,437,890 | 16,594,493 | 15,080,703 | 14,512,701 |
| | 4,165,136 | 3,840,023 | 4,651,136 | 4,188,441 |
| | 6,711,420 | 5,659,723 | 6,065,738 | 6,031,241 |
| | 283,364 | 243,830 | 263,467 | 255,409 |
| | 1,321,117 | 1,054,649 | 992,576 | 1,104,013 |
| | 742,619 | 790,187 | 456,665 | 326,108 |
| | 2,608,188 | 2,852,190 | 1,857,441 | 2,112,726 |
| | 343,386 | 1,302,007 | 2,099,478 | 1,844,402 |
| | 99,150 | 239,373 | 112,076 | 225,236 |
| | 196,205 | 142,109 | 124,964 | 124,645 |
| | 0 | 0 | 0 | 0 |
| | 16,470,585 | 16,124,091 | 16,623,541 | 16,212,221 |
| | (32,695) | 470,402 | (1,542,838) | (1,699,520) |
| | 0 | 0 | 0 | 2,870,000 |
| | 0 | 962,010 | 0 | 0 |
| | 66,728 | 52,431 | 0 | 0 |
| | 0 | 0 | 0 | 801,261 |
| | 0 | 0 | 18,805 | 0 |
| | 1,001,162 | 964,843 | 565,623 | 0 |
| | (1,043,355) | (964,843) | (750,151) | 0 |
| | 142,560 | 0 | 0 | 58,549 |
| | 167,095 | 1,014,441 | (165,723) | 3,729,810 |
| | \$134,400 | \$1,484,843 | (\$1,708,561) | \$2,030,290 |
| | 1.95% | 2.65% | 1.63% | 2.27% |

City of Ashland, Ohio

Operating Information

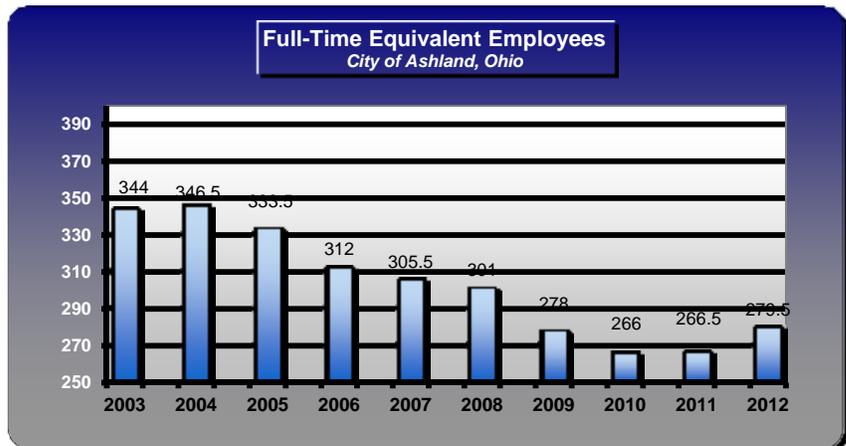
Full-Time Equivalent City Government Employees by Function/Program Last Ten Years

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|--|------------|--------------|--------------|------------|--------------|------------|------------|------------|--------------|--------------|
| Function/Program | | | | | | | | | | |
| General Government: | | | | | | | | | | |
| Council | 3.5 | 3.5 | 4 | 3.5 | 3.5 | 3.5 | 3.5 | 3 | 3 | 3 |
| Mayor | 4 | 3 | 3 | 3 | 4 | 3 | 3 | 2.5 | 2.5 | 2.5 |
| Finance | 7 | 7 | 8 | 9 | 5 | 5.5 | 6 | 5 | 5 | 5 |
| Law | 4 | 4 | 5 | 4.5 | 4 | 5 | 4 | 5 | 4 | 4.5 |
| Engineering | 5 | 6 | 6 | 5.5 | 5.5 | 5 | 5 | 4 | 4 | 4 |
| Building and Zoning | 3.5 | 3.5 | 3 | 3 | 3.5 | 4 | 2.5 | 2 | 2 | 2 |
| Human Resources | 3 | 3 | 3 | 3 | 3 | 3 | 2.5 | 2 | 2 | 2 |
| Income Tax | 5 | 5 | 5 | 4 | 4 | 4 | 3.5 | 4 | 4 | 4 |
| Municipal Court | 31 | 30 | 30.5 | 29 | 29 | 34.5 | 35.5 | 30 | 41 | 39.5 |
| Municipal Court Community Corrections | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Municipal Court Probation | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 3 | 2 | 2 |
| Security of Persons and Property: | | | | | | | | | | |
| Police | 49 | 48 | 42.5 | 42.5 | 42.5 | 44 | 38.5 | 40 | 36 | 32 |
| Fire | 50 | 51 | 47.5 | 38 | 40 | 39 | 37 | 35 | 36 | 35 |
| Recreation: | | | | | | | | | | |
| Golf Course | 22.5 | 19.5 | 20 | 21 | 20.5 | 18 | 15 | 11 | 12.5 | 31.5 |
| Park | 35.5 | 34 | 31 | 33 | 31.5 | 26 | 23 | 16.5 | 19.5 | 19.5 |
| Swimming Pool | 10.5 | 11 | 9.5 | 9.5 | 8 | 8.5 | 10 | 10.5 | 9 | 10 |
| Service: | | | | | | | | | | |
| Building Maintenance | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | 1 |
| Economic Development | 4.5 | 4 | 4 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Justice Center Maintenance | 2 | 2.5 | 2 | 1 | 1 | 1 | 1 | 1.5 | 1 | 1 |
| Maintenance | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Sanitation | 26 | 22 | 24 | 24 | 20 | 18 | 14 | 18 | 14 | 13 |
| Sewer | 6 | 10.5 | 7 | 6 | 6 | 5 | 4 | 6 | 5 | 5 |
| Street Maintenance | 20.5 | 21.5 | 21 | 19 | 18 | 21 | 20 | 20 | 18 | 15 |
| Technical Services | 1.5 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Water Distribution | 14 | 15.5 | 13.5 | 14.5 | 14.5 | 15 | 12 | 13 | 13 | 12 |
| Water Pollution | 15 | 19 | 21 | 17 | 21 | 14 | 15 | 14 | 14 | 15 |
| Water Treatment | 11 | 11 | 11 | 10 | 10 | 13 | 13 | 14 | 13 | 16 |
| Total Number of Employees | 344 | 346.5 | 333.5 | 312 | 305.5 | 301 | 278 | 266 | 266.5 | 279.5 |

Source: Finance Division, City of Ashland, Ohio

Method: Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee. Count taken from W-2s.

Some employees have more than one W-2.



CITY OF ASHLAND, OHIO

Operating Information

Operating Indicators by Function/Program

Last Ten Years

| Function/Program | 2012 | 2011 | 2010 | 2009 | 2008 |
|--|--------------|--------------|--------------|---------------|--------------|
| General Government | | | | | |
| Construction Permits Issued (1) | 9 | 6 | 9 | 10 | 56 |
| Estimated Value of Construction (1) | \$ 1,624,000 | \$ 1,083,000 | \$ 1,213,300 | \$ 22,987,925 | \$ 6,634,485 |
| Total Cases Filed (2) | 12,325 | 13,265 | 11,265 | 11,866 | 9,612 |
| Fines Collected (2) | \$ 3,307,294 | \$ 3,068,278 | \$ 3,076,082 | \$ 2,933,817 | \$ 923,245 |
| Economic Development Projects (3) | 54 | 40 | 46 | 45 | 42 |
| Purchase Orders Issued (4) | 977 | 546 | 735 | 473 | 582 |
| Number of W-2 Forms Issued (4) | 326 | 332 | 336 | 346 | 375 |
| Police (5) | | | | | |
| Total Incidents | 16,660 | 16,554 | 16,939 | 18,704 | 21,028 |
| Total Arrests | 1,339 | 390 | 1,319 | 1,208 | 518 |
| Hours of Training | 530 | 785 | 1,592 | 549 | 2,305 |
| Total Citations | 1,086 | 935 | 1,264 | 1,082 | 671 |
| Parking Tickets | 250 | 305 | 378 | 379 | 518 |
| Parking Ticket Fines Collected | \$ 4,905 | \$ 7,220 | \$ 7,235 | \$ 7,863 | \$ 10,098 |
| Fire (6) | | | | | |
| Fire Calls | 641 | 572 | 543 | 538 | 595 |
| EMS Calls | 3,058 | 3,230 | 2,988 | 3,016 | 3,021 |
| Total People Reached (Fire Safety Classes) | 767 | 601 | 386 | 1,678 | 1,134 |
| Hours of Training | 4,679 | 3,304 | 3,792 | 4,931 | 7,317 |
| Fire Loss | \$ 572,215 | \$ 5,952,090 | \$ 902,210 | \$ 919,800 | \$ 1,298,840 |
| Public Service | | | | | |
| Tons of snow melting salt used (7) | 2,419 | 4,927 | 4,041 | 4,800 | 8,996 |
| Leaves picked up (cubic yards) (7) | 6,707 | 4,823 | 6,240 | 8,818 | 5,558 |
| Diesel Fuel Used (gal.) (7)* | 35,483 | 36,371 | 35,942 | 30,245 | 1,112 |
| Unleaded Fuel Used (gal.) (7)* | 58,964 | 56,164 | 53,594 | 49,236 | 4,548 |
| Total Water Customers (8) | 7,257 | 7,613 | 7,820 | 7,218 | 7,248 |
| Water Receipts (8) | \$ 3,244,157 | \$ 2,967,778 | \$ 3,109,373 | \$ 3,214,130 | \$ 3,230,076 |
| Sewer Receipts (8) | \$ 3,766,871 | \$ 3,276,106 | \$ 3,179,785 | \$ 2,854,567 | \$ 2,389,225 |
| Refuse Receipts (8) | \$ 1,795,853 | \$ 1,538,533 | \$ 1,684,341 | \$ 1,706,628 | \$ 1,702,745 |
| Number of trees removed (9) | 272 | 302 | 176 | 185 | 315 |
| Number of trees planted (9) | 110 | 309 | 275 | 219 | 183 |
| Transports (10) | 32,116 | 34,012 | 33,899 | 27,158 | 28,430 |
| Miles Transported (10) | 162,417 | 138,830 | 130,611 | 129,990 | 155,565 |
| Recreation (11) | | | | | |
| Number of Brookside Pool Memberships | 166 | 159 | 129 | 147 | 201 |
| Number of Parks | 15 | 15 | 15 | 14 | 13 |
| Size of Parks (Acres) | 443 | 443 | 443 | 418 | 388 |
| Number of Golf Courses | 1 | 1 | 1 | 1 | 1 |

* Fuel statistics are estimates.

(Continued)

Sources: (1) City of Ashland Building and Zoning Department
 (2) City of Ashland Municipal Court
 (3) City of Ashland Economic Development
 (4) City of Ashland Finance Division
 (5) City of Ashland Police Department

(6) City of Ashland Fire Department
 (7) City of Ashland Street Department
 (8) City of Ashland Water and Sanitation Division
 (9) City of Ashland Arborist Division
 (10) City of Ashland Transit Division
 (11) City of Ashland Park Division

Note: Economic Development is not part of city as of 2006. Funded by city, county, & private investors.

CITY OF ASHLAND, OHIO

Operating Information

Operating Indicators by Function/Program

Last Ten Years

| <u>Function/Program</u> | 2007 | 2006 | 2005 | 2004 | 2003 |
|--|---------------|---------------|---------------|---------------|---------------|
| General Government | | | | | |
| Construction Permits Issued (1) | 95 | 85 | 121 | 118 | 121 |
| Estimated Value of Construction (1) | \$ 21,240,687 | \$ 17,154,880 | \$ 27,558,156 | \$ 20,278,983 | \$ 11,818,195 |
| Total Cases Filed (2) | 11,807 | 11,903 | 12,501 | 10,814 | 14,605 |
| Fines Collected (2) | \$ 2,838,741 | \$ 746,640 | \$ 827,615 | \$ 867,073 | \$ 1,020,309 |
| Economic Development Projects (3) | 40 | 40 | 26 | 48 | 40 |
| Purchase Orders Issued (4) | 656 | 708 | 454 | 659 | 715 |
| Number of W-2 Forms Issued (4) | 382 | 388 | 409 | 443 | 441 |
| Police (5) | | | | | |
| Total Incidents | 14,699 | 14,256 | 13,500 | 14,887 | 14,009 |
| Total Arrests | 1,515 | 1,279 | 1,435 | 1,526 | 1,487 |
| Hours of Training | 1,167 | 514 | 633 | 1,490 | 1,065 |
| Total Citations | 1,180 | 1,093 | 851 | 1,251 | 1,234 |
| Parking Tickets | 1,452 | 1,015 | 760 | 1,576 | 1,300 |
| Parking Ticket Fines Collected | \$ 1,170 | \$ 6,290 | \$ 4,830 | \$ 9,530 | \$ 8,110 |
| Fire (6) | | | | | |
| Fire Calls | 592 | 553 | 562 | 586 | 642 |
| EMS Calls | 3,336 | 3,041 | 3,049 | 3,020 | 2,919 |
| Total People Reached (Fire Safety Classes) | 2,018 | 4,100 | 3,838 | 4,000 | 3,917 |
| Hours of Training | 7,396 | 6,902 | 4,692 | 9,070 | 8,556 |
| Fire Loss | \$ 398,950 | \$ 1,291,520 | \$ 420,200 | \$ 581,795 | \$ 474,050 |
| Public Service | | | | | |
| Tons of snow melting salt used (7) | 3,537 | 1,547 | 4,792 | 4,519 | 5,268 |
| Leaves picked up (cubic yards) (7) | 7,957 | 6,361 | 6,697 | 1,076 | 6,515 |
| Diesel Fuel Used (gal.) (7)* | 11,181 | 6,522 | 9,662 | 11,529 | 12,028 |
| Unleaded Fuel Used (gal.) (7)* | 6,794 | 6,202 | 7,079 | 6,854 | 8,110 |
| Total Water Customers (8) | 7,924 | 7,924 | 7,903 | 7,823 | 7,898 |
| Water Receipts (8) | \$ 2,937,860 | \$ 2,937,860 | \$ 2,542,479 | \$ 2,039,641 | \$ 1,969,500 |
| Sewer Receipts (8) | \$ 2,446,003 | \$ 2,446,003 | \$ 2,484,555 | \$ 2,464,513 | \$ 2,537,693 |
| Refuse Receipts (8) | \$ 1,719,232 | \$ 1,719,232 | \$ 1,577,952 | \$ 1,475,639 | \$ 1,339,493 |
| Number of trees removed (9) | 228 | 228 | 107 | 116 | 91 |
| Number of trees planted (9) | 245 | 245 | 40 | 455 | 422 |
| Transports (10) | 24,334 | 24,334 | 25,700 | 29,838 | 13,995 |
| Miles Transported (10) | 176,677 | 176,677 | 138,105 | 156,548 | 61,861 |
| Recreation (11) | | | | | |
| Number of Brookside Pool Memberships | 212 | 212 | 179 | 254 | 354 |
| Number of Parks | 13 | 13 | 13 | 12 | 11 |
| Size of Parks (Acres) | 388 | 388 | 388 | 383 | 350 |
| Number of Golf Courses | 1 | 1 | 1 | 1 | 1 |

CITY OF ASHLAND, OHIO

Operating Information

Capital Asset Statistics by Function/Program
Last Nine Years

| Function/Program | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| General Government | | | | | | | | | |
| (1) Square Footage Occupied (Municipal Bld) | 21,726 | 21,726 | 21,726 | 21,726 | 21,726 | 21,726 | 21,726 | 21,726 | 21,726 |
| (3) Engineering Vehicles | 1 | 2 | 2 | 2 | 2 | 5 | 4 | 4 | 5 |
| (3) Other Departmental Vehicles | 7 | 7 | 7 | 6 | 10 | 10 | 10 | 10 | 11 |
| Police | | | | | | | | | |
| (1) Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| (1) Square Footage of Building | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| (3) Vehicles | 21 | 19 | 23 | 20 | 31 | 31 | 31 | 31 | 30 |
| Fire Station | | | | | | | | | |
| (1) Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| (1) Square Footage of Building | 15,377 | 15,377 | 15,377 | 15,377 | 15,377 | 15,377 | 15,377 | 15,377 | 15,377 |
| (3) Vehicles | 17 | 17 | 16 | 18 | 19 | 19 | 19 | 19 | 20 |
| Other Public Works | | | | | | | | | |
| (4) Streets (miles) | 115 | 115 | 115 | 97 | 97 | 95 | 93 | 92 | 91 |
| * Streetlights | * | * | * | * | * | * | * | * | * |
| (4) Traffic Signals (includes flashing) | 38 | 37 | 37 | 31 | 31 | 31 | 31 | 31 | 31 |
| (3) Public Service Vehicles | 79 | 80 | 85 | 89 | 130 | 130 | 95 | 89 | 93 |
| Recreation | | | | | | | | | |
| (2) Number of Parks | 15 | 15 | 15 | 14 | 13 | 13 | 13 | 13 | 12 |
| (3) Vehicles | 32 | 35 | 36 | 22 | 29 | 29 | 34 | 33 | 35 |
| Water | | | | | | | | | |
| (1) Water mains (miles) | 104 | 104 | 104 | 104 | 103 | 103 | 102 | 102 | 102 |
| (1) Fire hydrants | 921 | 920 | 920 | 920 | 916 | 910 | 900 | 900 | 900 |
| Wastewater | | | | | | | | | |
| (1) Sanitary Sewers (miles) | 100 | 100 | 100 | 100 | 97 | 96 | 95 | 95 | 95 |
| (1) Storm Sewers (miles) | 67 | 66 | 66 | 66 | 66 | 64 | 63 | 62 | 62 |
| Transit | | | | | | | | | |
| (3) Vehicles | 9 | 9 | 9 | 10 | 11 | 10 | 9 | 9 | 9 |

Source:

- (1) Ashland City Engineering Dept
- (2) Ashland City Park Dept
- (3) Ashland City Finance Dept - Asset Report
- (4) Street Dept (2011 - included flashing signals also)

* Streetlights are owned by the Electric Company

Note: Only last nine years available

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Dave Yost • Auditor of State

CITY OF ASHLAND

ASHLAND 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
JULY 23, 2013